



# HIRA

## GODAWARI POWER & ISPAT



REF: GPIL/NSE & BSE/2019/ 3857

Date: 12.07.2019

To,

1. The Listing Department,  
The National Stock Exchange Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai – 400051  
NSE Symbol: GPIL
2. The Corporate Relation Department,  
The Stock Exchange, Mumbai,  
1<sup>st</sup> Floor, Rotunda Building,  
Dalal Street, Mumbai – 400 001  
BSE Security Code: 532734

Dear Sirs,

**Sub: Intimation Regarding Annual General Meeting, Remote E-Voting and Submission of Notice.**

This is to inform you that the 20<sup>th</sup> Annual General Meeting (AGM) of Godawari Power and Ispat Limited is scheduled to be held on Saturday, 10<sup>th</sup> day of August, 2019 at 11:30 AM at the Corporate Office of the Company at 2<sup>nd</sup> Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur -492004, Chhattisgarh.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, please find attached herewith the Notice of AGM.


In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Company is pleased to provide the remote e-voting facility to its shareholders to exercise their vote by electronic means and the business may be transacted through e-voting services provided by Link Intime India Private Limited (LIPL) vide EVEN-190103 and through Ballot Paper at the venue of the meeting.

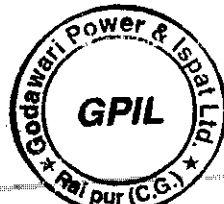
The remote e-voting period shall commence on 07.08.2019 (09:00 AM) and ends on 09.08.2019 (05:00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 03.08.2019 may cast their vote electronically.

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 & OHSAS 18001:2007 certified company  
CIN L27106CT1999PLC013756

**Registered Office and Works:** Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur - 493111, Chhattisgarh, India

P: +91 771 4082333, F: +91 771 4082234

**Corporate Address:** Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492001, Chhattisgarh, India

P: +91 771 4082000, F: +91 771 4057601

www.godawaripowerispat.com, www.hiragroup.com



## **GODAWARI POWER AND ISPAT LIMITED**

Registered Office: Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur - 493111, Chhattisgarh

Corporate Office: Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492004, Chhattisgarh

Web Site: [www.godawaripowerispat.com](http://www.godawaripowerispat.com), Email Id: [yarra.rao@hiragroup.com](mailto:yarra.rao@hiragroup.com)

CIN: L27106CT1999PLC013756 Contact No.: 0771-4082000 Fax: 0771-4057601

### **NOTICE OF ANNUAL GENERAL MEETING**

#### **TO ALL THE MEMBERS**

#### **GODAWARI POWER AND ISPAT LIMITED**

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of Godawari Power and Ispat Limited will be held on Saturday, the 10<sup>th</sup> day of August, 2019 at 11.30 A.M. at the Corporate Office of the Company situated at 2<sup>nd</sup> Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (Chhattisgarh) – 492004 to transact the following businesses:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements comprising of Balance Sheet as on 31<sup>st</sup> March, 2019 and Profit and Loss Account of the Company for the year ended 31<sup>st</sup> March, 2019 along with the reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Siddharth Agrawal (DIN: 02180571), who retires by rotation and being eligible for reappointment, offers himself for reappointment.

#### **SPECIAL BUSINESS:**

3. Re-appointment of Mr. Biswajit Choudhuri (DIN: 00149018) as an Independent Non-Executive Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

#### **“RESOLVED THAT**

- (a) pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Biswajit Choudhuri (DIN: 00149018), who was appointed as an Independent Non-Executive Director and holds office as such up to the conclusion of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for re-appointment and in respect of whom a written notice has been received under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Non-Executive Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in the Calendar Year 2024, not liable to retire by rotation.
  - (b) pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, sanction be and is hereby accorded to Mr. Biswajit Choudhuri to continue to hold office of Independent Director for second term of 5 years in spite of his age being more than 75 years.”
4. Re-appointment of Mr. Bhriгу Nath Ojha (DIN: 02282594) as an Independent Non-Executive Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

## **"RESOLVED THAT**

- (a) pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Bhrigu Nath Ojha (DIN: 02282594), who was appointed as an Independent Non-Executive Director and holds office as such up to the conclusion of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for re-appointment and in respect of whom a written notice has been received under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Non-Executive Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in the Calendar Year 2024, not liable to retire by rotation.
  - (b) pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, sanction be and is hereby accorded to Mr. Bhrigu Nath Ojha to continue to hold office of Independent Director for second term of 5 years in spite of his age being more than 75 years."
5. Re-appointment of Mr. Shashi Kumar (DIN: 00116600) as an Independent Non-Executive Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

## **"RESOLVED THAT**

- (a) pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Shashi Kumar (DIN: 00116600), who was appointed as an Independent Non-Executive Director and holds office as such up to the conclusion of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for re-appointment and in respect of whom a written notice has been received under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Non-Executive Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in the Calendar Year 2024, not liable to retire by rotation.
  - (b) pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, sanction be and is hereby accorded to Mr. Shashi Kumar to continue to hold office of Independent Director notwithstanding that he will be attaining the age of 75 years before expiry of his second term of 5 years."
6. Re-appointment of Mr. Harishankar Khandelwal (DIN: 00330891) as an Independent Non-Executive Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Harishankar Khandelwal (DIN: 00330891), who was appointed as an Independent Non-Executive Director and holds office as such up to the conclusion of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for re-appointment and in respect of whom a written notice has been received under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is

hereby re-appointed as an Independent Non-Executive Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in the Calendar Year 2024, not liable to retire by rotation.”

7. Re-appointment of Ms Bhavna Govindbhai Desai (DIN: 06893242) as an Independent Women Non-Executive Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms Bhavna Govindbhai Desai (DIN: 06893242), who was appointed as an Independent Women Non-Executive Director and holds office as such up to the conclusion of this Annual General Meeting and who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for re-appointment and in respect of whom a written notice has been received under Section 160 of the Act, from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Women Non-Executive Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in the Calendar Year 2024, not liable to retire by rotation.”

8. Revision in remuneration of Mr. Bajrang Lal Agrawal (DIN: 00479747) Managing Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification, amendments or re-enactments thereof for the time being in force) and such other approvals, permissions and sanctions consent of the Company, be and is hereby accorded for revision of remuneration payable to Mr. Bajrang Lal Agrawal (DIN: 00479747), Managing Director of the Company, as detailed in the statement forming part of this notice with liberty to the Board of Directors (hereinafter referred to as the ‘Board’ which term shall be deemed to include Nomination and Remuneration Committee of the Board) to vary and alter the terms and conditions of the said appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time.”

9. Revision in remuneration of Mr. Abhishek Agrawal (DIN: 02434507) Whole- Time Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification, amendments or re-enactments thereof for the time being in force) and such other approvals, permissions and sanctions consent of the Company be and is hereby accorded for revision of remuneration payable to Mr. Abhishek Agrawal (DIN: 02434507), Whole- Time Director of the Company as detailed in the statement forming part of this notice with liberty to the Board of Directors (hereinafter referred to as the ‘Board’ which term shall be deemed to include Nomination and Remuneration Committee of the Board) to vary and alter the terms and conditions of the said appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time.”

10. Revision in remuneration of Mr. Dinesh Kumar Agrawal (DIN: 00479936) Whole- Time Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification, amendments or re-enactments thereof for the time being in force) and such other approvals, permissions and sanctions consent of the Company be and is hereby accorded for revision of remuneration payable to Mr. Dinesh Kumar Agrawal (DIN: 00479936), Whole-Time Director of the Company as detailed in the statement forming part of this notice with liberty to the Board of Directors (hereinafter referred to as the 'Board' which term shall be deemed to include Nomination and Remuneration Committee of the Board) to vary and alter the terms and conditions of the said appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time."

11. Revision in remuneration of Mr. Vinod Pillai (DIN: 00497620) Whole- Time Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification, amendments or re-enactments thereof for the time being in force) and such other approvals, permissions and sanctions consent of the Company be and is hereby accorded for revision of remuneration payable to Mr. Vinod Pillai (DIN: 00497620), Whole- Time Director of the Company as detailed in the statement forming part of this notice with liberty to the Board of Directors (hereinafter referred to as the 'Board' which term shall be deemed to include Nomination and Remuneration Committee of the Board) to vary and alter the terms and conditions of the said appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time."

12. To approve the commission payable to Non-Executive Directors and Independent Directors of the Company and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 197, 198 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modifications or re-enactment thereof for the time being in force) and the Articles of Association of the Company and subject to such conditions, modifications, as may be prescribed or imposed by any of the authorities in granting such approvals permissions and sanctions and approval of the Board of Directors, approval of the Company be and is hereby accorded for payment of such sum by way of commission to its Non Executive Directors and Independent Directors, as the Board may determine from time to time, but not exceeding 1% of Net Profit of the Company, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, in addition to sitting fees being paid/payable for attending the meetings of the Board of Directors of the Company and its Committees thereof, for a period of 5 years commencing from 01st April, 2019."

13. To approve the remuneration of the Cost Auditors for the Financial Year ending 31<sup>st</sup> March, 2020 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the

time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending 31<sup>st</sup> March, 2020, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.”

14. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to provisions of Section 20 of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company may serve documents on its members, by sending the document(s) that he/ she is entitled to receive as a member under the Act, by post/ registered post/ speed post/ courier or such electronic or other particular mode as may be prescribed by such member.”

**“RESOLVED FURTHER THAT** the Company shall charge such fees which shall not be more than the amount charged by the Department of Post or the Service Provider(s) including related handling charges, if any, to deliver the documents in a particular mode and the member shall pay the estimated fees for such delivery, in advance before the dispatch of the said document.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

By Order of the Board

Place: Raipur  
Date: 01.07.2019

**Y.C. Rao**  
Company Secretary

# GODAWARI POWER & ISPAT LIMITED

## NOTES:

### 1. PROXY

A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself on a poll only and the proxy need not be a member of the Company. Proxy forms should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.

### 2. BOOK CLOSURE

The Register of Members and share transfer books of the Company shall remain closed from 03<sup>rd</sup> August, 2019 to 10th August, 2019 (both days inclusive) for the purpose of the Annual General Meeting (AGM) for the year ended 31<sup>st</sup> March, 2019.

3. Corporate Members are requested to send at the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.
4. Members / proxy holders are requested to bring their attendance slip duly signed so as to avoid inconvenience.
5. Members holding shares in physical form are requested to advise any change in their registered address, to the Company's Registrar and Share Transfer Agent (RTA), Link Intime India Private Limited (LIPL), Mumbai quoting their folio number. Members holding shares in electronic form must send the advice about change in their registered address or bank particulars to their respective Depository Participant and not to the Company.
6. Members desiring any information on the accounts of the Company are requested to write to the Company at least 10 days in advance so as to enable the Company to keep the information ready.
7. In all correspondence with the Company or with its Share Transfer Agent, members are requested to quote their folio number and in case the shares are held in the dematerialized form, they must quote their Client ID Number and their DPID Number.
8. Information under Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with respect to the details of the Directors seeking appointment/re-appointment are given in the additional information on Directors recommended for appointment/reappointment forming part of this notice.
9. The following are the details of dividends paid by the Company and respective due dates for transfer of unclaimed dividend to such Investor Education and Protection Fund (IEPF) of the Central Government:

Year of Dividend	Date of Declaration	Due date for transfer to IEPF
2011-12	29.09.2012	28.10.2019
2012-13	28.09.2013	27.10.2020
2013-14 (interim)	15.03.2014	14.04.2021
2013-14	27.09.2014	26.10.2021
2014-15	19.09.2015	18.10.2022
2015-16	NA	NA
2016-17	NA	NA
2017-18	NA	NA
2018-19	NA	NA

Further, the Company shall not be in a position to entertain the claims of the shareholders for the unclaimed dividends which have been transferred to the credit of the IEPF of the Central Government under the provisions of Section 125 of the Companies Act, 2013.

10. In furtherance of its "Go-Green" initiative, the Ministry of Corporate Affairs, Government of India, has mandated service of documents/ notices by companies to their shareholders through electronic mode. With a view to participate in the initiative, we request that you may provide your e-mail address, if you wish to receive the documents / notices etc. of our Company through electronic mode. You may send your e-mail address to the Company's RTA, LIPL, at their following e-mail address, mentioning your Folio No.(s), if you are holding shares in physical form, and DP ID and Client ID, if you are holding shares in Dematerialized form:- [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

Further, the Shareholder who wants physical copy of Annual Report and Notice may send a request to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in), mentioning DP ID and Client ID. The same shall be provided free of cost by the Company.

#### 11. VOTING THROUGH ELECTRONIC MEANS:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their vote at the 20<sup>th</sup> AGM by electronic means and the business may be transacted through e-Voting services provided by LIPL:

- I. The instructions for e- voting as under:
  - Log-in to e-Voting website of LIPL
  - i. Visit the e-voting system of LIPL.
  - ii. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>
  - iii. Click on "Login" tab, available under 'Shareholders' section.
  - iv. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT"
- II. Your User ID details are given below:
  - a) Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID.
  - b) Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID.
  - c) Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.
- III. Your Password details are given below: If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below: Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Shareholders holding shares in Demat Form or Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
DOB	Enter the DOB (Date of Birth) / DOI as recorded with depository participant or in the Company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio number.</p> <p>Please enter the DOB / DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or Company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (II-c).</p>

If you are holding shares in demat form and had registered on to e-voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any Company then you can use your existing password to login.



If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB / DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the Company in which they are a shareholder and eligible to vote, provided that the Company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Cast your vote electronically

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

- IV. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/View "Event No" of the Company, you choose to vote.
- V. On the voting page, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
- VI. Cast your vote by selecting appropriate option i.e. Favour/Against as desired.
- VII. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
- VIII. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
- IX. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
- X. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- XI. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.
- XII. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through email to office.csps@gmail.com with a copy marked to insta.vote@linkintime.co.in.
- XIII. Persons who have acquired shares and became Members of the Company after the dispatch of the Notice of the AGM (i.e. cut-off date for dispatch 30<sup>th</sup> June, 2019) but before the cut-off date of 03<sup>rd</sup> August, 2019 may obtain their user ID and password for e-voting by sending a request to our registrar and transfer agent at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- XIV. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
- XV. The e-voting period commences on 07<sup>th</sup> August, 2019 (09:00 am) and ends on 09<sup>th</sup> August, 2019 (05:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 03<sup>rd</sup> August, 2019, may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter. Once the vote on resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- XVI. The voting rights of shareholders shall be in proportion to their shares of the paid up Equity Share Capital of the Company as the cut-off date (record date) of 03<sup>rd</sup> August, 2019.
- XVII. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- XVIII. CS Brajesh R. Agrawal, C/o B R Agrawal & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- XIX. The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- XX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizers Report shall be placed on the Company's website [www.godawaripowerispat.com](http://www.godawaripowerispat.com) and on the website of LIPL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Limited (NSE).
- XXI. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (09:00 am to 05:00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

#### **GENERAL GUIDELINES FOR SHAREHOLDERS**

- I. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.
- II. They are also required to upload a scanned certified true copy of the board resolution/ authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
- III. During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- IV. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- V. In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Insta-vote e-voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an e-mail to [e-notices@linkintime.co.in](mailto:e-notices@linkintime.co.in) or Call us :- Tel : 022 – 49186000

By Order of the Board

Place: Raipur  
Date: 01.07.2019

**Y.C. Rao**  
Company Secretary

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS  
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item no. 3, 4, 5, 6 and 7:**

Mr. Biswajit Choudhuri (DIN: 00149018), Mr. Bhrigu Nath Ojha (DIN: 02282594), Mr. Shashi Kumar (DIN: 00116600), Mr. Harishankar Khandelwal (DIN: 00330891) and Ms. Bhavna Govindbhai Desai (DIN: 06893242) were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. They hold office as Independent Directors of the Company up to the conclusion / date of the ensuing Annual General Meeting of the Company ("first term" in line with the explanation to Section 149(10) and 149(11) of the Act).

The Nomination and Remuneration Committee of the Board of Directors of the Company, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, it is proposed to re-appoint Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") *inter alia* prescribe that an Independent Director of a Company shall meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 (1) (b) of Listing Regulations.

Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the Company and disclosure of such appointment in its Board's report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members under Section 160 of the Act proposing the candidature of Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, for the office of Independent Directors of the Company.

The Company has also received declarations from Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16 (1) (b) of Listing Regulations.

Further the approval from the members of the Company at the Extra Ordinary General Meeting held on 26<sup>th</sup> March, 2019 was obtained for continuation of Directorship beyond the age of seventy five (75) years of Mr. Biswajit Choudhuri and Mr. Bhrigu Nath Ojha, pursuant to the Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

In the opinion of the Board, Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai fulfill the conditions for appointment as Independent Directors and are independent of the management as specified in the Act and the Listing Regulations.

Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos. 3,4,5,6 and 7, are provided in the **"Annexure"** to the Notice pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India (SS-2).

Copies of the draft letters of appointment of Mr. Biswajit Choudhuri, Mr. Bhriagu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, setting out the terms and conditions of appointment are available for inspection by the members at the Registered Office of the Company.

Mr. Biswajit Choudhuri, Mr. Bhriagu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai are interested in the resolutions set out respectively at Item Nos. 3,4,5,6 and 7 of the Notice with regard to their respective re-appointments.

The relatives of Mr. Biswajit Choudhuri, Mr. Bhriagu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the Special Resolutions set out at Item Nos. 3,4,5,6 and 7 of the Notice for approval by the members.

#### **Item No. 8**

Mr. Bajrang Lal Agrawal, was re-appointed as Managing Director of the Company w.e.f. 12<sup>th</sup> August, 2015 for a period of 5 (five) years.

The Board of Directors approved the proposal as recommended by the Nomination and Remuneration Committee to revise his remuneration pursuant to the provisions of Section 196, 197, 203, Schedule V (including any statutory modifications, amendments or re-enactments thereto for the time being in force) and all other applicable provisions of the Act and subject to approval of the shareholders of the Company by way of Special Resolution as under:

**Salary:** In the scale of ₹ 20,00,000/- to ₹ 40,00,000/- per month with retrospective effect from 01<sup>st</sup> April, 2019.

#### **Perquisites and Other benefits:**

1. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of earned leave at the end of the tenure.
4. Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable to him shall always be subject to the overall ceilings laid down in Section 196 and 197 and other applicable provision of the Act.

#### **Minimum Remuneration**

Where in any Financial Year, the Company incurs a loss or its profits are inadequate, the Company shall pay the above remuneration by way of salary, commission, incentives, bonus, perquisites and other allowance as a minimum remuneration subject to the limits specified under Section II & III of Part II of Schedule V to the Act (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may prescribed by the Central Government from time to time as minimum remuneration.

Details for variation of terms of remuneration of Director as specified in SS-2 is provided in **Annexure** to the notice.

## GODAWARI POWER & ISPAT LIMITED

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Bajrang Lal Agrawal himself, Mr. Siddharth Agrawal and Mr. Abhishek Agrawal being relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

### Item No. 9:

Mr. Abhishek Agrawal, was re-appointed as Whole-Time Director of the Company w.e.f. 28<sup>th</sup> May, 2016 for a period of 5 (five) years.

The Board of Directors approved the proposal as recommended by the Nomination and Remuneration Committee to revise his remuneration pursuant to the provisions of Section 196, 197, 203, Schedule V (including any statutory modifications, amendments or re-enactments thereto for the time being in force) and all other applicable provisions of the Act and subject to approval of the shareholders of the Company by way of Special Resolution as under:

**Salary:** In the scale of ₹ 18,00,000/- to ₹ 30,00,000/- per month with retrospective effect from 01<sup>st</sup> April, 2019.

### Perquisites and Other benefits:

1. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of earned leave at the end of the tenure.
4. Children Education Allowance; In case of children studying in or outside India, an allowance limited to a maximum of ₹ 12000 per month per child or actual expenses incurred, whichever is less. Such allowance is admissible upto a maximum of two children.
5. Holiday passage for children studying outside India or family staying abroad; Return holiday passage once in a year by economy class or once in two years by first class to children and to the member of the family from the place of their study or stay abroad to India, if they are not residing in India, with the managerial person.
6. Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable to him shall always be subject to the overall ceilings laid down in Section 196 and 197 and other applicable provision of the Act.

### Minimum Remuneration

Where in any Financial Year, the Company incurs a loss or its profits are inadequate, the Company shall pay the above remuneration by way of salary, commission, incentives, bonus, perquisites and other allowance as a minimum remuneration subject to the limits specified under Section II & III of Part II of Schedule V to the Act (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may prescribed by the Central Government from time to time as minimum remuneration.

Details for variation of terms of remuneration of Director as specified in SS-2 is provided in **Annexure** to the notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Abhishek Agrawal himself, Mr. Bajrang Lal Agrawal and Mr. Siddharth Agrawal being relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 9.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

**Item No. 10:**

Mr. Dinesh Agrawal, was re-appointed as Whole Time Director of the Company w.e.f. 11<sup>th</sup> August, 2017 for a period of 5 (five) years.

The Board of Directors approved the proposal as recommended by the Nomination and Remuneration Committee to revise his remuneration pursuant to the provisions of Section 196, 197, 203, Schedule V (including any statutory modifications, amendments or re-enactments thereto for the time being in force) and all other applicable provisions of the Act and subject to approval of the Shareholders of the Company by way of Special Resolution as under:

**Salary:** In the scale of ₹ 18,00,000/- to ₹ 30,00,000/- per month with retrospective effect from 01<sup>st</sup> April, 2019.

**Perquisites and Other benefits:**

1. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of earned leave at the end of the tenure.
4. Children Education Allowance; In case of children studying in or outside India, an allowance limited to a maximum of ₹ 12000 per month per child or actual expenses incurred, whichever is less. Such allowance is admissible upto a maximum of two children.
5. Holiday passage for children studying outside India or family staying abroad; Return holiday passage once in a year by economy class or once in two years by first class to children and to the member of the family from the place of their study or stay abroad to India, if they are not residing in India, with the managerial person.
6. Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable to him shall always be subject to the overall ceilings laid down in Section 196 and 197 and other applicable provision of the Act.

**Minimum Remuneration**

Where in any Financial Year, the Company incurs a loss or its profits are inadequate, the Company shall pay the above remuneration by way of salary, commission, incentives, bonus, perquisites and other allowance as a minimum remuneration subject to the limits specified under Section II & III of Part II of Schedule V to the Act (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may prescribed by the Central Government from time to time as minimum remuneration.

Details for variation of terms of remuneration of Director as specified in SS-2 is provided in Annexure to the notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Dinesh Agrawal himself, is concerned or interested, financial or otherwise, in the resolution set out at Item No.10.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval by the members.

**Item No. 11:**

Mr. Vinod Pillai, was re-appointed as Whole Time Director of the Company w.e.f. 01<sup>st</sup> June, 2016 for a period of 5 (five) years.

The Board of Directors approved the proposal as recommended by the Nomination and Remuneration Committee to revise his remuneration pursuant to the provisions of Section 196, 197, 203, Schedule V (including any statutory modifications, amendments or re-enactments thereto for the time being in force) and all other applicable provisions of the Act and subject to approval of the Shareholders of the Company by way of Special Resolution as under:

**Salary:** In the scale of ₹ 1,90,000/- to ₹ 2,50,000/- per month with retrospective effect from 01<sup>st</sup> April, 2019.

## Perquisites and Other benefits:

1. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
2. Encashment of earned leave at the end of the tenure.
3. Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable to Mr. Vinod Pillai, shall always be subject to the overall ceilings laid down in Section 196 and 197 and other applicable provision of the Act.

## Minimum Remuneration

Where in any Financial Year, the Company incurs a loss or its profits are inadequate, the Company shall pay the above remuneration by way of salary, commission, incentives, bonus, perquisites and other allowance as a minimum remuneration subject to the limits specified under Section II & III of Part II of Schedule V to the Act (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may prescribed by the Central Government from time to time as minimum remuneration.

Details for variation of terms of remuneration of Director as specified in SS-2 is provided in **Annexure** to the notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Vinod Pillai himself, is concerned or interested, financial or otherwise, in the resolution set out at Item No.11.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the members.

## Item No. 12:

By the valued contribution made by the Non Executive Directors and Independent Directors through their active participation in the meetings of the Board and its Committees, the Company has been progressing over the years. These Directors are required to devote considerable time to provide and lay down the policies and guidelines to carry on the business competitively.

The Non Executive Directors and Independent Directors of the Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as marketing, technology, corporate strategy, information systems and finance and in business, management and administration, which has led to sound decisions.

In accordance with the provisions of Section 197 (1) (ii) (A) of the Act and Listing Regulations, remuneration by way of commission upto 1% of the net profits may be paid to the Non Executive Directors and Independent Directors, subject to the approval of shareholders.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No.12 of the Notice for approval of commission payable to the Non Executive and Independent Directors.

Mr. Siddharth Agrawal and Mr. Dinesh Gandhi Non-Executive Directors and Mr. Biswajit Choudhuri, Mr. Bhriugu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, Independent Directors of the Company, are concerned or interested financially in the resolution.

Except, Mr. Bajrang Lal Agrawal and Mr. Abhishek Agrawal, being relatives of Mr. Siddharth Agrawal, no other Directors or KMP of the Company or their relatives are, in any way, concerned with or interested in, financially or otherwise, in the resolution set out at Item No. 12.

The Board recommends the Special Resolution set out at Item No. 12 of the Notice for approval by the members.

**Item No.13:**

The Board, on the recommendation of the Audit Committee, has approved the reappointment and remuneration of M/s Sanat Joshi & Associates, Cost Auditors having Firm Registration No. 000506 to conduct the audit of the cost records of the Company for the Financial Year ending 31<sup>st</sup> March, 2020 at a remuneration of ₹ 75,000/-.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be determined by the Shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 13 of the Notice for determination of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2020.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 13.

The Board recommends the Ordinary Resolution set out at Item No. 13 of the Notice for approval by the members.

**Item No. 14:**

As per the provisions of Section 20 of the Act a document may be served on any member by sending it to him by Post/ Registered Post/ Speed Post/ Courier or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the Company in its Annual General Meeting.

Further, listed companies are required to send financial statements:

- (a) by electronic mode to such members whose shareholding is in Demat form and whose E-mail IDs are registered with Depository for communication purposes;
- (b) where Shareholding is held otherwise than by Demat form, to such members who have positively consented in writing for receiving by electronic mode; and
- (c) by dispatch of physical copies through any recognized mode of delivery as specified under Section 20 of the Act, in all other cases.

Therefore, to enable the members to avail this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document including financial statement, in a particular mode, as mentioned in the resolution.

Since the Act requires the fees to be determined in the Annual General Meeting, the Directors accordingly recommends the Ordinary Resolution at Item No. 14 of the accompanying notice, for the approval of the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 14 of the accompanying Notice.

By Order of the Board

Place: Raipur  
Date: 01.07.2019

**Y.C. Rao**  
Company Secretary



**Particulars of Directors seeking appointment / reappointment/ Retiring by Rotation at the ensuing Annual General Meeting (In Pursuance of Regulation 36(3) of Listing Regulations and SS-2:**

<b>A</b>	<b>NAME</b>	<b>MR. BISWAJIT CHOUDHURI</b>	<b>MR. BHRIGU NATH OJHA</b>	<b>MR. SHASHI KUMAR</b>
<b>B</b>	<b>Brief resume</b>			
	i) Age	77	75	72
	ii) Qualification	B.Tech (Hons), Fellow Member of ICWAI	Bachelor of Electrical Engineering	B.Sc. (Hons.) graduated in Mining Engineering
	iii) Experience in specific functional area	Engineering, Banking and Finance, Management	Power Sector	Mining and Power sector
	iv) Date of Appointment on the Board of the Company	25.09.2007	14.06.2008	25.09.2007
<b>C</b>	Terms and conditions of appointment or re-appointment	As per the resolution at Item No. 3 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 4 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 5 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto
<b>D</b>	Remuneration last drawn (including sitting fees for FY 2018-19, if any) (per annum)	₹ 10.60 Lakhs	₹ 9.75 Lakhs	₹ 9.20 lakhs
<b>E</b>	Remuneration proposed to be paid	Sitting Fees & Commission shall be paid within the prescribed limits laid under the Act	Sitting Fees & Commission shall be paid within the prescribed limits laid under the Act	Sitting Fees & Commission shall be paid within the prescribed limits laid under the Act
<b>F</b>	Nature of expertise in specific functional areas	More than five decades of experience in Engineering, Banking, Finance and Management	Over four decades of experience in Power sector.	Over four decades of rich experience in mining sector.
<b>G</b>	Name(s) of other Listed entities in which the person holds the Directorship	Ludlow Jute & Specialities Limited	NIL	NIL
<b>H</b>	*Chairman/Member of the Committee of the Board of Directors of the Company	1. Audit Committee* 2. Risk Management Committee* 3. Nomination and Remuneration Committee 4. Stakeholders Relationship committee	1. Stakeholders Relationship Committee* 2. Audit Committee 3. Risk Management Committee 4. Nomination and Remuneration Committee	1. Nomination and Remuneration Committee* 2. Corporate Social Responsibility Committee* 3. Risk Management Committee

A	NAME	MR. BISWAJIT CHOUDHURI	MR. BHRIGU NATH OJHA	MR. SHASHI KUMAR
I	*Chairman/ Member of the Committee of the Board of Directors of other Companies in which he is a Director.	<b>Audit Committee</b> <ol style="list-style-type: none"> <li>Ludlow Jute &amp; Specialities Ltd.*</li> <li>Hindusthan Engineering &amp; Industries Limited*</li> <li>Hira Ferro Alloys Limited*</li> </ol> <b>Stakeholders Relationship Committee</b> <ol style="list-style-type: none"> <li>Hira Ferro Alloys Limited</li> <li>Hindusthan Engineering &amp; Industries Limited*</li> </ol> <b>CSR Committee</b> <ol style="list-style-type: none"> <li>Hira Ferro Alloys Limited*</li> <li>Hindusthan Engineering &amp; Industries Limited</li> </ol> <b>Nomination And Remuneration Committee</b> <ol style="list-style-type: none"> <li>Ludlow Jute and Specialties Limited*</li> <li>Hira Ferro Alloys Limited*</li> <li>Hindustan Engineering &amp; Industries Limited*</li> </ol>	<b>Audit Committee</b> <ol style="list-style-type: none"> <li>Hira Ferro Alloys Limited</li> <li>Godawari Green Energy Limited</li> <li>Ardent Steel Limited*</li> </ol> <b>Stakeholders Relationship Committee</b> <ol style="list-style-type: none"> <li>Hira Ferro Alloys Limited</li> </ol> <b>CSR Committee</b> <ol style="list-style-type: none"> <li>Ardent Steel Limited</li> <li>Godawari Green Energy Limited*</li> </ol> <b>Nomination and Remuneration Committee</b> <ol style="list-style-type: none"> <li>Ardent Steel Limited*</li> <li>Godawari Green Energy Limited*</li> <li>Hira Ferro Alloys Limited*</li> </ol>	NIL
J	No. of Shares of ₹ 10/- each held by the Directors	NIL	NIL	NIL
K	Relationship with Directors inter-se (As per Section 2(77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014	None	None	None
L	No. of Board Meetings held/ attended during the year	4/4	4/3	4/4

## GODAWARI POWER & ISPAT LIMITED

A	NAME	MR. HARISHANKAR KHANDELWAL	MS. BHAVNA GOVINDBHAI DESAI	MR. SIDDHARTH AGRAWAL
B	Brief resume			
	i) Age	55	56	38
	ii) Qualification	Chartered Accountant	Bachelor in Commerce	B.Com and MBA
	iii) Experience in specific functional area	Accounts, finance and project planning	Shares and Security market activities	Project implementation, procurement of raw material, Plant maintenance, Production activities and marketing
	iv) Date of Appointment on the Board of the Company	11.08.2012	09.08.2014	27.02.2018
C	Terms and conditions of appointment or re-appointment	As per the resolution at Item No. 6 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 7 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	Since he is a Non-Executive Director, no terms of appointment were fixed.
D	Remuneration last drawn (including sitting fees for FY 2018-19, if any) (per annum)	₹ 9.55 Lakhs	₹ 9.10 Lakhs	NIL
E	Remuneration proposed to be paid	Sitting Fees & Commission shall be paid within the prescribed limits laid under the Act	Sitting Fees & Commission shall be paid within the prescribed limits laid under the Act	NIL
F	Nature of expertise in specific functional areas	Over 25 years of experience in the field of Corporate Planning and Strategy, Financial Analysis, Accounts & Auditing, Taxation, Costing /Budgeting, Finance, Business Development and Administration	Over two decades of experience in shares and security market activities. She was associated as a partner with a firm M/s G. B. Desai which is engaged in the business of dealing with securities.	Under his able leadership, 50 MW Solar Thermal Power Project of Godawari Green Energy Limited (Subsidiary Company) was setup. In the past, he has looked after the project implementation, procurement of raw material, Plant maintenance, Production activities and marketing of finished goods of the Company.
G	Name(s) of other Listed entities in which the person holds the Directorship	NIL	NIL	NIL

A	NAME	MR. HARISHANKAR KHANDELWAL	MS. BHAVNA GOVINDBHAI DESAI	MR. SIDDHARTH AGRAWAL
H	*Chairman/Member of the Committee of the Board of Directors of the Company	1. Audit Committee	1. Audit Committee 2. Stakeholders Relationship Committee	NIL
I	*Chairman/ Member of the Committee of the Board of Directors of other Companies in which he is a Director.	NIL	<b>Audit Committee</b> 1. Chettinad Cement Corporation Private Limited 2. Godawari Green Energy Limited 3. Ardent Steel Limited	<b>Corporate Social Responsibility Committee</b> 1. Godawari Green Energy Limited <b>Nomination and Remuneration Committee</b> 1. Hira Infra Tek Limited
J	No. of Shares of ₹ 10/- each held by the Directors	1,500	2,50,000	94,000
K	Relationship with Directors inter-se (As per Section 2(77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014	None	None	Son of Mr. Bajrang Lal Agrawal, Managing Director and Brother of Mr. Abhishek Agrawal, Whole Time Director of the Company and not related to any other Director/ KMP
L	No. of Board Meetings held/ attended during the year	4/4	4/4	4/3

## GODAWARI POWER & ISPAT LIMITED

### Particulars of Directors seeking variation in terms of remuneration In Pursuance of SS-2 :

A	NAME	MR. BAJRANG LAL AGRAWAL	MR. ABHISHEK AGRAWAL	MR. DINESH KUMAR AGRAWAL	MR. VINOD PILLAI
B	Brief resume				
	i) Age	65	35	48	51
	ii) Qualification	Electronic Engineer	Masters Degree in International Business from Leeds University, U.K.	Electronic Engineer	Commerce graduate
	iii) Experience in specific functional area	Strategic Planning, Project Planning, Production activities.	Operations and General Management Raw Material Procurement	Production and Marketing activities	Sales, Administration, Liaisoning and Logistics
	iv) Date of Appointment on the Board of the Company	17.08.2002	09.11.2016	21.09.1999	28.07.2009
C	Terms and conditions of appointment or re-appointment	As per the resolution at Item No. 8 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 9 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 10 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 11 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto
D	Remuneration last drawn (including sitting fees, if any) (per annum)	₹ 216.00 Lakhs	₹ 180.00 Lakhs	₹ 180.00 Lakhs	₹ 21.60 Lakhs
E	Remuneration / Sitting Fees proposed to be paid per month	In the slab of ₹ 20,00,000 to ₹ 40,00,000 along with other perquisites. Sitting Fee will not be paid.	In the slab of ₹ 18,00,000 to ₹ 30,00,000 along with other perquisites. Sitting Fee will not be paid.	In the slab of ₹ 18,00,000 to ₹ 30,00,000 along with other perquisites. Sitting Fee will not be paid.	In the slab of ₹ 1,90,000 to ₹ 2,50,000 along with other perquisites. Sitting Fee will not be paid.
F	Nature of expertise in specific functional areas	Over four decades of experience in Production activities	Over a decade of experience in Operations and General Management and in procuring of Raw Material	Over 25 years of experience and has been associated with the company's Ferro alloys and steel rolling units in the past	Over 25 years of experience and plays a vital role in commissioning of new projects of Hira Group of Industries
G	Name(s) of other Listed entities in which the person holds the Directorship	NIL	NIL	NIL	NIL

A	NAME	MR. BAJRANG LAL AGRAWAL	MR. ABHISHEK AGRAWAL	MR. DINESH KUMAR AGRAWAL	MR. VINOD PILLAI
H	*Chairman/Member of the Committee of the Board of Directors of the Company	1. Risk Management Committee	1. Corporate Social Responsibility Committee 2. Risk Management Committee	NIL	1. Corporate Social Responsibility Committee
I	*Chairman/ Member of the Committee of the Board of Directors of other Companies in which he is a Director.	NIL	NIL	NIL	<b>Audit Committee</b> 1. Godawari Energy Limited 2. Hira Infra-Tek Limited  <b>Nomination and Remuneration Committee</b> 1. Hira Infra-Tek Limited
J	No. of Shares of ₹ 10/- each held by the Directors	17,31,398	85,000	18,46,347	NIL
K	Relationship with Directors inter-se (As per Section 2(77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014	Father of Mr. Abhishek Agrawal, Whole Time Director of the Company and Mr. Siddharth Agrawal, Director and not related to any other Director/ KMP	Son of Mr. Bajrang Lal Agrawal, Managing Director and Brother of Mr. Siddharth Agrawal, Director of the Company and not related to any other Director/ KMP	None	None
L	No. of Board Meetings held/ attended during the year	4/4	4/4	4/3	4/4

**GODAWARI POWER AND ISPAT LIMITED**

Registered Office & Works: Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur – 493111, Chhattisgarh  
Corporate office: Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492004, Chhattisgarh  
Web Site: www.godawaripowerispat.com, Email Id: yarra.rao@hiragroup.com  
CIN: L27106CT1999PLC013756 Contact No.: 0771-4082000 Fax: 0771-4057601

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and  
Rule 19(3) of the Companies (Management and Administration) Rules, 2014 – Form No. MGT-11]

Name of the member(s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the member(s) holding ..... shares of the above named company, hereby appoint:

- (1) Name ..... Address .....  
Email Id: ..... Signature ..... or failing him/her;
- (2) Name ..... Address .....  
Email Id: ..... Signature ..... or failing him/her;
- (3) Name ..... Address .....  
Email Id: ..... Signature .....

And whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Saturday, the 10th Day of August, 2019 at 11:30 AM at Corporate Office of the Company situated at 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh - 492004 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Sl. No.	Resolutions	Optional*	
		For	Against
1.	Consider and adopt: Audited Standalone and Consolidated Financial Statements, Reports of the Board of Directors and Auditors thereon		
2.	Re-appointment of Mr. Siddharth Agrawal (DIN: 02180571), who retires by rotation		
3.	Re-appointment of Mr. Biswajit Choudhuri (DIN: 00149018) as an Independent Non-Executive Director		
4.	Re-appointment of Mr. Bhrigu Nath Ojha (DIN: 02282594) as an Independent Non-Executive Director		
5.	Re-appointment of Mr. Shashi Kumar (DIN: 00116600) as an Independent Non-Executive Director		
6.	Re-appointment of Mr. Harishankar Khandelwal (DIN: 00330891) as an Independent Non-Executive Director		
7.	Re-appointment of Ms. Bhavna Govindbhai Desai (DIN: 06893242) as an Independent Women Non-Executive Director		
8.	Revision in remuneration of Mr. Bajrang Lal Agrawal (DIN: 00479747) Managing Director		

Sl. No.	Resolutions	Optional*	
		For	Against
9.	Revision in remuneration of Mr. Abhishek Agrawal (DIN: 02434507) Whole - Time Director		
10.	Revision in remuneration of Mr. Dinesh Kumar Agrawal (DIN: 00479936) Whole - Time Director		
11.	Revision in remuneration of Mr. Vinod Pillai (DIN: 00497620) Whole - Time Director		
12.	Approval of the commission payable to Non-Executive Directors and Independent Directors of the Company		
13.	Approval of Remuneration of the Cost auditors		
14.	Consider and determine the fees for delivery of any document through a particular mode of delivery to a member		

Signed this .....day of ..... 2019

Signature of shareholder .....

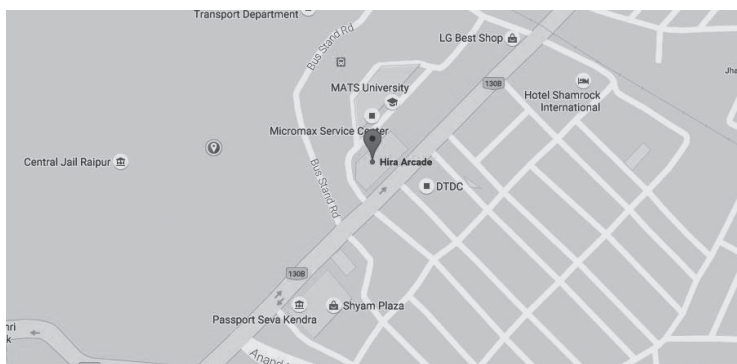
Signature of Proxy holder(s) .....

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. \*This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**Venue of the Meeting**

Second Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur,  
Chhattisgarh-492004







**GODAWARI POWER AND ISPAT LIMITED**

Registered Office & Works: Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur – 493111

Corporate Office: Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492004

Web Site: www.godawaripowerispat.com, Email Id: yarra.rao@hiragroup.com

CIN: L27106CT1999PLC013756 Contact No.: 0771-4082000 Fax: 0771-4057601

## Attendance Slip

**Registered Folio / DP ID & Client ID**

**Name and address of the Shareholder**

1. I, hereby record my presence at the 20th Annual General Meeting of the Company held on Saturday, the 10th August, 2019 at 11:30 AM at the Corporate Office of the Company at 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh – 492004.
2. Signature of Shareholder/Proxy Present:.....
3. Shareholder/ Proxy holder wishing to attend the meeting must bring the duly signed Attendance Slip to the meeting.
4. Shareholder/Proxy holder attending the meeting is requested to bring his/her copy of the Annual Report.

**PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING**

-----

### ELECTRONIC VOTING PARTICULARS

Event Number	USER ID	Default PAN/Sequence Number
<b>190103</b>		

**Note:** Please read the instructions given in the Notes to the Notice of 20th Annual General Meeting dated 01.07.2019. The E-voting period starts from 09:00 AM on Wednesday, the 07th day of August, 2019 and ends at 05:00PM on Friday, the 09th day of August, 2019. The e-voting module shall be disabled by LIPL for voting thereafter.



# HIRA

## GODAWARI POWER & ISPAT



REF: GPIL/NSE & BSE/2019/3859

Date: 12.07.2019

To,

1. The Listing Department,  
The National Stock Exchange Limited,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (E), Mumbai – 400051  
NSE Symbol: GPIL
2. The Corporate Relation Department,  
The Stock Exchange, Mumbai,  
1<sup>st</sup> Floor, Rotunda Building,  
Dalal Street, Mumbai – 400 001  
BSE Security Code: 532734

Dear Sirs,

**Sub.: Submission of Annual Report of the Company for the FY 2018-19**

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, please find enclosed herewith Annual Report of the Company for the FY 2018-19 including Notice convening the 20<sup>th</sup> Annual General Meeting (AGM) to be held on 10<sup>th</sup> August, 2019.

The Annual Report and the Notice of AGM is also placed on the website of the Company i.e. [www.godawaripowerispat.com](http://www.godawaripowerispat.com) and can be accessed as per the details given below:

Annual Report for the FY 2018-19:

Investor's Information > Financials > Annual Reports > Annual Report 2018-19

Notice of AGM to be held on 10<sup>th</sup> August, 2019:

Investor's Information > Shareholders > Notices > Notice of AGM-2019

Thanking you,

Yours faithfully,

For **GODAWARI POWER AND ISPAT LIMITED**

**Y.C. RAO**  
**COMPANY SECRETARY**

Encl.: As stated above

**Godawari Power & Ispat Limited**

An ISO 9001:2015, ISO 14001:2015 & OHSAS 18001:2007 certified company  
CIN L27106CT1999PLC013756

**Registered Office and Works:** Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur - 493111, Chhattisgarh, India

P: +91 771 4082333, F: +91 771 4082234

**Corporate Address:** Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492001, Chhattisgarh, India

P: +91 771 4082000, F: +91 771 4057601

[www.godawaripowerispat.com](http://www.godawaripowerispat.com), [www.hiragroup.com](http://www.hiragroup.com)

# **HIRA**

**GODAWARI POWER & ISPAT**



## **ANNUAL REPORT**

### **2018-19**

# Forward looking statement

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements-written and oral-that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substances in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe that we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## Contents

Company Information	02
Directors' Report	03
Corporate Governance Report	47
Management Discussion & Analysis	68
Standalone Financials	75
Consolidated Financials	115
Financial information of Subsidiary Companies, Associate and Joint Venture Companies	153

# Company Information

## BOARD OF DIRECTORS

Mr. Biswajit Choudhuri	Chairman (Independent Director)
Mr. Bajrang Lal Agrawal	Managing Director
Mr. Abhishek Agrawal	Executive Director
Mr. Dinesh Agrawal	Executive Director
Mr. Vinod Pillai	Executive Director
Mr. Dinesh Gandhi	Non-Executive Director
Mr. Siddharth Agrawal	Non-Executive Director
Mr. Shashi Kumar	Independent Director
Mr. Bhrigu Nath Ojha	Independent Director
Mr. Harishankar Khandelwal	Independent Director
Ms. Bhavna G. Desai	Independent Woman Director

## CFO

Mr. Sanjay Bothra	Chief Financial Officer
-------------------	-------------------------

## COMPANY SECRETARY

Mr. Y.C. Rao	Company Secretary & Compliance Officer
--------------	--

## AUDITORS

M/s. JDS & Co.  
Chartered Accountants, Raipur (C.G.)

## BANKERS

Canara Bank	State Bank of India
Bank of Baroda	Axis Bank Ltd.
IDBI Bank Ltd.	Indian Overseas Bank
The Lakshmi Vilas Bank Ltd.	

## SECURITY / DEBENTURE TRUSTEE:

Axis Trustee Services Limited	IDBI Trusteeship Services Limited
-------------------------------	-----------------------------------

## REGISTERED OFFICE & WORKS:

Plot No. 428/2, Phase I, Industrial Area,  
Siltara - 493 111, Dist. Raipur,  
Chhattisgarh, India.  
Tel: +91 - 771 4082333; Fax: +91 771 4082234

## CORPORATE OFFICE

First Floor, Hira Arcade, Near New Bus Stand,  
Pandri, Raipur - 492 004, Chhattisgarh, India  
Tel.: +91 - 771 - 4082001 Fax: 4057601  
Email: [yarra.rao@hiragroup.com](mailto:yarra.rao@hiragroup.com)

## MUMBAI OFFICE

Unit No. 403, Synergy Business Park, Sahakar Wadi,  
Goregaon (East), Mumbai - 400 063, Maharashtra, India,  
Tel: +91 - 22 - 64586100

## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 20<sup>th</sup> Annual Report on the business & operations of the Company together with the Standalone and Consolidated Audited Financial Statement for the year ended 31<sup>st</sup> March 2019.

### 1. HIGHLIGHTS OF PERFORMANCE

#### Standalone Operations:

- Revenue from operations for the year increased by 35.25% to ₹ 2875.25 Crores as compared to ₹ 2125.89 Crores achieved during previous Financial Year.
- EBITDA for the year increased by 43.15% to ₹ 622.63 Crores as compared to EBITDA of ₹ 434.96 Crores achieved in previous Financial Year.
- Profit after tax increased by 17.21% to ₹ 213.26 Crores as compared to net profit of ₹ 181.95 Crores in previous Financial Year.

#### Consolidated Operations:

- Revenue from operations for the year increased by 31.43% to ₹ 3321.64 Crores as compared to ₹ 2527.38 Crore during the previous Financial Year;
- EBITDA for the year increased by 32.52% to ₹ 795.20 Crores as compared to EBITDA of ₹ 600.04 Crores achieved during previous Financial Year.
- Profit after tax during the year increased by 21.41% to ₹ 260.66 Crores as compared to net profit after tax of ₹ 214.69 Crores during previous Financial Year.

### 2. FINANCIAL RESULTS

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
<b>Gross Revenue from operations</b>	<b>2875.25</b>	2125.89	<b>3321.64</b>	2527.38
Other Income	3.00	8.21	5.83	8.66
<b>Total Revenue</b>	<b>2878.25</b>	2134.10	<b>3327.47</b>	2536.04
<b>Operating expenses</b>	<b>2255.62</b>	1693.62	<b>2532.27</b>	1930.48
<b>Profit before Interest, Depreciation, Tax and Amortization (EBIDTA)</b>	<b>622.63</b>	440.48	<b>795.20</b>	605.56
Finance Costs	182.13	184.81	252.61	263.31
Depreciation and amortization expenses	90.51	89.49	132.85	131.80
Add: Share of Profit/(Loss) of Associates & Joint Ventures (after tax)	-	-	3.84	3.40
<b>Profit/(loss) before exceptional item and tax</b>	<b>349.99</b>	166.18	<b>413.58</b>	213.85
<b>Exceptional item</b>	-	5.52	-	5.52
<b>Profit/(Loss) Before Taxation</b>	<b>349.99</b>	160.66	<b>413.58</b>	208.33
Taxation (including Deferred Tax)	136.73	(21.28)	152.92	(6.36)
<b>Profit/(Loss) after Taxation (PAT)</b>	<b>213.26</b>	181.95	<b>260.67</b>	214.69
Other Comprehensive Income	(3.10)	0.73	(13.85)	19.67
<b>Total Comprehensive Income for the period comprising profit/(loss) &amp; other comprehensive income for the period</b>	<b>210.16</b>	182.68	<b>246.81</b>	234.36



## 3. REVIEW OF PERFORMANCE

The Financial Year 2018-19 was yet another challenging year in view of US-China trade dispute and slowing international prices. The business sentiments and demand also had an impact during year under review in view of State and Central Government elections leading to slow down in the consumption and lower GDP growth. The steel prices remained volatile during the year.

Despite the challenging environment your Company's performance has improved considerably net sales growing over 35% and EBITDA registering growth over 43% led by higher production volumes and better pricing environment supported by export of iron ore pellet from the Raipur plant. The company continues to make efforts to divert part of its pellet production to global market. Your company is also endeavoring to produce higher grade of iron ore pellets for export market, which may help Company improve the operating performance.

### Stand-alone Operations:

The performance of your Company during the year under review substantially improved due to buoyancy in the steel demand, consumption in domestic markets and export of iron ore pellets. The Company's performance during the year was highest ever in all fronts like sales, operating margins, EBITDA and Net Profit. The highlights of the financial performance for the year are as under:

- a) Net Sales Revenue increased by 35.25% to ₹ 2875.25 crores from ₹ 2125.89 crores recorded in previous year. The top line has improved on account of higher production volumes coupled with increase in prices of finished products. The Company achieved highest ever production volume in iron ore pellets, Steel rolling mill and wires divisions etc.
- b) Operating Profit margins during the year under review increased to 21.65% as compared to 20.46% in previous year.
- c) The Company registered Net Profit after tax of ₹ 210.17 crores as against ₹ 182.68 crores during the previous year.
- d) Net debt of the Company at the end of year stood at ₹ 1328.21 Crores as against ₹ 1501.81 Crores in previous year, reduction by ₹ 173.61 crores.

### Consolidated Operations:

- a) The revenue from operations during the Financial Year 2018-19 increased to ₹ 3321.64 crores from ₹ 2527.38 crores recorded in previous year registering a growth of 31.43%. The Consolidated performance improved followed by improvement of demand of iron ore pellets by Chinese Steel Industry and export of pellet by your Company and its subsidiary.

- b) EBITDA margin increased by 32.52% to ₹ 795.20 Crores as compared to EBITDA of ₹ 600.04 crores achieved in previous year. The consolidated margin also increased consequent upon improvement in margin in pellet business of the Company.
- c) The Company registered profit before tax of ₹ 413.58 crores as against profit before tax of ₹ 208.33 crores during the previous year registering a growth of 98.52%.
- d) The net debt on consolidated basis stood at ₹ 1894.05 Crores at the end of the year as compared to ₹ 2127.44 crores at the end of previous year, a reduction of ₹ 233.40 crores.

The detailed performance and financial review has been given in the Annexure to the Directors Report titled "Management Discussion and Analysis".

## 4. FINANCE

As members of the Company are aware, the debt of the Company was restructured in March, 2017. Your Company has made significant progress since then and your Company and its subsidiaries have been regular in making repayment of debt along with interest thereon. The debt account of the Company with all banks has been upgraded to "Standard Category". Your Company along with its subsidiary has made pre-payment of debt of ₹ 92.76 crores in GPIL and ₹ 36.22 crores in Ardent Steel Limited, in addition to the regular installment of the debt.

## 5. FURTHER ISSUE OF SECURITIES THROUGH QUALIFIED INSTITUTIONAL PLACEMENT

The shareholders of the Company at the Extra Ordinary General Meeting held on 27<sup>th</sup> February, 2018 has approved the proposal for raising of funds by further issue of securities, by way of private placement or otherwise. The said approval was valid for a period of one year from the date of passing of resolution. But due to unfavourable market conditions and price fluctuations in the security market, the said issue could not be completed within the stipulated time period of one year.

## 6. EXPANSION/NEW PROJECTS

Looking at huge emerging growth opportunity for demand of pre-fabricated galvanized structures used for railway electrification, solar power plant, electric grid and street lighting etc, and grow Company business, the Board of Directors of your Company has approved capital investment of ₹ 100 crores approx. (including capex of ₹ 56 Crores already done up-to 31/03/2019) out of normal capex plan for setting up of facility for manufacturing of 110,000 TPA Pre-Fabricated galvanized products. The

entire funds requirement for capex is being met from internal accruals of the Company, including capex done in FY19 as normal capex. The Company aims to grow the business to meet the growing demand for pre-fab galvanized structures.

The project for setting up of hot rolling mill for manufacture of wire rods is progressing fast and the same is expected to be commissioned Q2FY 20.

## **7. MERGER OF JAGDAMBA POWER & ALLOYS LTD (JPAL)**

The proposal for merger of JPAL, having 25 MW Captive Power generation facility with your Company, was approved by the Board of Directors of both the Companies, in their respective meetings held on 19<sup>th</sup> February, 2018 and subsequently by the stock exchanges. However, the proposal could not pass through in the court convened meeting of shareholders of JPAL and was dropped. However, the supply of electricity from JPAL power plant started during the year under review under a Power Purchase Agreement with JPAL. The location and power plant of JPAL is strategic for meeting your Company's long-term power requirement and therefore the Company continues to pursue the management of JPAL for acquisition of power business.

## **8. ANNUAL RETURN**

The extract of the Annual Return for the period under review is enclosed herewith as **ANNEXURE 01**. The Annual Return will be placed on the website of the Company after the conclusion of the ensuing Annual General Meeting.

## **9. NUMBER OF MEETINGS OF BOARD**

During the period under review, four Board Meetings were convened and held, the details of which are given in the Corporate Governance Report.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 based on the representations received from the operating management and Chief Financial Officer of the Company:

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) That your Directors have selected such accounting policies and applied them consistently, and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the

state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;

- c) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- d) That your Directors have prepared the annual accounts on a going concern basis;
- e) That your Directors had laid down proper internal financial controls to be followed by the Company and that such financial controls are adequate and were operating effectively; and
- f) That your Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **11. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTOR:**

All Independent Directors of the Company have given declarations as required under the provisions of Section 149 (7) of the Companies Act, 2013 stating that they meet the eligibility criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **12. SEPERATE MEETING OF INDEPENDENT DIRECTORS**

During the year under review, the Independent Directors held their separate meeting on 02<sup>nd</sup> February, 2019 inter alia, to discuss:

- Review the performance of Independent Directors.
- Review the performance of the Non-Independent Directors.
- Review the performance of the committees and Board as a whole.
- Review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non Executive Directors.
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.



## 13. NOMINATION AND REMUNERATION COMMITTEE AND ITS POLICY

Company's Policy on Directors Appointment and Remuneration including criteria for determining qualification, positive attributes, independence of directors and other matters provided under section 178(3) of the Companies Act, 2013 is attached herewith as **ANNEXURE 02** and is also placed at the website of the Company at [www.godawaripowerispat.com](http://www.godawaripowerispat.com).

During the period under review, the Board of Directors at their meeting held on 02.05.2018 had reconstituted the composition of Nomination and Remuneration Committee of the Company, by inducting Mr. Biswajit Choudhuri Independent Director of the Company as a Member of the Committee, in place of Mr. Dinesh Kumar Gandhi, Non Executive Director of the Company.

The Nomination and Remuneration Committee consists of three Independent Directors. More details are given in the Corporate Governance Report.

## 14. AUDIT COMMITTEE COMPOSITION:

During the period under review, the Board of Directors at their meeting held on 26.10.2018 had reconstituted the composition of Audit Committee of the Company, by inducting Ms. Bhavana Govindbhai Desai, Independent Director of the Company as a Member of the Committee, in place of Mr. Dinesh Kumar Gandhi, Non Executive Director of the Company.

The Audit Committee consists of four Independent Directors all having financial literacy. More details are given in the Corporate Governance Report.

## 15. AUDITORS

### Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and the rules framed thereafter, M/s JDS and Co., Chartered Accountants, were appointed as Statutory Auditors of the Company for a term of five consecutive Financial Years from the conclusion of Annual General Meeting held on 25.09.2017 till the conclusion of the Annual General Meeting of the Company to be held in the year 2022.

### Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Amendment Rules 2014 M/s Sanat Joshi & Associates has been appointed as cost auditors for conducting Cost Audit for the Financial Year under review.

### Internal Auditors

M/s. OPS & Co, Chartered Accountants were appointed as Internal Auditors for the Financial Year under review.

## Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Jain Tuteja & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company.

## 16. AUDITOR'S REPORTS

### • Statutory Auditors

There are no qualifications, reservations, adverse remarks or disclaimers in the statutory Auditor's Report on the financial statements of the Company for the Financial Year 2018-19 and hence does not require any explanations or comments by the Board.

### • Frauds reported by the Auditors:

No frauds have been reported by the Auditor during the Financial Year 2018-19.

### • Secretarial Audit

The Secretarial Audit Report received from the Secretarial Auditor of the Company for the Financial Year 2018-19 is annexed herewith as **ANNEXURE 03**.

The Company's subsidiary companies namely Godawari Green Energy Limited (GGEL) and Ardent Steel Limited (ASL), being the material subsidiaries of the Company, in accordance with Regulation 24A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 have also obtained Secretarial Audit Reports which are annexed herewith collectively as **ANNEXURE 04**.

There are no qualifications, reservations, adverse remarks or disclaimers in the Secretarial Auditor's Report on secretarial and other applicable legal compliances to be made by the Company and its Material Subsidiary Companies for the Financial Year 2018-19 and hence does not require any explanations or comments by the Board.

## 17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans given and investments made by the Company as covered under the provisions of Section 186 of the Companies Act, 2013 are given in Standalone Financial Statements (Ref. Notes 5 and 6). Your Company has not extended corporate guarantee on behalf of any other Company.

## 18. TRANSFER TO RESERVES

Your Company has transferred an amount of ₹ 12.10 Crores to the General Reserves Account during the Financial Year 2018-19 from Debentures Redemption

Reserve Account since the Debentures amounting to ₹ 19.47 crores have been redeemed during the Financial Year 2018-19.

#### 19. DIVIDEND

In view of the restrictions imposed in the Master Restructuring Agreement entered on 30<sup>th</sup> March, 2017, by the Company with its Lenders for restructuring of debt of the Company, the Board of Directors of the Company have not recommended payment of any dividend for the year under review.

#### 20. TRANSFER OF UNPAID & UNCLAIMED DIVIDEND & SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 125 of the Companies Act, 2013, the outstanding amount of dividend which remained unpaid or unclaimed for a period of seven years and shares whose dividend was unpaid/unclaimed for seven consecutive years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

During the year under review, the Company has credited ₹ 2,21,123/- to the Investor Education and Protection Fund (IEPF) pursuant to Section 125 of the Companies Act, 2013/ Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

During the year under review, the Company has also transferred 5,304 Equity Shares to the Investor Education and Protection Fund (IEPF) relating to 54 shareholders of the Company, whose dividend were unclaimed/unpaid for seven consecutive years, pursuant to Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company and the list of shareholders whose shares will be transferred to IEPF account, as on 28<sup>th</sup> July, 2018 (date of last Annual General Meeting) on the Company's website ([www.godawaripowerispat.com](http://www.godawaripowerispat.com) at Investors Information – Unclaimed Dividend) and on the website of the Ministry of Corporate Affairs.

Any person, whose unclaimed or unpaid amount has been transferred by the Company to IEPF may claim their refunds to the IEPF authority. For claiming such amount,

claimant needs to file form IEPF-5 along with requisite documents. The detailed procedure for claiming shares and Dividend Amount has been uploaded on the Website of the Company ([www.godawaripowerispat.com](http://www.godawaripowerispat.com) at Investors Information – Unclaimed Dividend) and also available on the website of IEPF ([www.iepf.gov.in](http://www.iepf.gov.in)).

The Nodal Officer for the purpose of IEPF is Company Secretary and the website address is [www.godawaripowerispat.com](http://www.godawaripowerispat.com).

#### 21. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION

There are no materials changes and commitments affecting the financial position of the Company occurred between the 01<sup>st</sup> April, 2019 to the date of this report.

#### 22. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **ANNEXURE 05**.

#### 23. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:

The Company has adopted a Risk Management Policy to identify and evaluate business risks associated with the operations and other activities of the Company and formulated risk mitigations strategies.

#### 24. RISK MANAGEMENT COMMITTEE:

The Company has constituted a Risk Management Committee of the Board ("Risk Management Committee") pursuant to resolution of the Board dated 29.09.2012. The Risk Management Committee consists of Three Independent Directors and two Executive Directors. The detailed composition of the members of the Risk Management Committee at present is given below:

S. No.	Name	Designation
1.	Mr. Biswajit Choudhuri	Chairman (Independent Non-Executive Director)
2.	Mr. Bajrang Lal Agrawal	Member (Managing Director)
3.	Mr. Abhishek Agrawal	Member (Executive Director)
4.	Mr. Bhrigu Nath Ojha	Member (Independent Non-Executive Director)
5.	Mr. Shashi Kumar	Member (Independent Non-Executive Director)

## GODAWARI POWER & ISPAT LIMITED

The committee met four times during the year 2018-19 and the attendance of the members at these meetings was as follows:

Name of the Chairman/ Member and Date of Meeting	Mr. Biswajit Choudhuri	Mr. Bajrang Lal Agrawal	M. Abhishek Agrawal	Mr. Bhriugu Nath Ojha	Mr. Shashi Kumar
02.05.2018	Present	Present	Present	Present	Present
28.07.2018	Present	Present	Present	Present	Present
26.10.2018	Present	Present	Present	Absent	Present
02.02.2019	Present	Present	Present	Present	Present

The Company has formulated a Risk Management Policy pursuant to the provisions of Companies Act, 2013. The risk management issues are discussed in detail in the report of Management Discussion and Analysis.

### 25. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has constituted a CSR Committee of the Board ("CSR Committee") pursuant to resolution of the Board dated 15.03.2014.

The Board of Directors at its meeting held on 15.03.2014 approved the powers, role and terms of reference of the CSR Committee in accordance with the provisions of Section 135 of the Companies Act, 2013, and policy framed thereunder has been disclosed on the website of the Company at [http://godawaripowerispat.com/wp-content/uploads/csr/csrpolicy\\_2014.pdf](http://godawaripowerispat.com/wp-content/uploads/csr/csrpolicy_2014.pdf). The CSR Committee consists of One Independent Director and Two Executive Directors. The detailed composition of the members of the CSR Committee at present is given below:

S. No.	Name	Designation
1.	Mr. Shashi Kumar	Chairman (Independent Non-Executive Director)
2.	Mr. Abhishek Agrawal	Member (Executive Director)
3.	Mr. Vinod Pillai	Member (Executive Director)

The committee met twice during the year 2018-19 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member and Date of Meeting	Mr. Shashi Kumar	Mr. Abhishek Agrawal	Mr. Vinod Pillai
02.05.2018	Present	Present	Present
02.02.2019	Present	Present	Present

#### CSR Committee's Responsibility Statement:

CSR Committees hereby states that the implementation and monitoring of CSR activities, is in compliance with CSR objectives and Policy of the Company.

### 26. ANNUAL REPORT ON CSR ACTIVITIES:

The Annual Report on CSR activities initiated and undertaken by the Company during the year under review is annexed herewith as an **ANNEXURE-06**.

### 27. ANNUAL EVALUATION OF BOARD ETC.:

The Nomination and Remuneration Committee has formulated criteria for evaluation of the performance of the each of the directors of the Company. On the basis of said criteria, the Board and all its committees and directors have been evaluated by the Board of the Directors and Independent Directors of the Company.

### 28. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into by the Company during the year under review were on arms length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with promoters, directors, key managerial personnel or related parties which may have a potential conflict with the interest of the Company at large.

### 29. CHANGES IN NATURE OF BUSINESS:

The Company has been engaged in the business of mining of captive iron ore and manufacturing the Iron Ore Pellets, Sponge Iron, Steel Billets, Wire Rods, HB Wires with generation of Power for captive consumption. There is no change in the nature of business of the Company during the year under review.

### 30. CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONNELS:

During the period under review, no Directors and Key Managerial Personnel were appointed or reappointed in the Company.

Pursuant to Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Shareholders of the Company was accorded, at the

Extra Ordinary General Meeting held on 26<sup>th</sup> March, 2019, for continuation of directorship of Mr. Biswajit Choudhuri and Mr. Bhirgu Nath Ojha, as they have attained the age of seventy five years.

Based on the performance evaluation of Independent Directors and their background and experience and contributions made by them during their tenure, the continued association of Mr. Biswajit Choudhuri, Mr. Bhirgu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, it was decided by the Board to re-appoint Mr. Biswajit Choudhuri, Mr. Bhirgu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

In accordance with the provisions of Section 152(6) (c) of the Companies Act, 2013 and the Company's Articles of Association, Mr. Siddharth Agrawal, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

### 31. CHANGES IN STATUS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the year under review, Hira Energy Ltd (HEL), became subsidiary of Ardent Steel Ltd, a subsidiary of your Company and accordingly HEL became a step down subsidiary of your Company.

The names of your Company's subsidiaries namely Godawari Clinkers and Cement Limited and Godawari Integrated Steels (India) Limited, have been voluntary struck off from the Register of ROC on 31.10.2018 and name of Krishna Global Minerals Limited, have been voluntary struck off on 02.11.2018. These Companies were non-operating Companies and did not commence any business activities.

There were no other changes, in the status of Subsidiaries/ Associates of the Company.

Your Company has also not entered into any new Joint Venture nor terminated any existing Joint Venture during the year under review.

### 32. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARY AND JOINT VENTURE COMPANIES:

#### Ardent Steel Limited (ASL):

During the year, ASL produced 572673 MTs of iron ore

pellets & sold 560831.72 MTs of pellets in the market. The Company achieved gross sales of ₹ 353.98 crores, EBIDTA of ₹ 91.52 Crores & PAT of ₹ 44.09 crores during year as compared to gross sales of ₹ 298.86 crore, EBIDTA of ₹ 76.42 crore & PAT of ₹ 28.18 crore during the previous year. The outstanding debt of the Company at the end of the year stood at ₹ 113.28 crore as against ₹ 151.02 crore outstanding as on 31<sup>st</sup> March, 2018 which is a reduction of ₹ 37.74 crore from last year.

#### Godawari Green Energy Limited (GGEL)

During the year, GGEL generated 84.91 million units (CUF 19.38%) as compared to 96.54 million units generation in FY18 which is 12% lower. The generation was lower on account of lower DNI during year and grid failure in the month of May 2017. The net revenue, EBIDTA & Loss for the period of the Company stood at ₹ 92.84 crore, ₹ 81.11 crore & ₹ 1.03 crore respectively during the year as compared to ₹ 105.36 crore, ₹ 89.86 crore & ₹ 0.62 crore respectively during previous year. The outstanding debt of the Company at the end of the year stood at ₹ 457.44 crore which is a reduction of ₹ 22.92 crore from last year debt of ₹ 480.36 crore.

The performance and financial position of the Company's subsidiaries namely Ardent Steel Limited; Godawari Green Energy Limited and Godawari Energy Limited, Associate Companies namely Jagdamba Power & Alloys Limited; Hira Ferro Alloys Limited for the Financial Year 2018-19 are given in **ANNEXURE 07**.

The results of Associate Company viz., Chhattisgarh Ispat Bhumi Limited and Joint Venture Companies namely Raipur Infrastructure Company Limited and Chhattisgarh Captive Coal Mining Limited are not yet audited and the results of Hira Energy Limited, Step Down Subsidiary, are not given since they have insignificant impact on the overall consolidated position of the Company.

However, Godawari Energy Limited and Chhattisgarh Captive Coal Mining Limited have not yet commenced their commercial operations and their projects have been abandoned.

### 33. DEPOSITS:

The Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

### 34. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

## GODAWARI POWER & ISPAT LIMITED

### 35. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal & financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

### 36. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an internal control system commensurate with the size and scale and complexity of its operations. The scope and authority of Internal Audit functions have been defined in the Internal Audit scope of work to maintain its objectivity and independence, the Internal Audit functions reports to the Chairman of the Audit Committee of the Board.

The Internal Audit department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating system, accounting procedures and policies of the Company and its subsidiaries. Based on the report of the Internal Auditors, process owners undertake corrective actions in their respective areas and thereby strengthen the control. Significant Audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### 37. MAINTENANCE OF COST RECORDS:

The Company is required to maintain cost records of the Company as specified under Section 148 (1) of the Companies Act, 2013. Accordingly, the Company has properly maintained cost records and accounts.

### 38. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints

Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary, Training) are covered under this Policy. However, no complaints have been received during the year 2018-19.

### 39. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Board of Directors have established 'Whistle Blower Policy' and 'Code of Conduct' for the directors & employees of the Company as required under the provisions of Sec. 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its powers) Rules, 2014 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The said policy has been properly communicated to all the directors and employees of the Company through the respective departmental heads and the new employees are being informed about the Vigil Policy by the Personnel Department at the time of their joining.

### 40. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 (12) read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is given in **ANNEXURE 08**. The Statement showing the names and other particulars of the employees of the Company as required under Rule 5 (2 & 3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be furnished since none of the employees of the Company has received remuneration in excess of the remuneration mentioned in the above mentioned Rule 5 (2) during the Financial Year 2018-19 except Mr. B.L Agrawal (Managing Director), Mr. Abhishek Agrawal (Executive Director) and Mr. Dinesh Agrawal (Executive Director) whose details are given below:

Particulars	Details		
Name	Mr. Bajrang Lal Agrawal	Mr. Abhishek Agrawal	Mr. Dinesh Agrawal
Designation	Managing Director	Whole Time Director	Whole Time Director
Remuneration Paid	₹ 2.16 Crore per annum	₹ 1.80 Crore per annum	₹ 1.80 Crore per annum
Nature of employment, Whether contractual or otherwise	Permanent	Permanent	Permanent
Qualifications and Experience of the employee	B.E (Electronic) and has a experience of more than 40 years in cement, steel, power and mining sectors.	B.E. (Electronics) & M. Sc International Business from University of Leeds and has experience of more than 8 years.	Electronic Engineer and experience in business for over 15 years.



Particulars	Details		
Date of commencement of employment	17.08.2002	09.11.2011	21.09.1999
The age of such employee	65	35	48
The last employment held by such employee before joining the Company	N.A.	N.A.	N.A.
The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) above	Individually Holding:4.91 % Spouse Holding: 4.33 % Total holding along with spouse: 9.24 %	Individually Holding:0.24 %	Individually Holding:5.24 %
Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager	Mr. Abhishek Agrawal and Mr. Siddharth Agrawal	Mr. Bajrang Lal Agrawal and Mr. Siddharth Agrawal	None

#### 41. CORPORATE GOVERNANCE REPORT:

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance and a certificate of non-disqualification of directors from Practising Company Secretary forming an integral part of this Report is given as **ANNEXURE 09**.

#### 42. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate management discussion and analysis report, forms an integral part of this Report.

#### 43. ACKNOWLEDGEMENTS:

The Board expresses its sincere gratitude to the shareholders, bankers/lenders, Investors, vendors, State and Central Government authorities and the valued customers for their continued support. The Board also wholeheartedly acknowledges and appreciates the dedicated efforts and commitment of all employees of the Company.

For and on behalf of Board of Directors

Place: Raipur  
Date: 30.04.2019

Chairman

**ANNEXURE-01 TO DIRECTORS' REPORT****FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN****As on the Financial Year ended on 31.03.2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

CIN	L27106CT1999PLC013756
Registration Date :	21.09.1999
Name of the Company:	Godawari Power and Ispat Limited
Category / Sub-Category of the Company:	Public Company Limited by Shares Indian Non-Government Company
Address of the Registered office and contact details:	Plot No. 428/2, Phase I, Industrial Area, Siltara, Dist. Raipur Chhattisgarh - 492001 Phone : +91-771-4082333 Fax : +91-771-4082234 Website : www.godawaripowerispat.com
Whether listed company:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Private Limited C-101,247 Park, L B S Marg, Vikhroli West, Mumbai, Maharashtra -400083. Ph: 022-49186270 Fax: 022-49186060 Email: rnt.helpdesk@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Iron Ore Pellets	13100	34.40%
2.	Steel Billets	27141	13.99%
3.	H.B. Wires	27181	19.03%
4.	M.S. Round / TMT Bar	27152	10.66 %

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Ardent Steel Limited F-9, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.) 492004	U27310CT2007PLC007671	Subsidiary	76.34%	2(87)
2	Godawari Green Energy Limited Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.) 492001	U40102CT2009PLC021285	Subsidiary	76.12 %	2(87)

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3.	Godawari Energy Limited First Floor, Hira Arcade, Near New Bus Stand, Pandri Raipur (C.G.) 492001	U40100CT2008PLC020552	Subsidiary	51.30%	2(87)
4.	Hira Ferro Alloys Limited Plot No. 567/B Urla Industrial Area, Raipur (C.G.) 493221	U27101CT1984PLC005837	Associate	48.45%	2(6)
5.	Chhattisgarh Ispat Bhumi Limited C/o M/s Classic Cycle Private Limited, In Front of MJ Steels, Siltara Phase - II, Siltara, Raipur (C.G.) 493111	U45303CT2004PLC017186	Associate	35.36%	2(6)
6.	Jagdamba Power & Alloys Limited Hira Arcade, Hira Group of Company, New Bus Stand Raipur (C.G.) 492001	U27104CT1999PLC013744	Associate	33.96%	2(6)
7.	Raipur Infrastructure Company Limited Vanijya Bhawan, Sai Nagar, Devendra Nagar Road, Raipur (C.G.) 492001	U45203CT2004PLC016321	Joint Venture	33.33%	2(6)
8.	Chhattisgarh Captive Coal Mining Limited Gokulpuram, Kachna Road, Khamardih, Shankar Nagar, Raipur (C.G.) 492004	U01410CT2005PLC018224	Joint Venture	25.93%	2(6)

#### IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

##### (A) Category-wise Share Holding

Category of Shareholders	Shareholding at the beginning of the year as on 01.04.2018				Shareholding at the end of the year as on 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

##### Shareholding of Promoter and Promoter Group

##### Indian

Individuals / Hindu Undivided Family	18925684	0	18925684	53.71	18925684	0	18925684	53.71	0.00
Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)									
Persons Acting In Concert	1125000	0	1125000	3.19	1125000	0	1125000	3.19	0.00
Bodies Corporate	3685169	0	3685169	10.46	3685169	0	3685169	10.46	0.00
<b>Sub Total (A)(1)</b>	<b>23735853</b>	<b>0</b>	<b>23735853</b>	<b>67.36</b>	<b>23735853</b>	<b>0</b>	<b>23735853</b>	<b>67.36</b>	<b>0.00</b>



# GODAWARI POWER & ISPAT LIMITED

Category of Shareholders	Shareholding at the beginning of the year as on 01.04.2018				Shareholding at the end of the year as on 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Foreign									
Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
Government	0	0	0	0.00	0	0	0	0.00	0.00
Institutions	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	23735853	0	23735853	67.36	23735853	0	23735853	67.36	0.00
Public Shareholding									
Institutions									
Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio Investor	581090	0	581090	1.65	2013092	0	2013092	5.71	4.06
Financial Institutions / Banks	6832	0	6832	0.02	59988	0	59988	0.17	0.15
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (B)(1)	587922	0	587922	1.67	2073080	0	2073080	5.88	4.21
Central Government/ State Government(s)/ President of India									
Central Government / State Government(s)	2665	0	2665	0.01	7969	0	7969	0.02	0.02
Sub Total (B)(2)	2665	0	2665	0.01	7969	0	7969	0.02	0.02
Non-Institutions									
Individuals									
Individual shareholders holding nominal share capital upto ₹ 1 lakh.	4059529	707	4060236	11.52	4206829	647	4207476	11.94	0.42
Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3566823	0	3566823	10.12	2436569	0	2436569	6.92	-3.21
NBFCs registered with RBI	0	0	0	0.00	13703	0	13703	0.04	0.04

Category of Shareholders	Shareholding at the beginning of the year as on 01.04.2018				Shareholding at the end of the year as on 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)									
Trusts	100	0	100	0.00	100	0	100	0.00	0.00
Hindu Undivided Family	493435	0	493435	1.40	450465	0	450465	1.28	-0.12
Non Resident Indians (Non Repat)	43708	0	43708	0.12	71385	0	71385	0.20	0.08
Other Directors	268500	0	268500	0.76	269500	0	269500	0.76	0.00
Non Resident Indians (Repat)	96501	0	96501	0.27	95489	0	95489	0.27	0.00
Clearing Member	323691	0	323691	0.92	238969	0	238969	0.68	-0.24
Bodies Corporate	2056813	0	2056813	5.84	1635689	0	1635689	4.64	-1.20
<b>Sub Total (B)(3)</b>	<b>10909100</b>	<b>707</b>	<b>10909807</b>	<b>30.96</b>	<b>9418698</b>	<b>647</b>	<b>9419345</b>	<b>26.73</b>	<b>-4.23</b>
<b>Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>11499687</b>	<b>707</b>	<b>11500394</b>	<b>32.64</b>	<b>11499747</b>	<b>647</b>	<b>11500394</b>	<b>32.64</b>	<b>0.00</b>
<b>Non Promoter - Non Public</b>									
Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total (A)+(B)+(C)</b>	<b>35235540</b>	<b>707</b>	<b>35236247</b>	<b>100.00</b>	<b>35235600</b>	<b>647</b>	<b>35236247</b>	<b>100.00</b>	<b>0.00</b>

**(B) Shareholding of Promoters**

S. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01.04.2018			Share holding at the end of the year as on 31.03.2019			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	Promoters							
1	Bajrang Lal Agrawal	1731398	4.91	4.91	1731398	4.91	4.61	0.00
2	N P Agrawal	769346	2.18	2.18	769346	2.18	2.18	0.00
3	Hanuman Prasad Agrawal	1255000	3.56	3.56	1255000	3.56	3.19	0.00
4	Dinesh Agrawal	1846347	5.24	5.24	1846347	5.24	4.92	0.00

## GODAWARI POWER & ISPAT LIMITED

S. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01.04.2018			Share holding at the end of the year as on 31.03.2019			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	Person Acting in concert with Promoters and Promoters Group							
5	Bajrang Lal Agrawal HUF	2738932	7.77	0.91	2738932	7.77	0.91	0.00
6	Kumar Agrawal	2460678	6.98	2.84	2460678	6.98	0.00	0.00
7	Siddharth Agrawal	94000	0.27	0.00	94000	0.27	0.00	0.00
8	Abhishek Agrawal	85000	0.24	0.00	85000	0.24	0.00	0.00
9	Vinay Agrawal	1875466	5.32	0.00	1875466	5.32	0.00	0.00
10	Pranay Agrawal	546958	1.55	0.00	546958	1.55	0.00	0.84
11	Prakhar Agrawal	532500	1.51	0.00	532500	1.51	0.00	0.85
12	Sarita Devi Agrawal	1525729	4.33	4.06	1525729	4.33	0.00	0.00
13	Kanika Agrawal	116100	0.33	0.00	116100	0.33	0.00	0.00
14	Reena Agrawal	101000	0.29	0.00	101000	0.29	0.00	0.00
15	Madhu Agrawal	50000	0.14	0.00	50000	0.14	0.00	0.00
16	Late Suresh Agrawal*	625000	1.77	0.00	625000	1.77	0.00	0.00
17	Narayan Prasad Agrawal HUF	475000	1.35	0.00	475000	1.35	0.00	0.00
18	Dinesh Agrawal HUF	839059	2.38	0.00	839059	2.38	0.00	0.00
19	Suresh Kumar Agrawal HUF	778171	2.21	0.00	778171	2.21	0.00	0.00
20	Radheshyam Agrawal HUF	480000	1.36	1.36	480000	1.36	1.36	0.00
21	Dinesh Kumar Gandhi (GPIL Beneficiary Trust)	1125000	3.19	0.00	1125000	3.19	0.00	0.00
22	Hira Cement Limited	214517	0.61	0.00	214517	0.61	0.00	0.00
23	Hira Infra-Tek Limited	1790652	5.08	0.00	1790652	5.08	0.00	0.00
24	Hira Ferro Alloys Limited	1200000	3.41	3.41	1200000	3.41	3.41	0.00
25	Alok Ferro Alloys Limited	480000	1.36	1.36	480000	1.36	1.36	0.00
	Total	23735853	67.36	29.83	23735853	67.36	21.94	0.00

\*Under process of transmission in the name of his legal heirs.

### C. Change in Promoters' Shareholding (please specify, if there is no change)

During the period under review, there is no change in promoter's and promoter's shareholding.

**D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year as on 01.04.2018		Transactions during the year		Cumulative Shareholding at the end of the year as on 31.03.2019	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	No. of shares	No. of Shares held	% of Total Shares of the Company
<b>1</b>	<b>HSBC Global Investment Funds - Asia Ex Japan Equity Smaller Companies</b>	476500	1.35			476500	1.35
	Transfer			13 Apr 2018	21510	498010	1.41
	Transfer			20 Apr 2018	65821	563831	1.60
	Transfer			27 Apr 2018	7296	571127	1.62
	Transfer			08 Jun 2018	128434	699561	1.99
	Transfer			15 Jun 2018	112352	811913	2.30
	Transfer			22 Jun 2018	174790	986703	2.80
	Transfer			30 Jun 2018	220150	1206853	3.43
	Transfer			06 Jul 2018	74547	1281400	3.64
	Transfer			13 Jul 2018	1103	1282503	3.64
	Transfer			27 Jul 2018	4233	1286736	3.65
	Transfer			03 Aug 2018	36061	1322797	3.75
	Transfer			10 Aug 2018	59806	1382603	3.92
	Transfer			17 Aug 2018	50220	1432823	4.07
	Transfer			14 Sep 2018	-43400	1389423	3.94
	Transfer			21 Sep 2018	-14219	1375204	3.90
	Transfer			05 Oct 2018	51544	1426748	4.05
	Transfer			12 Oct 2018	2543	1429291	4.06
	Transfer			19 Oct 2018	29018	1458309	4.14
	Transfer			07 Dec 2018	90200	1548509	4.39
	Transfer			14 Dec 2018	-61839	1486670	4.22
	Transfer			01 Feb 2019	92419	1579089	4.48
	<b>At the end of the year</b>					<b>1579089</b>	<b>4.48</b>
<b>2</b>	<b>Bhadra Jayantilal Shah</b>	275000	0.78			275000	0.78
	Transfer			11 Jan 2019	-15000	260000	0.74
	<b>At the end of the year</b>					<b>260000</b>	<b>0.74</b>
<b>3</b>	<b>Bhavna Govindbhai Desai</b>	250000	0.71			250000	0.71
	Transfer			22 Mar 2019	-1000	249000	0.71
	Transfer			29 Mar 2019	1000	250000	0.71
	<b>At the end of the year</b>					<b>250000</b>	<b>0.71</b>

## GODAWARI POWER & ISPAT LIMITED

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year as on 01.04.2018		Transactions during the year		Cumulative Shareholding at the end of the year as on 31.03.2019	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	No. of shares	No. of Shares held	% of Total Shares of the Company
4	<b>Rapid Estates Private Limited</b>	303500	0.86			303500	0.86
	Transfer			13 Apr 2018	-50000	253500	0.72
	Transfer			20 Apr 2018	-10000	243500	0.69
	Transfer			04 Jan 2019	-20000	223500	0.63
	Transfer			08 Mar 2019	-19607	203893	0.58
	Transfer			15 Mar 2019	-15306	188587	0.54
	<b>At the end of the year</b>					<b>188587</b>	<b>0.54</b>
5	<b>Chhatisgarh Investments Limited</b>	2319	0.01			2319	0.01
	Transfer			06 Apr 2018	-2319	0	0.00
	Transfer			15 Feb 2019	19742	19742	0.06
	Transfer			22 Feb 2019	97165	116907	0.33
	Transfer			01 Mar 2019	65596	182503	0.52
	Transfer			08 Mar 2019	3884	186387	0.53
	<b>At the end of the year</b>					<b>186387</b>	<b>0.53</b>
6	<b>Abhishek Khaitan</b>	255000	0.72			255000	0.72
	Transfer			04 May 2018	-5527	249473	0.71
	Transfer			22 Jun 2018	-28131	221342	0.63
	Transfer			17 Aug 2018	-40000	181342	0.51
	Transfer			19 Oct 2018	-19000	162342	0.46
	Transfer			15 Mar 2019	-81342	81000	0.23
	Transfer			22 Mar 2019	81342	162342	0.46
	<b>At the end of the year</b>					<b>162342</b>	<b>0.46</b>
7	<b>Lalit Kumar Khaitan</b>	255000	0.72			255000	0.72
	Transfer			04 May 2018	-5000	250000	0.71
	Transfer			17 Aug 2018	-70000	180000	0.51
	Transfer			19 Oct 2018	-19000	161000	0.46
	Transfer			15 Mar 2019	-80000	81000	0.23
	Transfer			22 Mar 2019	80000	161000	0.46
	<b>At the end of the year</b>					<b>161000</b>	<b>0.46</b>
8	<b>Pace Stock Broking Services Private Limited</b>	6551	0.02			6551	0.02
	Transfer			06 Apr 2018	-4119	2432	0.01
	Transfer			13 Apr 2018	18419	20851	0.06
	Transfer			20 Apr 2018	-20625	226	0.00
	Transfer			27 Apr 2018	-100	126	0.00

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year as on 01.04.2018		Transactions during the year		Cumulative Shareholding at the end of the year as on 31.03.2019	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	No. of shares	No. of Shares held	% of Total Shares of the Company
8	Transfer			11 May 2018	465	591	0.00
	Transfer			18 May 2018	-115	476	0.00
	Transfer			25 May 2018	2586	3062	0.01
	Transfer			01 Jun 2018	314	3376	0.01
	Transfer			08 Jun 2018	2000	5376	0.02
	Transfer			15 Jun 2018	-4000	1376	0.00
	Transfer			22 Jun 2018	-800	576	0.00
	Transfer			30 Jun 2018	-26	550	0.00
	Transfer			06 Jul 2018	1538	2088	0.01
	Transfer			13 Jul 2018	-1738	350	0.00
	Transfer			27 Jul 2018	4000	4350	0.01
	Transfer			03 Aug 2018	-2350	2000	0.01
	Transfer			10 Aug 2018	-2000	0	0.00
	Transfer			31 Aug 2018	100	100	0.00
	Transfer			07 Sep 2018	-100	0	0.00
	Transfer			05 Oct 2018	3100	3100	0.01
	Transfer			12 Oct 2018	10	3110	0.01
	Transfer			19 Oct 2018	35040	38150	0.11
	Transfer			26 Oct 2018	59950	98100	0.28
	Transfer			23 Nov 2018	3209	101309	0.29
	Transfer			30 Nov 2018	4700	106009	0.30
	Transfer			07 Dec 2018	-1632	104377	0.30
	Transfer			14 Dec 2018	900	105277	0.30
	Transfer			21 Dec 2018	1000	106277	0.30
	Transfer			28 Dec 2018	-100	106177	0.30
	Transfer			04 Jan 2019	1898	108075	0.31
	Transfer			18 Jan 2019	505	108580	0.31
	Transfer			01 Feb 2019	6255	114835	0.33
	Transfer			08 Feb 2019	8741	123576	0.35
	Transfer			15 Feb 2019	-7500	116076	0.33
	Transfer			22 Feb 2019	-5500	110576	0.31
	Transfer			01 Mar 2019	3000	113576	0.32
	Transfer			08 Mar 2019	10000	123576	0.35
	Transfer			15 Mar 2019	150342	273918	0.78
	Transfer			22 Mar 2019	-122342	151576	0.43
	Transfer			29 Mar 2019	-900	150676	0.43
	<b>At the end of the year</b>					<b>150676</b>	<b>0.43</b>

## GODAWARI POWER & ISPAT LIMITED

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year as on 01.04.2018		Transactions during the year		Cumulative Shareholding at the end of the year as on 31.03.2019	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	No. of shares	No. of Shares held	% of Total Shares of the Company
9	<b>IL and FS Securities Services Limited</b>	77785	0.22			77785	0.22
	Transfer			06 Apr 2018	-2516	75269	0.21
	Transfer			13 Apr 2018	-1420	73849	0.21
	Transfer			20 Apr 2018	-5859	67990	0.19
	Transfer			27 Apr 2018	-22000	45990	0.13
	Transfer			04 May 2018	-200	45790	0.13
	Transfer			11 May 2018	-3229	42561	0.12
	Transfer			18 May 2018	-1580	40981	0.12
	Transfer			25 May 2018	-8981	32000	0.09
	Transfer			01 Jun 2018	256	32256	0.09
	Transfer			08 Jun 2018	2004	34260	0.10
	Transfer			15 Jun 2018	-6540	27720	0.08
	Transfer			30 Jun 2018	5685	33405	0.09
	Transfer			06 Jul 2018	118464	151869	0.43
	Transfer			13 Jul 2018	97968	249837	0.71
	Transfer			20 Jul 2018	-7937	241900	0.69
	Transfer			27 Jul 2018	-134	241766	0.69
	Transfer			03 Aug 2018	-244	241522	0.69
	Transfer			10 Aug 2018	-18000	223522	0.63
	Transfer			17 Aug 2018	-9074	214448	0.61
	Transfer			24 Aug 2018	3044	217492	0.62
	Transfer			31 Aug 2018	-201722	15770	0.04
	Transfer			07 Sep 2018	88074	103844	0.29
	Transfer			14 Sep 2018	185978	289822	0.82
	Transfer			21 Sep 2018	-45267	244555	0.69
	Transfer			29 Sep 2018	-1440	243115	0.69
	Transfer			05 Oct 2018	9805	252920	0.72
	Transfer			12 Oct 2018	-6980	245940	0.70
	Transfer			19 Oct 2018	-1141	244799	0.69
	Transfer			26 Oct 2018	10276	255075	0.72
	Transfer			02 Nov 2018	-5576	249499	0.71
	Transfer			09 Nov 2018	-432	249067	0.71
	Transfer			16 Nov 2018	-15403	233664	0.66
	Transfer			23 Nov 2018	-6190	227474	0.65
	Transfer			30 Nov 2018	-20	227454	0.65

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year as on 01.04.2018		Transactions during the year		Cumulative Shareholding at the end of the year as on 31.03.2019	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	No. of shares	No. of Shares held	% of Total Shares of the Company
<b>9</b>	Transfer			07 Dec 2018	-482	226972	0.64
	Transfer			14 Dec 2018	-520	226452	0.64
	Transfer			28 Dec 2018	4913	231365	0.66
	Transfer			31 Dec 2018	301	231666	0.66
	Transfer			04 Jan 2019	-8346	223320	0.63
	Transfer			11 Jan 2019	-1887	221433	0.63
	Transfer			18 Jan 2019	30926	252359	0.72
	Transfer			25 Jan 2019	-4368	247991	0.70
	Transfer			01 Feb 2019	488	248479	0.71
	Transfer			08 Feb 2019	8278	256757	0.73
	Transfer			15 Feb 2019	6828	263585	0.75
	Transfer			22 Feb 2019	5944	269529	0.76
	Transfer			01 Mar 2019	-152	269377	0.76
	Transfer			08 Mar 2019	-24619	244758	0.69
	Transfer			15 Mar 2019	-76137	168621	0.48
	Transfer			22 Mar 2019	-1009	167612	0.48
	Transfer			29 Mar 2019	-17436	150176	0.43
	<b>At the end of the year</b>					<b>150176</b>	<b>0.43</b>
<b>10</b>	<b>Chetan Jayantilal Shah</b>	200000	0.57			200000	0.57
	Transfer			08 Jun 2018	-12000	188000	0.53
	Transfer			15 Jun 2018	-13000	175000	0.50
	Transfer			11 Jan 2019	-25000	150000	0.43
	<b>At the end of the year</b>					<b>150000</b>	<b>0.43</b>
<b>11</b>	<b>Shiv Kumar Yadav</b>	176526	0.50			176526	0.50
	Transfer			13 Apr 2018	9158	185684	0.53
	Transfer			20 Apr 2018	7400	193084	0.55
	Transfer			25 May 2018	26197	219281	0.62
	Transfer			08 Jun 2018	-7040	212241	0.60
	Transfer			15 Jun 2018	8531	220772	0.63
	Transfer			22 Jun 2018	119	220891	0.63
	Transfer			06 Jul 2018	4450	225341	0.64
	Transfer			13 Jul 2018	-9000	216341	0.61
	Transfer			24 Aug 2018	-1547	214794	0.61
	Transfer			31 Aug 2018	-4000	210794	0.60
	Transfer			07 Sep 2018	-10532	200262	0.57



## GODAWARI POWER & ISPAT LIMITED

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year as on 01.04.2018		Transactions during the year		Cumulative Shareholding at the end of the year as on 31.03.2019	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	No. of shares	No. of Shares held	% of Total Shares of the Company
11	Transfer			14 Sep 2018	-23000	177262	0.50
	Transfer			29 Sep 2018	-494	176768	0.50
	Transfer			12 Oct 2018	-180	176588	0.50
	Transfer			23 Nov 2018	-3100	173488	0.49
	Transfer			30 Nov 2018	-678	172810	0.49
	Transfer			07 Dec 2018	-14485	158325	0.45
	Transfer			14 Dec 2018	-5016	153309	0.44
	Transfer			28 Dec 2018	-1200	152109	0.43
	Transfer			11 Jan 2019	-3630	148479	0.42
	Transfer			18 Jan 2019	-18531	129948	0.37
	Transfer			25 Jan 2019	-8894	121054	0.34
	Transfer			08 Feb 2019	-1000	120054	0.34
	Transfer			29 Mar 2019	-6316	113738	0.32
	<b>At the end of the year</b>					<b>113738</b>	<b>0.32</b>
12	<b>Deenbandhu Jalan</b>	265032	0.75			265032	0.75
	Transfer			06 Apr 2018	-7239	257793	0.73
	Transfer			13 Apr 2018	-500	257293	0.73
	Transfer			20 Apr 2018	-600	256693	0.73
	Transfer			27 Apr 2018	-1100	255593	0.73
	Transfer			04 May 2018	-24022	231571	0.66
	Transfer			11 May 2018	-51989	179582	0.51
	Transfer			18 May 2018	-46302	133280	0.38
	Transfer			25 May 2018	-24353	108927	0.31
	Transfer			01 Jun 2018	-18075	90852	0.26
	Transfer			08 Jun 2018	-20904	69948	0.20
	Transfer			15 Jun 2018	-5098	64850	0.18
	Transfer			22 Jun 2018	-2578	62272	0.18
	Transfer			30 Jun 2018	-4100	58172	0.17
	Transfer			06 Jul 2018	-1412	56760	0.16
	Transfer			20 Jul 2018	-1379	55381	0.16
	Transfer			27 Jul 2018	-2100	53281	0.15
	Transfer			03 Aug 2018	-500	52781	0.15
	Transfer			10 Aug 2018	-2176	50605	0.14
	Transfer			30 Nov 2018	-300	50305	0.14
	Transfer			14 Dec 2018	57	50362	0.14
	Transfer			11 Jan 2019	2347	52709	0.15

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year as on 01.04.2018		Transactions during the year		Cumulative Shareholding at the end of the year as on 31.03.2019	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	No. of shares	No. of Shares held	% of Total Shares of the Company
12	Transfer			25 Jan 2019	200	52909	0.15
	Transfer			01 Feb 2019	2721	55630	0.16
	Transfer			08 Feb 2019	-546	55084	0.16
	Transfer			15 Mar 2019	-751	54333	0.15
	Transfer			29 Mar 2019	751	55084	0.16
	<b>At the end of the year</b>					<b>55084</b>	<b>0.16</b>
13	Anurag Choudhary	235500	0.67			235500	0.67
	Transfer			10 Aug 2018	-80476	155024	0.44
	Transfer			17 Aug 2018	-95349	59675	0.17
	Transfer			07 Sep 2018	-9292	50383	0.14
	Transfer			01 Mar 2019	-16174	34209	0.10
	<b>At the end of the year</b>					<b>34209</b>	<b>0.10</b>

#### E. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Director/KMP & Type of Transaction	Shareholding at the beginning of the year as on 01.04.2018		Transactions during the year		Cumulative Shareholding at the end of the year as on 31.03.2019	
		No. of Shares held	% of Total Shares of the Company	Date of Transaction	No. of shares	No. of Shares held	% of Total Shares of the Company
1.	Bajrang Lal Agrawal – Managing Director - KMP	1731398	4.91	0	0	1731398	4.91
2.	Dinesh Agrawal – Whole Time Director- KMP	1846347	5.24	0	0	1846347	5.24
3.	Abhishek Agrawal – Whole Time Director	85000	0.24	0	0	85000	0.24
4.	Siddharth Agrawal - Director	94000	0.27	0	0	94000	0.27
5.	Bhavna Govindbhai Desai- Independent Director	250000	0.71	0	0	250000	0.71
	Transfer			22.03.2019	-1000	249000	0.70
	Transfer			29.03.2019	1000	250000	0.71
6.	Dinesh Kumar Gandhi- Non Executive Director	18000	0.05	0	0	18000	0.05
7.	Hari Shankar Khandelwal- Independent Director	500	0.00			500	0.00
	Transfer			06.04.2018	1000	1500	0.00
8.	Y.C. Rao – CS – KMP	200	0.00			200	0.00
	Transfer			28.06.2018	150	50	0.00

**Note:** The other Directors (i.e. Mr. Biswajit Choudhuri, Mr. Shashi Kumar, Mr. Bhrigu Nath Ojha & Mr. Vinod Pillai) and Key Managerial Personnel (i.e. Mr. Sanjay Bothra, CFO) were not holding any shares in the company at the beginning and they neither acquired/sold any shares during the Financial Year nor holding any shares at the end of the Financial Year.

# GODAWARI POWER & ISPAT LIMITED

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment -

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial Year</b>				
i) Principal Amount	14,98,86,74,641	0	0	14,98,86,74,641
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	2,94,74,986	0	0	2,94,74,986
<b>Total (i+ii+iii)</b>	<b>15,01,81,49,627</b>	<b>0</b>	<b>0</b>	<b>15,01,81,49,627</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition (including interest)	0	0	0	0
- Reduction	1,73,60,86,769	0	0	1,73,60,86,769
<b>Net Change</b>	<b>1,73,60,86,769</b>	<b>0</b>	<b>0</b>	<b>1,73,60,86,769</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	13,19,98,14,161	0	0	13,19,98,14,161
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	8,22,48,697	0	0	8,22,48,697
<b>Total (i+ii+iii)</b>	<b>13,28,20,62,858</b>	<b>0</b>	<b>0</b>	<b>13,28,20,62,858</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Mr. Bajrang Lal Agrawal (MD)	Dinesh Agrawal (WTD)	Abhishek Agrawal (WTD)	Vinod Pillai (WTD)	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	216.00	180.00	180.00	21.60	597.60
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00	0.00
4	Commission					
	- as % of profit	0.00	0.00	0.00	0.00	0.00
	- others, specify...	0.00	0.00	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00	0.00	0.00
	<b>Total (A)</b>	<b>216.00</b>	<b>180.00</b>	<b>180.00</b>	<b>21.60</b>	<b>597.60</b>
	Ceiling limit as per Act	As per Schedule V of the Companies Act, 2013				

**B. Remuneration to other directors:**

(₹ in Lacs)

Sl. no.	Particulars of Remuneration	Name of Directors							Total Amount
		Biswajit Choudhuri	Bhrigu Nath Ojh	Shashi Kumar	Bhavna G Desai	Hari Shankar Khandelwal	Dinesh Gandhi	Siddharth Agrawal	
1	Independent Directors								
	Fee for attending board / committee meetings	4.60	3.75	3.20	3.10	3.55	0	0	18.20
	Commission	6.00	6.00	6.00	6.00	6.00	0	0	30.00
	Others, please specify	0	0	0	0	0	0	0	0
	<b>Total (1)</b>	<b>10.60</b>	<b>9.75</b>	<b>9.20</b>	<b>9.10</b>	<b>9.55</b>	<b>0</b>	<b>0</b>	<b>48.20</b>
2	Other Non-Executive Directors								
	Fee for attending board / committee meetings	0	0	0	0	0	0	0	0
	Commission	0	0	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>10.60</b>	<b>9.75</b>	<b>9.20</b>	<b>9.10</b>	<b>9.55</b>	<b>0</b>	<b>0</b>	<b>48.20</b>
	Total Managerial Remuneration			1% of Net Profit calculated as per the provisions of Sec. 197 & 198 of the Companies Act, 2013 and Maximum of ₹ 1.00 lacs					
	Overall Ceiling as per the Act			Sitting fees for each meeting					

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(₹ in Lacs)

Sl. No	Particulars of Remuneration	Y C Rao (CS)	Sanjay Bothra (CFO)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	52.27	60.14	112.41
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission – as % of profit	0.00	0.00	0.00
	- Others, specify...	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	<b>Total</b>	<b>52.27</b>	<b>60.14</b>	<b>112.41</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	No	No	No	No	No
Punishment	No	No	No	No	No
Compounding Order dated 06.12.2018	67(3) of Companies Act, 1956	Allotment of 5,28,000 Equity Shares of ₹ 10/- each fully paid up to more than 50 investors on 31.03.2003.	Compounding Fee of ₹ 1,00,000/-	NCLT, Mumbai Bench	NA
<b>B. DIRECTORS</b>					
Penalty	No	No	No	No	No
Punishment	No	No	No	No	No
Compounding Order dated 06.12.2018	67(3) of Companies Act, 1956	Allotment of 5,28,000 Equity Shares of ₹ 10/- each fully paid up to more than 50 investors on 31.03.2003.	Compounding Fee of ₹ 1,00,000/- each on two Directors	NCLT, Mumbai Bench	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	No	No	No	No	No
Punishment	No	No	No	No	No
Compounding	No	No	No	No	No

## ANNEXURE-02 TO DIRECTORS' REPORT

### NOMINATION AND REMUNERATION POLICY

#### 1. OBJECTIVE

This Nomination and Remuneration Policy has been framed in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.

#### 2. DEFINITIONS

- 2.1. "Committee" means Nomination and Remuneration Committee.
- 2.2. "Senior Management Personnel" means Senior Management personnel of the company who are members of its core management team including Functional Heads.

#### 3. NOMINATION POLICY

- i. The Committee shall identify persons who possess adequate qualification, expertise and experience for the position he/she is considered for appointment as Director, Key Managerial Personnel (KMP) or at Senior Management level Personnel (SMP) and recommend to the Board his/her appointment.
- ii. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders.

#### 4. TERM / TENURE

The Company shall appoint or re-appoint any person as its Managing Director, Executive Director, Independent Director or Non-executive Director for a term not exceeding period as mentioned in the Companies Act, 2013 or any amendment made from time to time.

#### 5. EVALUATION

The Committee shall review the performance of every Director at regular interval or at least once in a year.

#### 6. REMOVAL

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and

regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or SMP subject to the provisions and compliance of the said Act, rules and regulations.

#### 7. RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company.

#### 8. REMUNERATION POLICY

The remuneration, compensation, commission, sitting fee, etc. to the Directors, KMP and SMP will be determined by the Committee and recommended to the Board for approval subject to limitations mentioned in the Companies Act, 2013 and the amendments made therein from time to time. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

#### 9. AMENDMENTS

The Board may, subject to applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy, based on the recommendations of the Committee.

#### 10. SCOPE AND LIMITATION

In the event of any conflict between the provisions of this Policy and the Listing Agreement / Companies Act, 2013 or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy.

#### 11. DISSEMINATION OF POLICY

This policy shall be disclosed in the annual report of the Company.

#### 12. EFFECTIVE DATE

This Policy shall come into force on 14.03.2015.

**ANNEXURE-03 TO DIRECTORS' REPORT**  
**SECRETARIAL AUDIT REPORT****FORM NO. MR-3****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

**Godawari Power & Ispat Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Godawari Power & Ispat Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Godawari Power & Ispat Limited's books, paper, minute books, forms, and return filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representative during the conduct of secretarial audit and as per the explanations given to us and the representation made by the management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March , 2019 generally complied with the statutory provisions listed hereunder and also that company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder; to the extent of External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993,
  - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018.
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
6. The following Act, are specially applicable to the Company
  1. Mines Act 1952
  2. Mines & Minerals ( Development & Regulation ) Act 1957
  3. Iron Ore Mines, Manganese Ore Mines & Chrome Ore Mines Labour Welfare Cess Act 1976
  4. Electricity Act, 2003 & The Electricity Rules, 2005;
  5. Indian Electricity Rules, 1956;
  6. Energy Conservation Act, 2011;

7. Central Electricity Authority (Safety requirements for construction, operation and maintenance of electrical plants and electric lines) Regulations, 2011;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the year under report:

- a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- b. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
- c. The Securities and Exchange Board of India (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standard as mentioned above.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, the Company has not taken any actions having a major bearing on the Company's affairs in pursuance of the above applicable laws, rules, regulations, guidelines, standards etc. referred to above.

**FOR, JAIN TUTEJA & ASSOCIATES**

**Tanveer Kaur Tuteja**  
(Partner)

Practicing Company Secretary  
M. No.:7704  
C. P. No.:8512

Place: Raipur  
Date: 20.04.2019

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.



**ANNEXURE A**

To  
The Members  
Godawari Power & Ispat Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**FOR, JAIN TUTEJA & ASSOCIATES**

**Tanveer Kaur Tuteja**

(Partner)

Practicing Company Secretary

M. No.:7704

C. P. No.:8512

Place: Raipur  
Date: 20.04.2019

## ANNEXURE-04 TO DIRECTORS' REPORT

### SECRETARIAL AUDIT REPORT

#### FORM NO. MR-3

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

#### Godawari Green Energy Limited

We have conducted the secretarial audit of the compliance of applicable statutory provision and the adherence to good corporate practices by **Godawari Green Energy Limited (CIN:U40102CT2009PLC021285)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provides us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Godawari Green Energy Limited's books, paper, minute books, forms, and return filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representative during the conduct of secretarial audit and as per the explanations given to us and the representation made by the management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 generally complied with the statutory provisions listed hereunder and also that company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Godawari Green Energy Limited for the financial year ended on 31<sup>st</sup> March, 2019 according to the applicable provision of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
3. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder; to the extent of External Commercial Borrowings;
4. The following Act, are specially applicable to the Company
  1. Electricity Act, 2003 & The Electricity Rules, 2005;
  2. Indian Electricity Rules, 1956;
  3. Energy Conservation Act, 2011;
  4. Central Electricity Authority (Safety requirements for construction, operation and maintenance of electrical plants and electric lines) Regulations, 2011;
  5. Other laws applicable to the company as per the representations made by the Management.
6. The following Enactments, Agreements and Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018,
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993,
  - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018.
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
- i. The Securities and Exchange Board of India (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999
- j. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- k. The Listing Agreements;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the all applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the period under review and as per the explanations and clarifications given to us and the representation made by management, the company has generally complied with the provision of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that the Board of Directors, the Audit Committee and Remuneration Committee of the company were duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report as per the explanation given to us and the representation made by the management and relied upon by me there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no such specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above, have taken place.

**FOR JAIN AND TUTEJA ASSOCIATES**

**Tanveer Kaur Tuteja**

(Partner)

Practicing Company Secretary

M. No.:7704

C. P. No.:8512

Place: Raipur

Date: 27.04.2019

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

## ANNEXURE A

To,  
The Members

**Godawari Green Energy Limited**

Our report of even date is to be read along with this note.

1. Maintenance of secretarial records is the responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, We have obtained the management representative about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provision of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**FOR JAIN AND TUTEJA ASSOCIATES**

**Tanveer Kaur Tuteja**  
(Partner)

Practicing Company Secretary  
M. No.:7704  
C. P. No.:8512

Place: Raipur  
Date: 27.04.2019

**FORM NO. MR-3****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

**Ardent Steel Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provision and the adherence to good corporate practices by **Ardent Steel Limited (CIN:U27310CT2007PLC007671)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provides us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Ardent Steel Limited's books, paper, minute books, forms, and return filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representative during the conduct of secretarial audit and as per the explanations given to us and the representation made by the management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 generally complied with the statutory provisions listed hereunder and also that company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Ardent Steel Limited for the financial year ended on 31<sup>st</sup> March, 2019 according to the applicable provision of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
3. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder; to the extent of External Commercial Borrowings;
4. Other laws applicable to the company as per the representations made by the Management.
5. The following Enactments, Agreements and Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018,
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993,
  - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018.
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
  - i. The Securities and Exchange Board of India (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999
  - j. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - k. The Listing Agreements;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with all the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the period under review and as per the explanations and clarifications given to us and the representation made by management, the company has generally complied with the provision of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that the Board of Directors, the Audit Committee and Remuneration Committee of the company were duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes

We further report as per the explanation given to us and the representation made by the management and relied upon by me there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, no such specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above, have taken place.

**FOR JAIN AND TUTEJA ASSOCIATES**

**Tanveer Kaur Tuteja**  
(Partner)

Practicing Company Secretary

M. No.:7704

C. P. No.:8512

Place: Raipur

Date: 20.04.2019

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**ANNEXURE A**

To  
The Members  
Ardent Steel Limited

Our report of even date is to be read along with this note.

1. Maintenance of secretarial records is the responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the management representative about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provision of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**FOR JAIN AND TUTEJA ASSOCIATES**

**Tanveer Kaur Tuteja**  
(Partner)

Practicing Company Secretary  
M. No.:7704  
C. P. No.:8512

Place: Raipur  
Date: 20.04.2019

## ANNEXURE-05 TO THE DIRECTOR'S REPORT

### (A) CONSERVATION OF ENERGY-

#### (i) The steps taken or impact on conservation of energy:

##### Steps Taken:

- 1) Installation of TG-4 condenser (Power Plant)
- 2) Replacement of Bucket Elevating System in coal circuit of Phase-1 SID
- 3) Replacement of 55 Kw Motor by 30 Kw motor of de-dusting fans of phase-1 SID.
- 4) Replacement of HPSV lights with LED lights in SID.

##### The impact of above measures:-

- 1) Installation of TG-4 condenser to reduce specific consumption of steam. Power generation increase 185 lac unit.
- 2) By replacing Bucket Elevating System with Modified coal circuit in Phase-1 there is a saving of 218126 units of power annually.
- 3) By replacing the existing 55 Kw Motor by 30 Kw motor of de-dusting fans of phase-1 SID there is a saving of 2351748 units per year.
- 4) By replacing of HPSV lights with LED lights in SID there is a saving of 141000 units per year.

(ii) The steps taken by the company for utilising alternate sources of energy;	None
(iii) Capital investment on energy conservation equipments	(₹ In Lacs)
1. Installation of TG-4 condenser (capital investment on energy conservation equipment)	199.00
<b>SAVINGS:</b>	
2. Savings on generation of 185 Lac units (@ ₹ 5/- Per unit)	900.00
3. Savings by replacement of Bucket Elevating System (@ ₹ 5/- Per unit)	10.96
4. Savings by replacement de-dusting fans (@ ₹ 5/- Per unit)	23.51
5. Replacement of HPSV lights with LED lights in SID. (@ ₹ 5/- Per unit)	7.05
<b>TOTAL SAVINGS</b>	<b>941.52</b>

### (B) TECHNOLOGY ABSORPTION-

(i) the efforts made towards technology absorption;	None
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	None
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)-	None
(a) the details of technology imported;	N.A.
(b) the year of import;	N.A.
(c) whether the technology been fully absorbed;	N.A.
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.
(iv) the expenditure incurred on Research and Development.	None

### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO-

The Foreign Exchange earned in terms of actual inflows during the year	N.A.
Foreign Exchange outgo during the year in terms of actual outflows.	N.A.



**ANNEXURE-06 TO DIRECTORS' REPORT**  
**ANNUAL REPORT ON CSR ACTIVITIES**

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and project or programs.	The CSR Committee has formulated a CSR policy of the Company for undertaking the activities as specified in Schedule VII to the Companies Act, 2013. A copy of the CSR Policy has been posted on the website of the company at <a href="http://www.godawaripowerispat.com">www.godawaripowerispat.com</a> and the weblink has been given in the Directors Report.
2.	The Composition of the CSR Committee.	The composition of CSR Committee has been given in the Directors Report.
3.	Average net profit of the Company for last three Financial Years	FY 2017-18 ₹ 16066.33 lacs FY 2016-17 ₹ (7800.85) lacs FY 2015-16 ₹ (7459.93) lacs Average Net Profit ₹ 268.52 lacs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 5.37 lacs
5.	Details of CSR spent during the Financial Year. 1. F.Y. 2018-19 2. Amount unspent, if any; 3. Manner in which the amount spent during the Financial Year:	₹ 283.18 lacs NIL The manner in which the amount is spent is given below in the prescribed format.
6.	In case the company has failed to spend the 2% of average net profit of the last three Financial Years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's report.	Not applicable
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.	Given in Directors Report.

S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overhead	Cumulative Expenditure up to the reporting period	Amount spent: Direct or through implementing agency
-------	------------------------------------	--	---	---	--	---	---

Please refer Annexure-I

**Bajrang Lal Agrawal**  
(Managing Director)

**Shashi Kumar**  
(Chairman of CSR Committee)

## ANNEXURE-I

### DETAILS OF AMOUNT SPENT DURING THE FINANCIAL YEAR 2018-19

(₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No.	CSR project or activity identified	Sector in which the Project is covered. (Environment Conservation, Infrastructure Development, Sports, Health Care, Drinking Water, Infrastructural Development & Environment, Educational Support, Environment, any other)	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or program wise (₹ In Lac.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads (₹ In lac.)	Cumulative Expenditure upto the reporting Period.	Amount spent: Direct or through implementing agency
1	Piyau Hut & Drinking Water in Siltara, Tada & Mandhar in Summer for 04 months & Salary of Manpower Engaged in Piyau Hut	Drinking Water	Gram Panchayat Tada, Siltara & Mandhar	5.99	5.29	5.29	Direct
2	Providing Salary of 02 Night Guards & 03 Teachers of Govt. Primary & Middle School of Village Mandhar, Siltara & Tada	Education	Gram Panchayat Siltara, Mandhar & Tada	1.94	1.94	7.23	Direct
3	Expenses incurred in Manpower engaged for maintenance of Plantation in Janpad Office Dharsiwa & Dharsiwa Police Station	Environment Conservation	Dharsiwa Block	0.67	0.67	7.90	Horticulture Dept of GPIL
4	Expenses incurred in Development & Maintenance of Green Belt Area (Oxy Zone) in 102 Acre Land, Siltara	Environment Conservation	Gram Panchayat Siltara	2.47	2.19	10.09	Horticulture Dept of GPIL
5	Development & Maintenance of Garden, Plantation & Landscaping Work in Railway Station Raipur	Environment Conservation	Raipur City	2.00	1.50	11.59	Horticulture Dept of GPIL
6	Organized Free Health Checkup Camp for villagers of Village Siltara	Health	Gram Panchayat Siltara	0.15	0.12	11.71	Direct
7	Financial Assistance for Cardiac Treatment of Master Aman Verma (Age-13) of Village Jarodha	Health	Gram Panchayat Jarodha	0.50	0.50	12.21	Direct
8	Examination Fees of 100 Poor Students & National/State Level Player Students of Gram Panchayat Mandhar for the Session-2018	Education	Gram Panchayat Mandhar	1.00	0.78	12.99	Direct

**ANNEXURE-I**
**DETAILS OF AMOUNT SPENT DURING THE FINANCIAL YEAR 2018-19**

(₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No.	CSR project or activity identified	Sector in which the Project is covered. (Environment Conservation, Infrastructure Development, Sports, Health Care, Drinking Water, Infrastructural Development & Environment, Educational Support, Environment, any other)	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or program wise (₹ In Lac.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads (₹ In lac.)	Cumulative Expenditure upto the reporting Period.	Amount spent: Direct or through implementing agency
9	On the eve of Guru Purnima provided Grants to Topper 01 Boy & 01 Girl Student Class-V & VIII of Govt. Primary & Middle School, Tada & felicitated all Topper Students from Class-V & VIII for the Session-2018	Education	Gram Panchayat Tada	0.20	0.19	13.18	Direct
10	Financial Aid provided to Aakanksha Lions School for Mentally Handicapped Children for smooth operation of school	Education	Raipur City	12.00	12.00	25.18	Direct to Aakanksha Lions School
11	Financial Aid to "Friends of Tribal Society" for Establishing 90 Ekal Vidyalaya in State of Chhattisgarh	Education	Raipur City	18.00	18.00	43.18	Direct
12	Digging & Cleaning of Bade Dabri Pond at Village Akoli	Community Development	Gram Panchayat Akoli	0.95	0.24	43.42	Direct
13	Manpower Engaged in Road Sweeping of Village Mandhar	Community Development	Gram Panchayat Mandhar	0.30	0.30	43.72	Direct
14	Leveling of Muktidhaam Land & Approach Road at Village Tada	Community Development	Gram Panchayat Tada	1.15	1.03	44.75	Direct
15	Construction of Muktidhaam Boundary Wall at Village Siltara	Community Development	Gram Panchayat Siltara	2.18	2.17	46.93	Direct
16	Financial Support to Women SHG's for Community Development	Community Development	Gram Panchayat Tarra, Tor, Pathri, Jarodha & Barbanda	0.25	0.20	47.13	Direct
17	Educational Programme on "Manthan-Cyber Security" by Forum for Awareness of National Security (Chhattisgarh)	Community Development	Raipur City	1.00	1.00	48.13	Direct
18	Financial Assistance to Sankalap Charitable Trust	Community Development	Bhilai City	1.50	1.50	49.63	Direct

## ANNEXURE-I

### DETAILS OF AMOUNT SPENT DURING THE FINANCIAL YEAR 2018-19

(₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No.	CSR project or activity identified	Sector in which the Project is covered. (Environment Conservation, Infrastructure Development, Sports, Health Care, Drinking Water, Infrastructural Development & Environment, Educational Support, Environment, any other)	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or program wise (₹ In Lac.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads (₹ In lac.)	Cumulative Expenditure upto the reporting Period.	Amount spent: Direct or through implementing agency
19	Construction of CC Road in Ward No-02 & 03, Village Tada	Infrastructure Development	Gram Panchayat Tada	5.00	2.52	52.15	Direct
20	Construction of CC Road in Ward No-9 & 10, Village Mandhar	Infrastructure Development	Gram Panchayat Mandhar	5.00	2.81	54.96	Direct
21	Repairing of Road in Village Parastarai	Infrastructure Development	Gram Panchayat Parastarai	0.22	0.22	55.18	Direct
22	Expenses on Maintenance of Garden & Plantation at Swami Vivekanada International Airport, Raipur	Environment Conservation	Raipur City	1.82	1.82	57.00	By Hira Power & Steels Limited
23	Operating Free First Aid Health Centre & Ambulance Service for villagers	Health Care	Peripheral villages of Kachhe AariDongri Mines	32.00	31.94	88.94	Through Red to Green Health Services & Shaheed Hospital
24	Financial Assistance for Brain Surgery of Master Devil Tekam (Age-02 Year) of Village Kachhe	Health Care	Village Kachhe	1.39	1.39	90.33	Direct
25	Expenses on Water Tankers for providing Safe Drinking Water	Drinking Water	In the Nearby Villages of Mines	4.82	4.81	95.14	Direct
26	Operational cost of Piyau Ghar & Manpower engaged in Piyau Ghar during summer	Drinking Water	Village Kachhe	0.10	0.09	95.23	Direct
27	Construction of Toilets under Clean India Mission in Gram Panchayat Kachhe	Community Development	Village Kachhe	2.35	2.34	97.57	Direct
28	Land levelling of Farmers Paddy Field	Community Development	In the Nearby Villages of Mines	2.37	2.36	99.93	Direct
29	Expenses on Water Tankers engaged for Maintenance of Plantation	Environment	In the Nearby Villages of Mines	7.00	7.02	106.95	Direct

**ANNEXURE-I**
**DETAILS OF AMOUNT SPENT DURING THE FINANCIAL YEAR 2018-19**

(₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No.	CSR project or activity identified	Sector in which the Project is covered. (Environment Conservation, Infrastructure Development, Sports, Health Care, Drinking Water, Infrastructural Development & Environment, Educational Support, Environment, any other)	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or program wise (₹ In Lac.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads (₹ In lac.)	Cumulative Expenditure upto the reporting Period.	Amount spent: Direct or through implementing agency
30	Expenses on Water Tankers engaged for Dust Suppression	Environment	In the Nearby Villages of Mines	6.80	6.70	113.65	Direct
31	Monthly Salary of 15 Community Teachers engaged in the Govt. Schools in Nearby Villages of Kachhe Aridongri Iron Ore Mines for the Session 2018	Education	Govt. schools of Kachhe & Parrekodo Gram Panchayat	10.00	9.18	122.83	Direct
32	Operational cost of Free Stitching & Tailoring Center at Kachhe & Parrekodo for tribal women	Women Empowerment	Gram Panchayat Kachhe & Parrekodo	1.70	1.62	124.45	Direct
33	Payment to Gram Panchayat Kachhe for Infrastructure Development	Infrastructural Development	In the Nearby Villages of Mines	11.00	10.36	134.81	Direct to Gram Panchayat Kachhe
34	Maintenance of Ghadi Chowk, Kanker	Infrastructural Development	Dist-Kanker	0.10	0.10	134.91	Direct
35	Operating Free First Aid Health Centre & Ambulance Service for Villagers	Health Care	Peripheral villages of Boria Mines	21.00	20.43	155.34	Through Red to Green Health services & Shaheed Hospital
36	Monthly Salary of 28 Community Teachers engaged in Govt. Primary, Middle & High Schools of Nearby Villages of Boria Tibu Mines for the Session 2018	Educational Support	Peripheral villages of Boria Mines	17.00	16.74	172.08	Direct
37	Water tanker for Dust Suppression & Drinking Water for Villagers	Drinking Water & Environment	Peripheral villages of Boria Mines	7.00	6.94	179.02	Direct
38	Free Health Checkup Services for Villagers in Gidhali	Health Care	Peripheral villages of Gidhali Crushing Unit	2.00	2.02	181.04	Through Shaheed Hospital

## ANNEXURE-I

### DETAILS OF AMOUNT SPENT DURING THE FINANCIAL YEAR 2018-19

(₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.No.	CSR project or activity identified	Sector in which the Project is covered. (Environment Conservation, Infrastructure Development, Sports, Health Care, Drinking Water, Infrastructural Development & Environment, Educational Support, Environment, any other)	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or program wise (₹ In Lac.)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads (₹ In lac.)	Cumulative Expenditure upto the reporting Period.	Amount spent: Direct or through implementing agency
39	Expenses on Plantation in premises of Udyog Bhavan, Raipur	Environment	Raipur City	17.00	16.60	197.63	By R.R.Ispat
40	Expenses on Plantation & Garden maintenance of Tatibandh Chowk	Environment	Tatibandh Square, Raipur	13.00	13.04	210.68	By R.R.Ispat
41	Expenses on Plantation at Industrial Area Siltara Chowk	Environment	Siltara	50.00	50.01	260.69	By R.R.Ispat
42	Maintenance expenses on Plantation at RKC Compound	Environment	Raipur City	4.50	4.76	265.45	By R.R.Ispat
43	Maintenance expenses on Plantation at Raipur Railway Station	Environment	Raipur City	2.00	1.79	267.24	By R.R.Ispat
44	Expenses on Plantation in Urla & Birgaon area	Environment	Raipur City	4.50	4.21	271.45	By R.R.Ispat
45	Maintenance of plantation in Telibandha Square, Canal Road (Manpower, Land escaping, Plantation etc.)	Environment	Telibandha Square, Raipur	11.00	11.73	283.18	By R.R.Ispat
	<b>Total</b>			<b>292.92</b>	<b>283.18</b>		

**FINANCIAL RESULTS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019**

(₹ in Lacs)

Sr. No.	Particulars	Subsidiaries			Associate Companies	
		Godawari Green Energy Limited	Ardent Steel Limited	Godawari Energy Limited	Hira Ferro Alloys Limited	Jagdamba Power and Alloys Limited
		31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019
		Audited	Audited	Audited	Audited	Audited
1	(a) Revenue from Operations (Gross)	9284.21	35398.10	0.00	26665.87	3172.69
	(b) Other Income	254.80	30.60	2.41	142.20	344.67
	<b>Total</b>	<b>9539.01</b>	<b>35428.70</b>	<b>2.41</b>	<b>26808.07</b>	<b>3517.36</b>
2	<b>Expenditure</b>					
	a) (Increase)/decrease in inventories of finished goods, work in progress, stock in trade and traded goods	6.16	(874.10)	0.00	(279.31)	(12.88)
	b) Cost of raw material and component consumed	0.00	15256.55	0.00	15993.83	2304.62
	c) Purchase of Traded goods	0.00	224.65	0.00	233.93	0.00
	d) Excise Duty on sales	0.00	0.00	0.00	0.00	0.00
	e) Employees Benefit Expenses	797.50	1200.90	3.55	1010.07	184.08
	f) Finance Costs	5318.18	1787.55	1.61	640.21	8.49
	g) Depreciation & Amortisation Expenses	3035.93	1197.73	0.50	574.35	195.32
	h) Other Expenditure	624.43	10468.62	1.25	8422.21	819.43
	<b>Total</b>	<b>9782.20</b>	<b>29261.90</b>	<b>6.91</b>	<b>26595.29</b>	<b>3499.06</b>
3	<b>Profit/(Loss) from ordinary activities before exceptional items and Tax (1-2)</b>	(243.19)	6166.80	(4.50)	212.78	18.30
4	<b>Exceptional items</b>	0.00	0.00	0.00	0.00	0.00
5	<b>Profit/(Loss) from ordinary activities before tax (3-4)</b>	(243.19)	6166.80	(4.50)	212.78	18.30
6	<b>Tax Expenses</b>					
	Current Tax	0.00	1345.33	0.00	37.57	0.00
	Deferred Tax	(140.11)	412.87	0.00	(201.51)	(1.22)
	Tax related to earlier year	0.00	0.00	0.00	0.00	0.00
7	<b>Net Profit/(Loss) from ordinary Activities after tax (5-6)</b>	<b>(103.08)</b>	<b>4408.60</b>	<b>(4.50)</b>	<b>376.72</b>	<b>19.52</b>
8	<b>Other Comprehensive income for the year, net of tax</b>					
	<b>Items that will not be reclassified to profit or loss</b>					
	Re-measurement gain/(loss) on defined benefit plans, net of tax	(2.55)	3.97	0.00	(2.25)	(0.88)
	Equity instruments through other comprehensive income	0.00	0.00	0.00	0.00	0.00
	<b>Items that will be reclassified to profit or loss</b>					
	Profit/(loss) on fair value of financial assets, net of tax	0.00	68.57	0.00	(2324.54)	2.57
9	<b>Total comprehensive Income for the year, net of tax</b>	<b>(105.63)</b>	<b>4481.14</b>	<b>(4.50)</b>	<b>(1950.07)</b>	<b>21.21</b>
10	Paid up equity share capital (face value of shares of Rs.10/- each)	2344.70	1056.50	2300.00	1958.85	766.97
11	Other Equity	22305.83	12629.21	515.38	13005.73	6365.27
12	<b>Earning Per Share</b>					
	(a) Basic & Diluted EPS before Extra Ordinary Items	(0.44)	41.73	(0.02)	1.92	0.25
	(b) Basic & Diluted EPS after Extra Ordinary Items	(0.44)	41.73	(0.02)	1.92	0.25



## ANNEXURE-08 TO DIRECTORS' REPORT

1. The Ratio of the remuneration of each Director to the Median Remuneration of the employees of the company for the Financial Year 2018-19:

Name of Director	Designation	Remuneration	Median Remuneration (MR)	Ratio No. of times to MR
		₹		
Mr. Biswajit Choudhuri	Independent Director	1060000	278490	3.81
Mr. Shashi Kumar	Independent Director	920000	278490	3.30
Mr. Bhriгу Nath Ojha	Independent Director	975000	278490	3.50
Mr. Harishankar Khandelwal	Independent Director	955000	278490	3.43
Ms. Bhavna G. Desai	Independent Director	910000	278490	3.27
Mr. Bajrang Lal Agrawal	Managing Director	21600000	278490	77.56
Mr. Abhishek Agrawal	Executive Director	18000000	278490	64.63
Mr. Dinesh Agrawal	Executive Director	18000000	278490	64.63
Mr. Vinod Pillai	Executive Director	2160000	278490	7.76

2. The percentage increase in remuneration of each Director, CFO, CEO, Company Secretary for the Financial Year 2018-19 as compared to 2017-18:

Name of Director	Designation	Remuneration	Remuneration	% increase/ (Decrease)
		2017-18	2018-19	
		₹	₹	
Mr. Biswajit Choudhuri	Independent Director	605000	1060000	75.21
Mr. Shashi Kumar	Independent Director	225000	920000	308.89
Mr. Bhriгу Nath Ojha	Independent Director	610000	975000	59.84
Mr. Harishankar Khandelwal	Independent Director	525000	955000	81.90
Ms. Bhavna G. Desai	Independent Director	325000	910000	180.00
Mr. Bajrang Lal Agrawal	Managing Director	18000000	21600000	20.00
Mr. Abhishek Agrawal	Executive Director	14400000	18000000	25.00
Mr. Dinesh Agrawal	Executive Director	9861290	18000000	82.53
Mr. Vinod Pillai	Executive Director	1800000	2160000	20.00
Mr. Sanjay Bothra	CFO	5161239	6014000	16.52
Mr. Y. C. Rao	CS	4624116	5227000	13.04

3. The names of the top ten employees of the company in term of remuneration drawn are as under:

Name of Director	Designation	Remuneration
Mr. Bajrang Lal Agrawal	Managing Director	21600000
Mr. Abhishek Agrawal	Executive Director	18000000
Mr. Dinesh Agrawal	Executive Director	18000000
Mr. Vivek Agrawal	COO	7979808
Mr. Sanjay Bothra	CFO	6014000

Name of Director	Designation	Remuneration
Mr. Yarra Chandra Rao	CS	5227000
Mr. Vinay Shandilya	Head - Power Division	4541855
Mr. KVS Ravindran	Head - Pellets Division	2808548
Mr. Sandeep Tiwari	Head- Project Engineering Division	2547709
Mr. Nishant Bajpai	Assistant Vice President- Power Division	2486335

The details of qualifications, experience, age, date of commencement of employment and last employment of the aforesaid employees are maintained at the Registered Office of the Company and are open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary.

4. The percentage increase in the median remuneration of employees in the Financial Year 2018-19 is 22.88%.
5. No. of permanent employees on rolls of the company as on 31.03.2019 is 2015.
6. Average percentile increase already made in the salaries of the employees other than the Managerial Personnel in the FY 2018-19 compared to the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 23% as compared to 40%. For a little over three years Steel Industry in which the Company Godawari Power and Ispat Limited is engaged, has been passing through a crisis due to sharp decline in demand of domestic product. This has severely eroded the bottom line of several companies. Despite higher outputs, the company is unable to break even, let alone make profits. Consequently to avoid default in payment, the Company had to get its debt restructured.

The need of the hour is the extreme caution in choice of product one decides to produce, quality of produce with extreme regards to its saleability/marketability with some reasonable margins. This is quite demanding in terms of market research, exploring markets abroad, selecting proper product mix etc. Apart from that procuring raw material like coal is becoming quite challenging. The company's own iron ore mines have to be paid utmost attention to maximize internal production. The solar power generation plant at Jaisalmer, Rajasthan also needs constant watch. And all these have to be done at corporate level and senior management level. Persons at these levels and somewhat the independent directors too have got their workload increased manifold. Apart from this, the Company has taken up certain expansion plans in its R.R. Ispat unit which is exclusively managed by Mr. Dinesh Agarwal and hence his involvement has increased considerably.

The Committee considered that although apparently looking at our bottom line this may not be the best of times to give raise in compensation package, unless the persons at corporate and senior levels are well compensated and adequately motivated the financial performance will continue to suffer.

With the above in mind, Committee considered the proposal to increase remuneration of all the executive directors, key managerial personnel and independent directors in view of the necessity for focused involvement and increased responsibility in the affairs of the company due to prevailing adverse market and economic conditions in the industry as a whole which is need of the hour for revival of the company.

7. Affirmation:  
It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

## ANNEXURE-09 TO DIRECTORS' REPORT

### CORPORATE GOVERNANCE REPORT:

The Board of Directors of the Company pays utmost importance on the broad principles of Corporate Governance. The Company is complying with the disclosure norms pursuant to relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015).

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company prides itself on being a responsible corporate citizen, which is committed to running its business in the best possible manner while being completely transparent, complying with all relevant rules & regulations and contributing to society at large. The Company believes that maintenance of Code of Corporate Governance is essential for economic growth of the Company and protecting the interest of all the Stakeholders. Therefore, the Company is trying its best to follow the Code of Corporate Governance.

GPIL's Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing regulations with stock exchanges, but also several voluntary practices aimed at a high level of business ethics, effective supervision and enhancement of value for all stakeholders. The Corporate Governance is based on the principal of truth, transparency, accountability, equity and responsibility in all our dealings with our employees, shareholders, customers, suppliers, government, lenders and community at large.

#### 2. BOARD OF DIRECTORS:

##### a) Composition and category of Directors:

The Board of Directors has a combination of Executive and Non-Executive Directors. The Board comprises of Four Executive Directors, which includes One Managing Director and Three Executive Directors and Seven Non-Executive Directors including Five Independent Directors one of whom is a Woman Director. The Chairman of the Board is an Independent Director and more than one third of Directors are Independent Directors including a Woman Director. Except the Independent Directors, Managing Director and other Executive Directors, all other Directors are liable to retire by rotation as per the provisions of the Companies Act, 2013. Accordingly, the composition of the Board is in conformity with SEBI (LODR) Regulations, 2015 and the provisions of the Companies Act, 2013.

The names and categories of the Directors on the Board, attendance at the Board Meetings and Annual General Meeting of the Company and also the number of Directorships and Committee Memberships and Chairmanship held by them during 2018-19 in other Companies are as under:

Name of the Directors	Category of Directors	No. of Board Meetings attended	Last AGM attended	No. of other Directorship held	No. of other Board committees Member #	No. of other Board committees Chairman#
Mr. Biswajit Choudhuri*	Chairman, Non-Executive, Independent	04	Yes	03	04	01
Mr. Bajrang Lal Agrawal	Managing Director - Executive (Promoter)	04	Yes	03	Nil	Nil
Mr. Dinesh Kumar Agrawal	Executive (Promoter)	03	Yes	04	Nil	Nil
Mr. Abhishek Agrawal	Executive (Belongs to Promoter Group)	04	Yes	01	Nil	Nil
Mr. Vinod Pillai	Executive	04	Yes	06	02	Nil
Mr. Siddharth Agrawal	Non Executive (Belongs to Promoter Group)	03	Yes	08	Nil	Nil
Mr. Dinesh Kumar Gandhi	Non-Executive	04	Yes	02	01	Nil
Mr. Shashi Kumar	Non-Executive, Independent	04	Yes	04	Nil	Nil
Mr. Bhriugu Nath Ojha	Non-Executive, Independent	03	Yes	05	04	Nil

## GODAWARI POWER & ISPAT LIMITED

Name of the Directors	Category of Directors	No. of Board Meetings attended	Last AGM attended	No. of other Directorship held	No. of other Board committees Member #	No. of other Board committees Chairman#
Mr. Harishankar Khandelwal	Non-Executive, Independent	04	Yes	08	Nil	Nil
Ms. Bhavna G. Desai	Non-Executive, Independent	04	Yes	03	03	Nil

\* Mr. Biswajit Choudhuri, is Non-Executive Director in Ludlow Jute & Specialities Limited, an Listed Entity.

\*\* None of other directors of the Company, hold directorship in any other Listed Entity.

# Includes Membership/Chairmanship of Audit Committee & Stakeholders Relationship Committees only.

### b) Changes in the Composition of Directors during the Year:

During the period under review, there has been no change in composition of the Directors of the Company. However, pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company has accorded the consent of the shareholders at their Extra Ordinary General Meeting held on 26<sup>th</sup> March, 2019, for continuation of term of appointment of Mr. Biswajit Choudhuri (DIN: 00149018) and Mr. Bhriugu Nath Ojha (DIN: 02282594), Independent Directors of the Company, who has attained the age of seventy five years. The Company has maintained the optimum combination of Executive and Non Executive Directors, as prescribed under Clause 17 of SEBI (LODR) Regulations, 2015.

### c) Number of Board Meetings held:

During the Financial Year 2018-19, the Board met 04 times and agenda papers were circulated well in advance of each meeting to the Board of Directors. In order to ensure fruitful deliberations at the meetings, the Board of Directors of your Company is provided with all relevant information on various matters related to the working of the Company. The dates on which Meetings of the Board of Directors were held and the number of Directors present in each meeting are given below:

S. No.	Date of Meeting	Board Strength	No. of Directors Present
1	02.05.2018	11	11
2	28.07.2018	11	11
3	26.10.2018	11	09
4	02.02.2019	11	10

### d) Relationship between directors inter-se:

Mr. Bajrang Lal Agrawal, Managing Director is father of Mr. Abhishek Agrawal, Executive Director and Mr. Siddharth Agrawal, Non Executive Director and Mr. Siddharth Agrawal and Mr. Abhishek Agrawal are Brothers. None of the other Directors of the Company is related to Key Managerial Person or any other Director on the Board in terms of the meaning of the term 'Relative' given under the Companies Act, 2013

### e) Number of Shares and Convertible Instruments held by the Non-Executive Directors:

There are no outstanding Convertible Instruments of the Company.

The total number of Equity Shares held by the Non-Executive Directors of the Company as on 31<sup>st</sup> March, 2019 as follows:

S. No.	Name of the Director	No. of Equity Shares held	% on Paid Up Capital
1.	Mr. Biswajit Choudhuri	Nil	0.000
2.	Mr. Shashi Kumar	Nil	0.000
3.	Mr. Bhriugu Nath Ojha	Nil	0.000
4.	Mr. Harishankar Khandelwal	1,500	0.004
5.	Ms. Bhavna G. Desai	250,000	0.709
6.	Mr. Dinesh Kumar Gandhi	18,000	0.051
7.	Mr. Siddharth Agrawal	94,000	0.267
	<b>Total</b>	<b>3,63,500</b>	<b>1.031</b>

**f) Familiarization Programme for Independent Directors:**

The programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatize them with the processes, businesses and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company. The Company's Policy of conducting the familiarization programme has been disclosed on the website of the Company at <http://godawaripowerispat.com/investors-information/policies>.

**g) Chart setting out the skills/ expertise/ competence of the Board of Directors:**

The Company is engaged in Iron and Steel Industry, Power Sector and Mining Sector. It is having an integrated steel manufacturing unit with facilities ranging right from captive iron ore mining to production of iron ore pellets, sponge iron, steel billets, rolled products, wires, ferro alloys and captive power plant.

The list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of its aforesaid business and sectors for it to function effectively and those actually available with the Board are as follows:

S.No.	Name of the Director	Qualification and Experience	Expertise
1.	Mr. Biswajit Choudhuri	B. Tech (Hons), Fellow Member of ICWAI Over five decades of experience	Engineering, Banking, Finance and Management
2.	Mr. Bajrang Lal Agrawal	B.E. (Electricals) Over four decades of experience	Strategic Planning, Project Planning, Production activities.
3.	Mr. Dinesh Kumar Agrawal	B.E. (Electrical) Over 25 years of experience	Production and Marketing activities
4.	Mr. Abhishek Agrawal	Masters Degree in International Business from Leeds University, U.K. Over a decade of experience	Operations and General Management. Raw Material Procurement
5.	Mr. Vinod Pillai	Commerce graduate Over 25 years of experience	Sales, Administration, Liaisoning and Logistics.
6.	Mr. Siddharth Agrawal	B.Com and MBA Over 15 Years of experience	Plant maintenance, Production activities, Marketing of Finished Goods etc
7.	Mr. Dinesh Kumar Gandhi	Fellow Member of Institute of Chartered Accountants of India (ICAI) and Associate Member of Institute of Company Secretaries of India (ICSI) Over 25 years of experience	Finance and Strategic Planning. Financial Analyst, Taxation, Budgeting, Business Development and Administration
8.	Mr. Shashi Kumar	B.Sc. (Hons.) graduated in Mining Engineering Over four decades of experience	Coal Mining Sector
9.	Mr. Bhrigu Nath Ojha	Bachelor of Electrical Engineering Over four decades of experience	Power sector
10.	Mr. Harishankar Khandelwal	Chartered Accountant Over 25 years of experience	Finance, Accounts & Auditing, Taxation, Costing /Budgeting, Business Development and Administration
11.	Ms. Bhavna G. Desai	Bachelor in Commerce Over two decades of experience	Shares and security market activities

**h) Statement on declaration by Independent Director:**

The Board of Directors are hereby confirmed that in the opinion of the Board, all Independent Directors are independent of the management of the Company and have given declarations as required under the provisions of Section 149 (7) of the Companies Act, 2013 stating that they meet the eligibility criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

## i) Reason for resignation of Independent Directors:

During the period under review, no Independent Directors of the Company have resigned, before the expiry of their term of appointment.

## j) Particulars of Directors seeking re-appointment:

During the period under review, the term of appointment of Mr. Biswajit Choudhuri, Mr. Shashi Kumar, Mr. Bhriku Nath Ojha, Mr. Harishankar Khandelwal and Ms. Bhavna G. Desai, Independent Directors of the Company, will expire at the ensuing Annual General Meeting (AGM). Therefore, the Board of Directors have proposed to re-appoint the aforesaid Directors for second term of Five Years, at the ensuing AGM.

Details of the Director seeking appointment / re-appointment in the ensuing AGM in pursuance to Regulations 26 of the SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings are given in the annexure of the notice of AGM, which forms an integral part of this Annual Report.

## 3. AUDIT COMMITTEE:

### a) Terms of reference:

The functioning and terms of reference of the Audit Committee the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and amendment thereof, as are in force/ applicable from time to time. All the members of the Audit Committee are financially literate as required by Regulation 18 of SEBI (LODR) Regulations, 2015. The brief description of terms and reference of Audit Committee are as follows:

1. Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the Director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the listed entity with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is

- suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the whistle blower mechanism;
  19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
  21. To review the utilization of loans and/ or advances from investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
  22. The audit committee shall mandatorily review the following information:
    1. management discussion and analysis of financial condition and results of operations;
    2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
    3. management letters / letters of internal control weaknesses issued by the statutory auditors;
    4. internal audit reports relating to internal control weaknesses;
  5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
  6. statement of deviations:
    - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015.
    - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.
- b) Composition, name of members and chairperson:**
- The Company has constituted the Audit Committee of the Board (the "Audit Committee") pursuant to resolution of the Board of Directors dated 22<sup>nd</sup> March, 2005 in compliance with Section 292A of the Companies Act, 1956 and subsequently the committee re-constituted from time to time in compliance with Section 177 of the Companies Act, 2013, as amended and the applicable provisions of the SEBI (LODR) Regulations, 2015.
- During the period under review, the Board of Directors at their meeting held on 26<sup>th</sup> October, 2018 had re-constituted the Audit Committee of the Company, by inducting Ms. Bhavana Govindbhai Desai, Independent Director of the Company as a Member of the Committee, in place of Mr. Dinesh Kumar Gandhi, Non Executive Director of the Company.
- The Audit Committee consists of four Independent Non-Executive Directors. The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18(1) of SEBI (LODR) Regulations, 2015. The Audit Committee comprises of following Directors:

S. No.	Name	Designation
1.	Mr. Biswajit Choudhuri	Chairman (Independent Non Executive Director)
2.	Mr. Bhrigu Nath Ojha	Member (Independent Non Executive Director)
3.	Mr. Harishankar Khandelwal	Member (Independent Non Executive Director)
4.	Mr. Dinesh Kumar Gandhi*	Member (Non Executive Director)
5.	Miss Bhavna Govindbhai Desai**	Member (Independent Non Executive Director)

\*Ceased to be member w.e.f. 26<sup>th</sup> October, 2018, \*\* Appointed as member w.e.f. 26<sup>th</sup> October, 2018



## c) Meetings and Attendance during the Year:

The committee met four times during the year 2018-19 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member and Date of Meeting	Mr. Biswajit Choudhuri	Mr. Bhriugu Nath Ojha	Mr. Harishankar Khandelwal	Mr. Dinesh Gandhi	Miss Bhavna Govindbhai Desai
01.05.2018	Present	Present	Present	Present	N.A.
27.07.2018	Present	Present	Present	Present	N.A.
26.10.2018	Present	Absent	Present	Present	N.A.
02.02.2019	Present	Present	Present	N.A.	Present

## 4. NOMINATION AND REMUNERATION COMMITTEE:

### a) Terms of reference:

The functioning and terms of reference of the Nomination and Remuneration Committee the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and amendment thereof, as are in force/ applicable from time to time. The brief description of terms and reference of Nomination and Remuneration Committee is as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. To recommend to the board, all remuneration, in whatever form, payable to senior management

### b) Composition, name of members and chairperson:

The Company has constituted a Nomination & Remuneration Committee of the Board ("Nomination and Remuneration Committee") pursuant to resolution of the Board dated 22<sup>nd</sup> March, 2005 and subsequently the committee re-constituted from time to time. The

Nomination and Remuneration Committee consists of three Independent Non-executive Directors.

During the period under review, the Board of Directors at their meeting held on 02<sup>nd</sup> May, 2018 had re-constituted the Nomination and Remuneration Committee of the Company, by inducting Mr. Biswajit Choudhuri Independent Director of the Company as a Member of the Committee, in place of Mr. Dinesh Kumar Gandhi, Non Executive Director of the Company.

The Committee's composition meets with requirements of Section 178 of the Companies Act, 2013 and Regulation of 19 of SEBI (LODR) Regulations, 2015. The Nomination and Remuneration Committee comprises of following Directors:

S. No.	Name	Designation
1.	Mr. Shashi Kumar	Chairman (Independent Non-executive Director)
2.	Mr. Bhriugu Nath Ojha	Member (Independent Non-executive Director)
3.	Mr. Dinesh Kumar Gandhi*	Member (Non Executive Director)
4.	Mr. Biswajit Choudhuri**	Member (Independent Non-Executive Director)

\*Ceased to be member w.e.f. 02<sup>nd</sup> May, 2018

\*\* Appointed as member w.e.f. 02<sup>nd</sup> May, 2018

### c) Meetings and Attendance during the Year:

The committee met once during the year 2018-19 and the attendance of the members at the meeting is as follows:

Name of the Chairman/ Member and Date of Meeting	Mr. Shashi Kumar	Mr. Bhriugu Nath Ojha	Mr. Dinesh Kumar Gandhi	Mr. Biswajit Choudhuri
02.05.2018	Present	Present	Present	N.A.



**d) Performance evaluation criteria of Directors:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors in their meeting held on 02<sup>nd</sup> February, 2019.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

**5. REMUNERATION OF DIRECTORS:**

**a) Remuneration Policy:**

The Company follows a policy on remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) employee.

The remuneration / compensation / commission etc. to the Directors, KMPs and SMPs will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required. The policy has been updated on Company's website at [www.godawaripowerispat.com](http://www.godawaripowerispat.com), which can be accessed by link <http://godawaripowerispat.com/wp-content/uploads/2016/04/Nomination-And-Remuneration-Policy.pdf>

**b) Remuneration of Non-Executive Directors:**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees and commission as detailed hereunder:

- i) The remuneration / commission payable to Non-Executive / Independent Directors shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

- ii) The Non- Executive / Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof as may be decided by the Board from time to time provided that the amount of such fees shall not exceed One Lac rupees per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- iii) Commission may be paid to Non- Executive / Independent Directors within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- iv) The Independent Directors shall not be entitled to any stock option of the Company.

**c) Remuneration of Whole-Time / Executive / Managing Director, KMP and Senior Management Personnel:**

- i) The Whole-time Directors/ KMP's and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- ii) If, in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- iii) If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- iv) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Directors.

## GODAWARI POWER & ISPAT LIMITED

- v) Where any insurance is taken by the Company on behalf of its Whole-time Directors and/or KMPs, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

### d) Details of Remuneration of Directors for the Financial Year Ended 31<sup>st</sup> March, 2019:

The Non-Executive Directors are paid sitting fees within the limit prescribed under the Companies Act, 2013 for attending the Board meetings, Audit Committee meetings and other committee meetings. The Company has paid ₹ 50,000/- per meeting for attending Board meeting, ₹ 35,000/- per meeting for attending the Audit Committee meetings and ₹ 15,000/- per meeting for attending other committee meetings, as sitting fees.

The details of remuneration, sitting fees and commission paid to each of the Directors during the year ended 31<sup>st</sup> March, 2019 are given below:

(₹ in Lacs)

S.No.	Name of the Director	Consolidated Salary	Sitting Fees	Commission	No. of Equity Shares held
1.	Mr. Biswajit Choudhuri	Nil	4.60	6.00	Nil
2.	Mr. Shashi Kumar	Nil	3.20	6.00	Nil
3.	Mr. Bhriugu Nath Ojha	Nil	3.75	6.00	Nil
4.	Mr. Harishankar Khandelwal	Nil	3.55	6.00	1500
5.	Ms. Bhavna G. Desai	Nil	3.10	6.00	2,50,000
6.	Mr. Bajrang Lal Agrawal	216.00	Nil	Nil	17,31,398
7.	Mr. Dinesh Kumar Agrawal	180.00	Nil	Nil	18,46,347
8.	Mr. Abhishek Agrawal	180.00	Nil	Nil	85,000
9.	Mr. Vinod Pillai	21.60	Nil	Nil	Nil
10.	Mr. Siddharth Agrawal	Nil	Nil	Nil	94,000
11.	Mr. Dinesh Kumar Gandhi	Nil	Nil	Nil	18,000

- All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc: The Executive Directors were paid consolidated salary and perquisites and the Independent Directors were paid sitting fees and commission only.
- Details of fixed component and performance linked incentives, along with the performance criteria: No performance incentives have been paid to directors.
- Service contracts, notice period, severance fees: Not Applicable.

### 6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

#### i. Composition of the Committee:

For redressing the shareholder/ investor complaints and grievances, the Company has originally constituted the Investor Grievance Committee of the Board pursuant to

resolution of the Board dated 22<sup>nd</sup> March, 2005 as per the then requirements of the Listing Agreement and the Companies Act, 1956 and subsequently the committee re-constituted from time to time. The Board of Directors has rechristened the Investor Grievance Committee as Stakeholders Relationship Committee in its meeting held on 24<sup>th</sup> May, 2014.

During the period under review, the Board of Directors at their meeting held on 02<sup>nd</sup> May, 2018 had re-constituted the Stakeholders Relationship Committee of the Company, by inducting Mr. Biswajit Choudhuri Independent Director of the Company as a Member of the Committee, in place of Mr. Dinesh Kumar Gandhi, Non Executive Director of the Company.

The Stakeholders Relationship Committee consists of Three Independent Non-Executive Directors. The detailed composition of the members of the Stakeholders Relationship Committee at present is given below:

S. No.	Name	Designation
1.	Mr. Bhrigu Nath Ojha	Chairman (Independent Non-Executive Director)
2.	Ms. Bhavna G. Desai	Member (Independent Non-Executive Director)
3.	Mr. Dinesh Kumar Gandhi*	Member (Non Executive Director)
4.	Mr. Biswajit Choudhuri**	Member (Independent Non-Executive Director)

\*Ceased to be member w.e.f. 02<sup>nd</sup> May, 2018, \*\* Appointed as member w.e.f. 02<sup>nd</sup> May, 2018

## ii. Meetings and Attendance during the Year:

The committee met four times during the year 2018-19 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member and Date of Meeting	Mr. Bhrigu Nath Ojha	Ms Bhavna Govindbhai Desai	Mr. Dinesh Kumar Gandhi	Mr. Biswajit Choudhuri
01.05.2018	Present	Present	Present	N.A.
27.07.2018	Present	Present	N.A.	Present
25.10.2018	Absent	Present	N.A.	Present
02.02.2019	Present	Present	N.A.	Present

## iii. Terms of reference

The brief description of terms and reference of Stakeholders Relationship Committee is as follows:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

## iv. Name and Designation of Compliance Officer:

Mr. Yarra Chandra Rao, Company Secretary of the Company also functions as the Compliance Officer of the Company.

## v. The statement of shareholders complaints received, resolved during the year and pending at the end of the year are as under:

Sl. No.	No. of Complaints as on 01.04.2018	No. Complaints received during the year	No. Complaints not resolved during the year	No. Complaints pending as on 31.03.2019
1	0	0	0	0

## 7. GENERAL BODY MEETINGS:

### a) Location and time, where last three Annual General Meetings were held:

The location, date and time of the last three Annual General Meetings (AGM) were as under:

Year	Date	Time	Venue
2015-2016	20.09.2016	12:30 PM	2 <sup>nd</sup> Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)
2016-2017	25.09.2017	12:30 PM	2 <sup>nd</sup> Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)
2017-2018	28.07.2018	04:30 PM	2 <sup>nd</sup> Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)

## GODAWARI POWER & ISPAT LIMITED

### b) Special Resolution passed in the previous three Annual General Meetings:

Details of special resolutions passed in previous three AGMs of the Company are as under:

Date of Meeting	Special Resolution Passed
25 <sup>th</sup> September, 2017	<ol style="list-style-type: none"> <li>Revision in remuneration payable to Mr. Bajrang Lal Agrawal (DIN: 00479747) as Managing Director;</li> <li>Revision in remuneration payable to Mr. Abhishek Agrawal (DIN: 02434507) as Whole Time Director; and</li> <li>Approval for conversion of outstanding restructured loans, in case of failure on the part of the Company to repay the restructured Loan and achieve the financial performance as stipulated in terms of the Master Restructuring Agreement (MRA) entered into on 30<sup>th</sup> March, 2017 between the Company and the lenders.</li> </ol>
28 <sup>th</sup> July, 2018	Approval for increase in the aggregate limit of Investment by Foreign Institutional Investors/ Foreign Portfolio Investors and Non -Resident Indians in Equity Share Capital of the Company.

During the Financial Year 2015-16, no special resolution has been passed at the Annual General Meeting.

### c) Special Resolution passed last year through Postal Ballot:

Details of special resolutions passed through Postal Ballot in the National Company Law Tribunal Convened Meeting (NCLT) of the Company are as under:

Date of Meeting	Type of Meeting	Special Resolution Passed
22 <sup>nd</sup> January, 2019	NCLT	Approval of Scheme of Amalgamation of Jagdamba Power & Alloys Limited with Godawari Power & Ispat Ltd and their respective shareholders.

### Details of voting pattern:

Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter and Promoter Group	E-Voting	23735853	21985853	92.63	21985853	0	100.00	0.00
	Poll		0	0.00	0	0	0	0.00
	Postal Ballot		0	0.00	0	0	0	0.00
	<b>Total</b>	<b>23735853</b>	<b>21985853</b>	<b>92.63</b>	<b>21985853</b>	<b>0</b>	<b>100.00</b>	<b>0.00</b>
Public-Institution's	E-Voting	2005968	1823375	90.90	1823375	0	100.00	0.00
	Poll		0	0.00	0	0	0.00	0.00
	Postal Ballot		0	0.00	0	0	0.00	0.00
	<b>Total</b>	<b>2005968</b>	<b>1823375</b>	<b>90.90</b>	<b>1823375</b>	<b>0</b>	<b>100.00</b>	<b>0.00</b>
Public-Non Institution's	E-Voting	9494426	16239	0.17	12099	4140	74.51	25.49
	Poll		206	0.00	206	0	100.00	0.00
	Postal Ballot		7202	0.08	7202	0	100.00	0.00
	<b>Total</b>	<b>9494426</b>	<b>23647</b>	<b>0.25</b>	<b>19507</b>	<b>4140</b>	<b>82.49</b>	<b>17.51</b>
<b>Total</b>		<b>35236247</b>	<b>23832875</b>	<b>67.64</b>	<b>23828735</b>	<b>4140</b>	<b>99.98</b>	<b>0.02</b>

**d) Person Conducting the Postal Ballot Exercise**

CS Brajesh R. Agrawal of M/s B.R. Agrawal & Associates, Company Secretaries, Raipur (C.P. No. 5649) was appointed as the Scrutiniser for conducting the postal ballot at the NCLT Convened meeting process in a fair and transparent manner. He conducted the process and submitted the report to the Company.

**e) Immediate Proposal for any special resolution through Postal Ballot:**

There is no immediate proposal for passing any special resolution through Postal Ballot on or before ensuing Annual General Meeting.

**f) Procedure for Postal Ballot:**

- i. In compliance with the Regulation 44 of the SEBI (LODR) Regulations, 2015 and Section 108, 110 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder, the Company provided electronic voting facility to all its members, to enable them to cast their votes electronically. The Company engaged the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility. The members had the option to vote either by physical ballot or e-voting or by ballot paper at the venue of the meeting.
- ii. The Company dispatched the postal ballot notice dated 27<sup>th</sup> November, 2018 containing draft resolution together with the explanatory statement, the postal ballot forms and self-addressed envelopes to the members whose names appeared in the register of members / list of beneficiaries as on cut-off date i.e. 30<sup>th</sup> November, 2018. The Company also published a notice in the newspaper declaring the details of completion of dispatch on 16<sup>th</sup> December, 2018 and other requirements as mandated under the Act and applicable rules.
- iii. The members who opted for voting through postal ballot were allowed to vote from 22<sup>nd</sup> December, 2018 to 21<sup>st</sup> January, 2019 and were requested to return the forms duly completed and signed, to the Scrutiniser before 05:00 PM on or before 21<sup>st</sup> January, 2019.
- iv. Particulars of postal ballot forms received from the Members were entered in a register separately maintained for the purpose, in electronic mode by the Registrar & Transfer Agent (RTA) (Link Intime India Private Limited) of the Company.
- v. The Postal Ballot Forms were kept, in sealed and tamper proof Ballot Box, under safe custody of the RTA of the Company, before commencing the scrutiny of such postal ballot forms.

- vi. The Postal Ballot Forms were opened by RTA with the permission of the scrutinizer and the details of Postal Ballot Forms were reconciled with the records maintained by RTA.
- vii. Envelopes containing postal ballot forms received after 05:00 PM on 21<sup>st</sup> January, 2019 had not been considered for his scrutiny.
- viii. The Scrutinizer submitted his report on 23<sup>rd</sup> January, 2019 after the completion of scrutiny and the results of the same were announced on 23<sup>rd</sup> January, 2019.
- ix. The results of the postal ballot along with the scrutinizer's report were displayed at the Registered Office and Corporate Office of the Company and hosted at the Company's website at [www.godawaripowerispat.com](http://www.godawaripowerispat.com) and on the website of NSDL i.e. [www.evotingnsdl.com](http://www.evotingnsdl.com) and were communicated to the Stock Exchanges where the Company's shares are listed.

**8. MEANS OF COMMUNICATION:**

The Standalone & Consolidated unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The Standalone & Consolidated audited annual results are announced within sixty days from the close of the Financial Year as per the requirements of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges. The aforesaid financial results are sent to Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the Company's securities are listed, immediately after these are approved by the Board. The results are thereafter published within forty eight hours in English and Hindi editions of Business Standard newspaper in all India editions.

The Annual Report of the Company, the quarterly / half yearly / annual results of the Company are also placed on the Company's website: [www.godawaripowerispat.com](http://www.godawaripowerispat.com) at Investors Section and can be downloaded therefrom. A separate dedicated section under 'Investors Information' on the Company's website gives information on unclaimed dividends and other relevant information of interest to the investors / public.

The quarterly results, shareholding pattern, quarterly compliances, press release, presentations made to institutional investors or to the analysts and all other corporate communication to the Stock Exchanges viz. BSE and NSE are filed electronically on NSE & BSE's on-line portal and also placed at the website of the Company at "Investors Information."

## 9. GENERAL SHAREHOLDER INFORMATION:

### a) Annual General Meeting- date, time and venue:

Date	Saturday, the 10 <sup>th</sup> day of August, 2019 (Tentative)
Time	11:30 AM (Tentative)
Venue	2 <sup>nd</sup> Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.) 492 004

### b) Financial Year:

The Financial Year of the Company commences from 01<sup>st</sup> April 2019 and ends on 31<sup>st</sup> March, 2020

Tentative Calendar for Board Meeting (for Financial Result)- for the Financial Year 2019-2020:

Quarter ending on 30 <sup>th</sup> June 2019	:	On or before 14 <sup>th</sup> August, 2019
Half-year ending on 30 <sup>th</sup> September 2019	:	On or before 14 <sup>th</sup> November, 2019
Quarter ending on 31 <sup>st</sup> December 2019	:	On or before 14 <sup>th</sup> February, 2020
Year ending on 31 <sup>st</sup> March 2020	:	On or before 30 <sup>th</sup> May, 2020

### c) Dividend Payment Date:

The Board of Directors of the Company has not recommended payment of any dividend for the year under review. Hence, the dividend payment date is not applicable.

### d) Name and Address of Stock Exchange where securities are Listed:

The Equity Shares of the Company are listed with:

- i. **National Stock Exchange India Limited (NSE),**  
Exchange Plaza, Bandra Kurla Complex, Bandra (E),  
Mumbai (M.H.) – 400051  
Stock Code : GPIL
- ii. **Bombay Stock Exchange Limited (BSE),**  
1<sup>st</sup> Floor, Rotunda Building, Dalal Street,  
Mumbai (M.H.) – 400 001  
Stock Code : 532734

We hereby confirm that the Company has duly paid its Annual Listing Fees for the Financial Year 2019-2020, to both NSE and BSE.

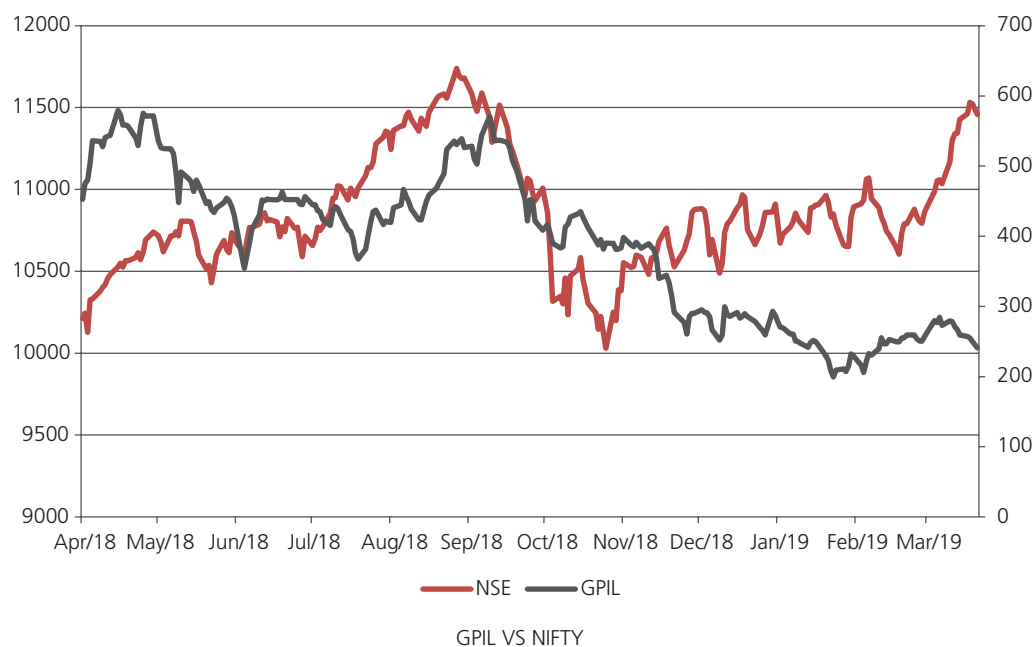
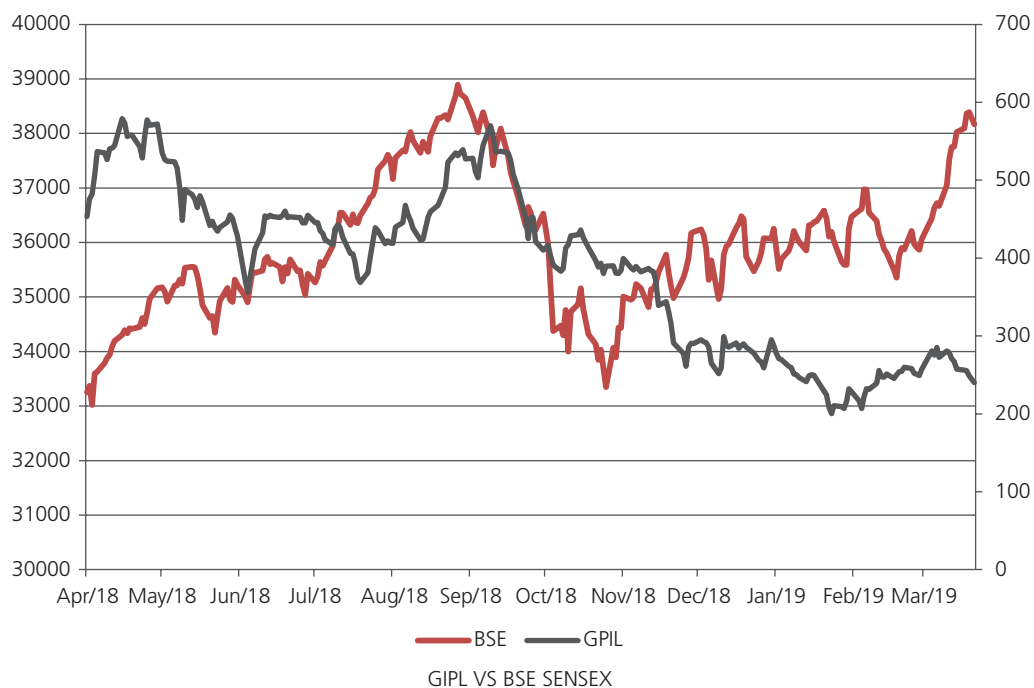
### e) Market Price Data:

The monthly high and low price of shares traded on the NSE and BSE, during the last Financial Year 2018-19 are as follows:

Month	NSE		BSE	
	High Price	Low Price	High Price	Low Price
Apr-18	592.00	431.00	591.00	430.00
May-18	580.00	424.35	579.50	425.00
Jun-18	474.60	336.55	476.80	338.20
Jul-18	459.30	361.60	460.70	363.20
Aug-18	568.00	415.00	568.00	415.05
Sep-18	586.95	396.55	587.00	396.50
Oct-18	460.00	367.70	458.70	369.50
Nov-18	412.95	256.10	420.00	256.30
Dec-18	311.00	242.50	310.55	239.00
Jan-19	295.90	191.45	295.00	192.00
Feb-19	267.40	205.00	267.85	205.90
Mar-19	293.00	227.15	294.00	227.50

**f) Performance in comparison to Broad Based Indices:**

A comparative study of performance of Equity Shares of the Company with BSE Sensex and NIFTY, for the Financial Year 2018-2019 is as follows:





## GODAWARI POWER & ISPAT LIMITED

### g) Registrar and Share Transfer Agent:

The Registrar and Share Transfer Agent of the Company is Link Intime India Private Limited

The correspondence address and the contact details are as under:

C-101, 247 Park, L B S Marg, Vikhroli, West,  
Mumbai (M.H.) -400083  
Ph: 022-49186270 Fax: 022-49186060  
Toll-free Number : 1800 1020 878  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

Investors are requested to please send dividend, annual report related query/grievances etc. to our Registrar at Link Intime India Private Limited at Mumbai.

### h) Share transfer and Dematerialization of Shares:

The Securities & Exchange Board of India (SEBI) has notified vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/P/73 dated 20<sup>th</sup> April, 2018 and No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated 16<sup>th</sup> July, 2018 that except in case of transmission or transposition of securities, requests for effecting the transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Essentially, the shares in physical mode cannot be transferred after 5<sup>th</sup> December 2018. SEBI has

extended the said dead line upto 31<sup>st</sup> March 2019 vide its Press Release No.49/2018 dated 3<sup>rd</sup> December 2018. However, the shareholders shall hold shares in physical form but shall not be allowed to transfer the shares. In view of this regulatory amendment it is advisable to the shareholders, to dematerialize their securities as early as possible with ISIN INE177H01013 of the Company.

The Company's shares can be dematerialized with the Depositories namely CDSL or NSDL through the Depository Participants. The Company's shares are compulsorily traded in the demat mode at NSE & BSE. The Frequently Asked Questions for Transfer and Dematerialization are available at the website of the Company and can be accessed at link <http://godawaripowerispat.com/wp-content/uploads/2019/02/Frequently-Asked-Questions-for-Transfer-Dematerialization-of-Shares.pdf>

Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20<sup>th</sup> April, 2018, in which SEBI has directed all the Listed Companies to mandatorily record the PAN and Bank Account details of all their shareholders holding shares in physical mode. In these connections, the company has sent letters to the shareholders, who are holding shares in physical mode. The shareholders are once again requested to update their aforesaid details with Link Intime India Private Limited, Mumbai, if details are not yet updated.

### i) Distribution of Shareholding:

The Distribution of shareholding of Equity Shares of the Company as on 31<sup>st</sup> March, 2019 is as under:

No. of Shares	Shareholders		Shares Held	
	Number	% to Total	Number	% to Total
Up to 500	17716	90.20	1768092	5.02
501 – 1000	842	4.29	681659	1.93
1001- 2000	458	2.33	689307	1.96
2001 – 3000	188	0.96	487191	1.38
3001 – 4000	75	0.38	264997	0.75
4001 – 5000	80	0.41	377641	1.07
5001 – 10000	121	0.62	879573	2.50
10001 and above	159	0.81	30087787	85.39
<b>Total</b>	<b>19639</b>	<b>100.00</b>	<b>35236247</b>	<b>100.00</b>



**Shareholding Pattern as on 31<sup>st</sup> March 2019:**

S.No.	Category of Shareholder	Total Number of Shares	Total shareholding as a % of total number of shares
<b>(A)</b>	<b>PROMOTER AND PROMOTER GROUP</b>		
	i. Individual / HUF	18925684	53.71
	ii. Bodies Corporate	3685169	10.46
	iii. Any Other (Trust)	1125000	3.19
	<b>SUB TOTAL (A)</b>	<b>23735853</b>	<b>67.36</b>
<b>(B)</b>	<b>PUBLIC</b>		
	a) Institutions		
	i. Foreign Portfolio Investor	2013092	5.71
	ii. Financial Institutions/ Banks	59988	0.17
	b) Non- Institutions		
	i. Individual		
	i) Individual shareholders holding nominal share capital up to ₹ 2 Lakh.	4722801	13.40
	ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lakh	1921244	5.45
	ii. NBFC Registered with RBI	13703	0.04
	iii. IEPF	7969	0.02
	iv. Trusts	100	0.00
	v. Hindu Undivided Family	450465	1.28
	vi. Non Resident Indians (Non Repat)	71385	0.20
	vii. Non Resident Indians (Repat)	95489	0.27
	viii. Other Director	269500	0.76
	ix. Clearing Members	238969	0.68
	x. Bodies Corporate	1635689	4.64
	<b>SUB TOTAL (B)</b>	<b>11500394</b>	<b>32.64</b>
	<b>TOTAL (A+B)</b>	<b>35236247</b>	<b>100.00</b>

**j) Address for Investors Communications :**

Mr. Y.C. Rao  
Company Secretary & Compliance Officer,  
Godawari Power & Ispat Limited  
Corporate Office: First Floor, Hira Arcade,  
Near New Bus Stand, Pandri, Raipur, Chhattisgarh 492 004.  
Tel: +91-771-4082735, Fax Number: +91-771-4057601  
E-mail: yarra.rao@hiragroup.com

**k) Plant Locations :**

The Plant of the Company is situated at:  
428/2, Phase-I, Industrial Area, Siltara - 493111, Dist. Raipur (C.G.) 493 221  
Tel: +91-771-4082333; Fax: +91-771-4082234  
Website: www.godawaripowerispat.com

## GODAWARI POWER & ISPAT LIMITED

### l) Name of the Debenture Trustee with full contact details:

Axis Trustee Services Limited  
(A Wholly Owned Subsidiary of Axis Bank Ltd)  
Axis House, 2<sup>nd</sup> Floor, Bombay Dyeing Mills Compound,  
Near Hard Rock Café Pandurang, Budhkar Marg, Worli,  
Mumbai, Maharashtra – 400 025  
Ph: 022- 43255233

### m) Details of Credit Ratings and revision thereof:

During the period under review, the Credit Ratings of Non Convertible Debentures of the Company have been revised as follows:

Facilities/ Instruments	Date of Revision	Ratings	Remarks
Series A, B & C Non Convertible Debentures	07 <sup>th</sup> September, 2018	CARE BBB; Stable (Triple B; Outlook Stable)	Revised from CARE BBB- Stable (Triple B Minus Outlook Stable)
Series A, B & C Non Convertible Debentures	02 <sup>nd</sup> April, 2018	CARE BBB- Stable (Triple B Minus; Outlook Stable)	Revised from CARE BB+ Stable (Double B Plus Outlook Stable)

## 10. OTHER DISCLOSURES:

### a) Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015 during the Financial Year were in the ordinary course of business and on an arms' length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the Financial Year, which were in conflict with the interest of the Company. Suitable disclosure as required by the Indian Accounting Standards (Ind AS-24) has been made in the notes to the Financial Statements.

A statement, in summary form, of all the transactions entered into with the related parties in the ordinary course of business, details of individual transactions with related parties are placed before the audit committee for the review from time to time.

The Board has revised the policy on related party transactions, at its Board Meeting held on 30<sup>th</sup> April, 2019, pursuant to SEBI (LODR) Amendment Regulations,

2018. The revised policy shall be effective from 01<sup>st</sup> April, 2019 and is placed on the Company's website, the web link of which is <http://godawaripowerispat.com/investors-information/policies/>.

### b) Details of non-compliance by the Company, penalties and strictures imposed etc.:

The Company has complied with the requirements of regulatory authorities on capital markets. During the period under review, the Company has filed a compounding application with the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench for the violation of Section 67 (3) of the Companies Act, 1956 occurred during 31<sup>st</sup> March, 2003 to 2006. The NCLT levied compounding fee of ₹ 1,00,000/- on the Company and ₹ 1,00,000/- each for both the Directors, for the said offence. The Company and both the Directors had paid the compounding fee and thereafter NCLT vide its order dated 06<sup>th</sup> December, 2018 condoned the non-compliance.

Except as mentioned above, no other penalty/ stricture was imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last one year from the date of its listing on the stock exchanges.

### c) Vigil Mechanism / Whistle Blower Policy:

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 and pursuant to Regulation 22 of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company approved the Whistle Blower Policy of the Company establishing a vigil mechanism for Directors and employees of the Company to report genuine concerns. The Vigil mechanism provides for adequate safeguards against the victimization of employees and Directors who avail the vigil mechanism and also provides for direct access to the nodal officer of the Company nominated by the Audit Committee as its representative through any of the following protocols:

Mr. Yarra Chandra Rao,  
Company Secretary & Compliance Officer,  
C/o Godawari Power & Ispat Limited,  
First Floor, Hira Arcade, Near New Bus Stand,  
Pandri, Raipur, Chhattisgarh- 492 004  
Tel: +91-771-4082735, Fax Number: +91-771 4057601  
Email: [yarra.rao@hiragroup.com](mailto:yarra.rao@hiragroup.com)

The said policy has been properly communicated to all the Directors and employees of the Company through the respective departmental heads. It is further affirmed that no personnel has been denied access to the Audit Committee of the Company.

(₹ in lacs)

**d) Details of compliance with mandatory and adoption of Non mandatory requirements:**

The company has not adopted/ complied with any non mandatory requirements. However, the Company has complied with all the mandatory requirements, contained in SEBI (LODR) Regulations, 2015.

**e) Material Subsidiaries:**

Pursuant to the provisions contained in SEBI (LODR) Regulations, 2015, the Company has identified Godawari Green Energy Limited (GGEL) and Ardent Steel Limited (ASL), as material subsidiaries, since the net worth and income respectively, of GGEL and ASL, exceeds ten per cent of its consolidated net worth / income as per the Audited Balance Sheet of the previous Financial Year i.e. FY 2018-19.

Pursuant to SEBI (LODR) Amendment Regulations, 2018, the Board of Directors of the Company have adopted a revised policy for determining material subsidiaries with retrospective effect from 01<sup>st</sup> April, 2019, the weblink of which is <http://godawaripowerispat.com/investors-information/policies/>.

The Company has Nominated & appointed Mr. Bhrgu Nath Ojha as Independent Director on the Board of GGEL and ASL, pursuant to Regulation 24(1) of SEBI (LODR) Regulations, 2015.

The Unaudited Quarterly Financial Statement and/ or Audited Financial Statements of all the Subsidiary Companies are tabled at the Audit Committee and Board Meetings of the Company. Copies of the minutes of the Board meetings of all the subsidiary companies are tabled at the subsequent board meetings.

**f) Details of utilization of funds raised during the year:**

During the period under review, the Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI (LODR) Regulations, 2015.

**g) Certificate from Practicing Company Secretary:**

The Company has received a certificate from M/s Jain Tuteja & Associates, Practicing Company Secretary certifying that none of the Directors of the Company are debarred or disqualified from being appointed or continuing as Directors of the Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The said certificate is annexed as **Annexure- A**.

**h) Total fees paid to Statutory Auditors:**

The details of the total fees of all services paid by the Company and its Subsidiaries, on a consolidated basis, to M/s JDS & Co, Statutory Auditors and all the entities in the network firm/ network entity of which the statutory auditor is a part, are as under:

Sl. No.	Name of the Company	Total Fees paid to Statutory Auditor*
1	Godawari Power and Ispat Limited	30.00
2	Ardent Steel Limited (Subsidiary)	5.75
3	Godawari Green Energy Limited (Subsidiary)	4.13
4	Godawari Energy Limited (Subsidiary)	0.09
5	Hira Ferro Alloys Limited (Associate)	7.50
6	Jagdamba Power & Alloys Limited (Associate)	2.00

\* Inclusive of Tax Audit Fees

**i) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary, Training) are covered under this Policy. There was no complaints at the beginning of the year i.e. as on 1<sup>st</sup> April, 2018 and during the year the Company has not received any complaints and no complaints were pending as on 31<sup>st</sup> March, 2019.

**11. DETAILS OF NON COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT:**

The Company has complied with the requirements, as specified in Para 2 to 10 of Part C of Schedule V of the SEBI (LODR) Regulations, 2015.

**12. DISCRETIONARY REQUIREMENTS:**

The status of compliance with non-mandatory recommendations of the SEBI (LODR) Regulations, 2015 is as follows:

**a) The Board:**

The Chairman of the Company is a Non Executive Independent Director. The Company has not provided separate office to the Chairman. However, the Company incurs and reimburses all the expenses incurred by him during the performance of his duties towards the Company.

**b) Shareholder Rights:**

As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website and the link of the same on the Company's website is being sent to the shareholders through e-mail, whose email ID is available with depositories.

**c) Modified opinion(s) in audit report:**

The Auditors have issued an un-modified opinion on the Standalone & Consolidated Financial Statements of the Company for the FY 2018-19.

**d) Reporting of Internal Auditor:**

The Internal Auditor of the Company directly reports to the Audit Committee.

**13. DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company has followed all relevant accounting standards while preparing the financial statements and statement of accounts have been drawn in compliance of all applicable accounting standards. The financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

**14. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS OF SEBI (LODR) REGULATIONS.**

The company has complied with the mandatory requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of the Regulation 46 of SEBI (LODR) Regulations, 2015 and the details are as under:

Disclosure of compliance specified in Regulation 17 to 27 of SEBI (LODR) Regulations			
S. No.	Particulars	Regulation	Compliance Status (Yes/No/NA)
1.	Board composition	17(1)	Yes
2.	Meeting of Board of directors	17(2)	Yes
3.	Review of Compliance Reports	17(3)	Yes
4.	Plans for orderly succession for appointments	17(4)	Yes
5.	Code of Conduct	17(5)	Yes
6.	Fees/compensation	17(6)	NA
7.	Minimum Information	17(7)	Yes
8.	Compliance Certificate	17(8)	Yes
9.	Risk Assessment & Management	17(9)	Yes
10.	Performance Evaluation of Independent Directors	17(10)	Yes
11.	Composition of Audit Committee	18(1)	Yes
12.	Meeting of Audit Committee	18(2)	Yes
13.	Composition of Nomination & Remuneration Committee	19(1) & (2)	Yes
14.	Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
15.	Composition and role of Risk Management Committee	21(1),(2),(3),(4)	Yes
16.	Vigil Mechanism	22	Yes
17.	Policy for Related Party Transaction	23(1),(5),(6),(7) & (8)	Yes
18.	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
19.	Approval for material Related Party Transaction	23(4)	NA
20.	Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
21.	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
22.	Maximum Directorship & Tenure	25(1) & (2)	Yes
23.	Meeting of Independent Directors	25(3) & (4)	Yes
24.	Familiarization of Independent Directors	25(7)	Yes
25.	Memberships in Committees	26(1)	Yes
26.	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management personnel	26(3)	Yes
27.	Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
28.	Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
29.	Other Corporate Governance requirements	27	Yes

#### Disclosure on website in terms of SEBI (LODR) Regulations (Regulation 46 (2) (b) to (i))

S. No.	Particulars	Compliance Status (Yes/No/NA)
1.	Terms and conditions of appointment of Independent Directors	Yes
2.	Composition of various committees of Board of Directors	Yes
3.	Code of conduct of Board of Directors and Senior Management Personnel	Yes
4.	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
5.	Criteria of making payments to Non-Executive Directors	Yes
6.	Policy on dealing with Related Party Transactions	Yes
7.	Policy for determining 'material' subsidiaries	Yes
8.	Details of familiarization programmes imparted to Independent Directors	Yes

#### 15. ETHICS/GOVERNANCE POLICIES

At GPIL, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, your Company has adopted following codes and policies to carry out our duties in an ethical manner.

- Code of Conduct for Directors, Senior Management and Employees
- Whistle Blower Policy
- Policy on Related Party Transactions
- Corporate Social Responsibility Policy
- Policy for determining Material Subsidiaries
- Code of Conduct for Prevention of Insider Trading
- Code of Practices & Procedures For Fair Disclosure of Unpublished Price Sensitive Information

Some of the above codes and policies which are statutorily required to be posted on the Company website have been posted accordingly the weblink of which is- <http://godawaripowerispat.com/investors-information/policies/>

#### 16. INSIDER TRADING DISCLOSURE:

The Board of Directors of the Company has duly adopted revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of the Company, pursuant to the provisions of Regulation 8 (Code of Fair Disclosure) and Regulation 9 (Code of Conduct), respectively, of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and its notification dated December 31, 2018. The above codes came into effect from 01<sup>st</sup> April, 2019.

The aforesaid codes have been adopted with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Compliance Officer is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

#### 17. CEO/CFO CERTIFICATION

The Chief Executive Officer and the Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required in Clause 27 of SEBI (LODR) Regulations, 2015 and the said certificate is annexed in in this report as **Annexure B**.

For and on behalf of Board of Directors

Place: Raipur

Date: 30.04.2019

Chairman

**ANNEXURE A****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10)(I) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)**

To  
The Members of  
Godawari Power and Ispat Limited

This certificate is issued pursuant to Clause 10 (i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide circular dated 09<sup>th</sup> May, 2018 of the Securities and Exchange Board of India.

We have examined the compliance of provisions of the aforesaid Clause 10 (i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of our information and according to the explanations given to us by **Godawari Power and Ispat Limited ('the Company')** having CIN L27106CT1999PLC013756 and having its Registered Office at Plot No.428/2, Phase- 1 Industrial Area, Siltara, Raipur Chattisgarh, and the declarations made by the Directors, we hereby certify that none of the Directors of the Company, have been debarred or disqualified as on 31<sup>st</sup> March, 2019 from being appointed or continuing as Directors of the Company by SEBI/Ministry of Corporate Affairs or any other statutory authority.

For, **Jain Tuteja & Associates**

**Tanveer Kour Tuteja**  
(Partner)

Practising Company Secretary  
M. No.:F7704  
C.P. No.:8512

Place: Raipur  
Date: 20.04.2019

**AUDITORS' CERTIFICATE**

**(ON CORPORATE GOVERNANCE)**

To  
The Members of  
Godawari Power and Ispat Limited

We have examined the compliance of conditions of Corporate Governance by Godawari Power and Ispat Limited for the year ended 31<sup>st</sup> March, 2019 as stipulated in SEBI (LODR) Regulations, 2015 of the said Company, with the stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the Management has conducted the affairs of the Company.

For, **JDS & Co.**  
Chartered Accountants

**Sanjay Dewangan**  
Partner  
(Membership No.409524)

Place: Raipur  
Date: 30.04.2019

## ANNEXURE B

### COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

[PURSUANT TO REGULATION 17(8)] OF SEBI (LODR) REGULATIONS, 2015

To,  
The Board of Directors  
Godawari Power and Ispat Limited  
Raipur - Chhattisgarh

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Godawari Power and Ispat Limited ("the Company") to the best of our knowledge and belief certify that:

- a) We have reviewed the financial statements and the cash flow statement for the Financial Year 2018-19 and hereby certify that to the best of our knowledge and belief:-
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the entity pertaining to financial reporting and have no deficiencies in the design or operation of such internal controls
- d) We have indicated to the auditors and the Audit committee
  1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. No significant fraud witnessed during the year

Place: Raipur  
Date: 30.04.2019

**Bajrang Lal Agrawal**  
Managing Director

**Sanjay Bothra**  
Chief Financial Officer

### DECLARATION REGARDING CODE OF CONDUCT

Pursuant to the Regulation 17(5) of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company have approved and adopted Code of Conduct and Ethics which is applicable to all the Board members, senior management and employees of the Company.

The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

The code has been circulated to Directors and Managerial Personnel, and its compliance is affirmed by them annually.

I hereby declare that all the Directors and Senior Management Personnel have affirmed compliance during the Financial Year 2018-19 with the provisions of Code of Conduct as adopted by the Company.

Place: Raipur  
Date: 30.04.2019

**Bajrang Lal Agrawal**  
Managing Director



**OVERVIEW OF INDIAN ECONOMY**

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships.

India's GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19. India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups.

India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrollment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India's foreign exchange reserves were US\$ 405.64 billion in the week up to 15<sup>th</sup> March, 2019, according to data from the RBI.

With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India reached record US\$ 129.4 billion in 2018 while private equity (PE) and venture capital (VC) investments reached US\$ 20.5 billion. Some of the important recent developments in Indian economy are as follows:

- During 2018-19 (up to February 2019), merchandise exports from India have increased 8.85 per cent year-on-year to US\$ 298.47 billion, while services exports have grown 8.54 per cent year-on-year to US\$ 185.51 billion.
- Nikkei India Manufacturing Purchasing Managers' Index (PMI) reached a 14-month high in February 2019 and stood at 54.3.
- Net direct tax collection for 2018-19 had crossed ₹ 10 trillion (US\$ 144.57 billion) by March 16, 2019, while goods and services tax (GST) collection stood at ₹ 10.70 trillion (US\$ 154.69 billion) as of February 2019.
- Proceeds through Initial Public Offers (IPO) in India reached US\$ 5.5 billion in 2018 and US\$ 0.9 billion in Q1 2018-19.
- India's Foreign Direct Investment (FDI) equity inflows reached US\$ 409.15 billion between April 2000 and December 2018, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.
- India's Index of Industrial Production (IIP) rose 4.4 per cent year-on-year in 2018-19 (up to January 2019).
- Consumer Price Index (CPI) inflation stood at 2.57 per cent in February 2019.
- Net employment generation in the country reached a 17-month high in January 2019.

India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.

India's revenue receipts are estimated to touch ₹ 28-30 trillion (US\$ 385-412 billion), owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST).

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 175 GW by 2022.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers. (Source: [www.ibef.org](http://www.ibef.org))

**Indian Steel Industry Scenario (As on April 2019)**

India was the world's second largest steel producer, as of 2018. The country is slated to surpass USA to become the world's second largest steel consumer in 2019.

In FY18, India produced 104.98 million tonnes (MT) and 103.13 MT of finished steel and crude steel, respectively. Crude steel production between April 2018- February 2019 – Provisional (P) reached 97.15 million tonnes. India was also a net exporter of steel in FY18. Exports and imports of finished steel stood at 6.36 MT and 7.84 MT respectively in FY19 (P).

The Government has taken various steps to boost the sector including the introduction of National Steel Policy 2017 and allowing 100 per cent Foreign Direct Investment (FDI) in the steel sector under the automatic route. Between April 2000 and December 2018, inflow of US\$ 11.18 billion has been witnessed in the metallurgical industries as Foreign Direct Investment (FDI).

India's per capita consumption of steel grew to 68.9 kgs, during 2017-18. National Steel Policy 2017 aims to increase the per capita steel consumption to 160 kgs by 2030-31. (Source: [www.ibef.org](http://www.ibef.org))

**Global Steel Industry Scenario**

In 2018, the world crude steel production reached 1789 million tonnes (mt) and showed a growth of 4.94% over 2017. China remained world's largest crude steel producer in 2018 (928 mt) followed by India (106 mt), Japan (104 mt) and the USA (87 mt). World Steel Association has projected Indian steel demand to grow by 7.3% in 2019 while globally steel demand has



been projected to grow by 1.4% in 2019. Chinese steel use is projected to show flat growth in 2019. Per capita finished steel consumption in 2017 is placed at 212 kg for world and 523 kg for China by World Steel Association. The same for India was 69 kg in 2017. Per capita steel consumption for 2018 is yet to be published by WSA. (Source: www.steel.gov.in)

### Indian Power Scenario

India has the fifth largest power generation capacity in the world. The country ranks third globally in terms of electricity production. In May 2018, India ranked 4<sup>th</sup> in the Asia Pacific region out of 25 nations on an index that measures their overall power. Electricity production in India reached 1,142.0 Billion Units (BU) during FY19 (up to February 2019).

Renewable energy is fast emerging as a major source of power in India. The Government of India has set a target to achieve 175 GW installed capacity of renewable energy by FY22. Wind energy is the largest source of renewable energy in India, accounting for 47.44 per cent (35.14 GW) (As of December, 2018) of total installed renewable capacity (74.08 GW) (As of December, 2018). There are plans to double wind power generation capacity to 60 GW by 2022. India has also raised the solar power generation capacity addition target by five times to 100 GW by 2022. The Union Government of India is preparing a 'rent a roof' policy for supporting its target of

generating 40 gigawatts (GW) of power through solar rooftop projects by 2022. All the states and union territories of India are on board to fulfill the Government of India's vision of ensuring 24x7 affordable and quality power for all by March 2019. India is on path to achieve 100 per cent household electrification by March 31, 2019, as envisaged under the Saubhagya scheme. As of September 2018, the Government of India launched a voluntary based programme to promote energy efficient chiller systems in India. It enables the energy performance by providing star ratings and will be effective up to 31<sup>st</sup> December, 2020.

The Cabinet Committee on Economic Affairs (CCEA) has approved commercial coal mining for private sector and the methodology of allocating coal mines via auction and allotment, thereby prioritizing transparency, ease of doing business and ensuring the use of natural resources for national development.

The Government of India is planning to invite bids for the largest solar tender in the world, for installing 20 gigawatts (GW) of solar power capacity, to give a boost to manufacturing of solar power equipment in India. (Source: www.ibef.org)

### Analysis and discussions on financial performance

#### Review of operating & financial performance – standalone

The operating & financial performance of the Company during the year under review is discussed below in detail:

### Production and sales

#### i. Production

During the year under review, production volumes across various divisions were as follows:

Products/ Division	Production in FY2019 (In MT)	Production in FY2018 (In MT)	Year on year growth
Iron ore mining	1547384	1579693	-2.04%
Iron ore pellets	1933250	1841050	5.01%
Sponge iron	460008	439139	4.75%
Steel billets	298418	197596	51.02%
MS rounds	182088	142101	28.14%
HB wire	134558	116555	15.45%
Ferro alloys	10536	13772	-23.50%
Power (Units in crore)	44.02	48.35	-8.95%

#### Iron Ore Mining:

The iron ore mining activity during the year impact moderately on account of extended monsoon during year. The production from captive iron ore mines resulted into better operating margins, as compared to market price of iron and is biggest strength of the Company. The Company is continuously making efforts to improve the production volume from the mines and expect to grow the volumes further during the year.

#### Iron Ore Pelletisation:

Your Company has achieved a capacity utilization of 92% in FY 2018-19, which is higher by about 5% as compared in FY 2017-18. The production of iron ore pellets increased during the year by 5.01%. The higher production of iron ore pellets coupled with better realizations contributed to higher sales & profitability.

## GODAWARI POWER & ISPAT LIMITED

### Sponge Iron

The Company operated the sponge iron plant at full capacity and achieved the production volumes of 460008 MTs, mainly on account of operational efficiency. During year the plant operated at 89% capacity utilization.

### Finished Steel & Rolled Products

The production of Steel Billets increased by 51.02% on yoy basis, led by availability of additional power from Jagdamba Power and Alloys Limited (JPAL) during the year. The Company aims to further increase the capacity utilisation production of steel metling shop during year current year.

### Ferro Alloys:

The Company is making silico manganese, used in steel making. The production of silico manganese moderated by 23.50% led by strategic shift of power to steel billet production.

### Captive Power:

The Company is operating 73 MW of captive power generation capacity out of which 42MW is waste heat recovery, 11 MW thermal coal based and 20 MW bio mass power. The overall production volumes decreased by 8.95% as compared to previous year in view of higher cost of fuel.

## ii. Net sales/income from operations:

Product	FY 2019			FY 2018		
	Sales (MTs) Quantity	Net sales (₹ in crore)	Sales Realisation (Per Ton)	Sales quantity (MTs)	Net sales (₹ in crore)	Sales Realisation (Per Ton)
Iron ore pellets	1452549	989.00	6809	1247361	669.23	5365
Sponge iron	140218	276.74	19736	228469	381.04	16678
Steel billets	121632	402.26	33072	81560	226.10	27722
MS rounds	79099	306.44	38741	74813	242.82	32457
HB wire	134558	547.21	40667	116562	396.48	34015
Silico Manganese	7664	51.82	67612	10891	70.39	64632
Others		301.78			139.83	
TOTAL		2875.25			2125.89	

In fiscal 2018-19, the Company achieved standalone net sales of ₹ 2875.30 Crores as compared to net sales of ₹ 2125.89 crores achieved during previous Financial Year, registering growth of 35.25%. The same was led by increase volume of production and realizations across all the products of the Company, due to buoyant demand environment.

### iii) Raw Material & Input Cost:

The raw material and input cost of Company during the year was 58.88% of net sales as compared to 59.84% during the previous year on account better sales realisation of finished products. The cost of coal and iron ore remained higher as compared to previous year.

### iv) Operating and other expenses

The Company's operating and other expenses increased to ₹ 468.81 crore as against ₹ 313.31 crore mainly due to increased production volumes and freight cost for export of iron ore pellet, which increased the outward freight cost. However, transport cost is compensated through better realisation of finished product, which resulted in operating expenses as percentage of net sales increased

by 1.57%, as compared to previous year.

### v) Employee cost

The employee cost during the year increased by 21.80% to ₹ 97.53 crore as compared to ₹ 80.08 crore in the previous year due to increase in salaries of employees & workers. The employees cost stood at 3.39% of net sales during the year under review as compared to 3.77% during the previous year.

### vi) Operating margins (EBIDTA)

The EBIDTA increased to ₹ 622.63 crores as compared to ₹ 434.96 crores of previous year which was 21.65% compared to 20.46% of net sales during the year under review mainly due to operational efficiency, increase in sales volume, cost reduction measures taken by the cost. Company over last couple of years and realisations across all the finished products of the Company.

### vii) Interest and financial charges

Total expenses towards interest and bank charges has been ₹ 182.13 crore in 2018-19 as compared to ₹ 184.81 crore in 2017-18.

### viii) Depreciation

The depreciation during the year has been provided as per Revised Schedule – II under the Companies Act, 2013. During the year under review the depreciation increased to ₹ 90.51 crores as compared to ₹ 89.49 crores due to capitalisation of plant and machinery.

### ix) Profit/Loss before Tax (PBT)

The Company has registered a profit before tax and exceptional items of ₹ 349.99 crore, as against ₹ 166.18 crore during the previous year registering a growth of 110%.

### x) Provision for taxation

The provision for taxation has been made as per provisions of Income Tax Act.

### xi) Profit/Loss After Tax (PAT)

The Company registered net profit after tax and extraordinary items of ₹ 213.26 crores as against net profit after tax and extraordinary items of ₹ 181.95 crores during previous year registering a growth of 17%.

### xii) Appropriation

Your Company has transferred an amount of ₹ 12.10 Crores to the General Reserves Account during the Financial Year 2018-19 from Debentures Redemption Reserve Account since the Debentures amounting to ₹ 19.47 crores have been redeemed during the Financial Year 2018-19.

### xiii) Provision for dividend and dividend tax

In view of the restrictions imposed in the Master Restructuring Agreement entered into by the Company with its Lenders entered on 31<sup>st</sup> March, 2017, the Board of Directors of the Company have not recommended payment of any dividend for the year under review.

### xiv) Fixed assets

₹ in crores				
Particulars	FY19	FY18	Change	% of Change
Gross block	1604.59	1502.17	102.42	6.82
Less depreciation	293.09	218.10	74.99	34.38
Net block	1311.50	1284.07	27.43	2.14
Capital WIP and pre-op expenses	44.84	88.59	-43.75	-49.38
Net fixed assets	1356.34	1372.66	-16.32	-1.19

The gross block and depreciation has increased due to addition of plant and machinery by capitalisation of capital work in progress and also capitalisation of borrowing cost.

### xv) Inventories

The overall value of inventory of raw materials including stock in transit increased to ₹ 337.63 crore as on 31<sup>st</sup> March, 2019 as compared to ₹ 229.64 crore as on 31<sup>st</sup> March, 2018. The average level of holding of raw material stood at 73 days of consumption as compared to a level of 66 days during the previous year. Raw Material inventory kept at increased level in view of the increasing trend in the prices.

### xvi) Sundry debtors

The debtors outstanding as on 31<sup>st</sup> March, 2019 were 16 days of sales as compared to 18 days in FY 2017-18, which was in normal range.

### xvii) Short-term loans and advances

Loans and advances as on 31<sup>st</sup> March 2019 stood at ₹ 128.51 crores as against ₹ 212.13 crores on 31<sup>st</sup> March 2018.

### xviii) Other current and financial liabilities

Overall current and financial liabilities increased to ₹ 304.53 crore from ₹ 273.77 crore mainly due to increase in trade payables. Details of current liabilities were as follows:

₹ in crore		
Particulars	FY19	FY 18
Trade payables	182.23	142.01
Advances from customers	6.93	7.44
Current maturities of long-term borrowings	75.18	84.10
Others	40.19	40.20
<b>Total</b>	<b>304.53</b>	<b>273.75</b>

### xix) Secured and unsecured loans

At the end of the year, secured term loans (including non-convertible debentures) totaled ₹ 1117.23 crores as against ₹ 1285.01 crore in FY 2017-18. The decrease is owing to repayment of term loan.

### xx) Deferred tax assets

The deferred tax liability as on 31<sup>st</sup> March, 2019 was ₹ 2.34 crores as compared to deferred tax assets of ₹ 57.61 crores during the previous year.

## GODAWARI POWER & ISPAT LIMITED

### xxi) Key financial indicators:

The key financial ratios of the Company are given below:

Particulars	FY19	FY18	% Change
EBIDTA to net sales (%)	21.65	20.46	4.49
Profit/(Loss) after tax to net sales (%)	7.42	8.56	-13.32
Earning per share (Basic)	60.52	51.64	17.20
Earnings per share (Diluted)	60.52	51.64	17.20
Net worth per share	305.79	246.15	24.23
Debtors Turnover (times)	24.90	23.42	6.32
Inventory Turnover (times)	8.52	9.55	-10.79
Current ratio	1.84:1	1.60:1	N.A.
Debt-equity ratio	1.11:1	1.58:1	N.A.
Return on Net worth (%)	19.79	20.98	-5.67
Interest Service Coverage Ratio	3.42	2.38	0.00

### CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial results of the Company included results from the operations of Subsidiary Companies i.e. Ardent Steel Limited, Godawari Green Energy Limited and Godawari Energy Limited and Associate Companies i.e. Hira Ferro Alloys Limited, Jagdamba Power and Alloys Limited and Chhattisgarh Ispat Bhoomi Limited and Joint Venture Companies i.e. Raipur Infrastructure Company Limited and Chhattisgarh Captive Coal Mining Limited. Results of Chhattisgarh Ispat Bhoomi Limited and both the Joint Venture Companies consolidated are unaudited, which has no major impact on overall financial of the Company.

The Company achieved consolidated gross revenue from operations of ₹ 3321.64 crore during the year under review as compared to ₹ 2588.84 crore during the previous year registering growth of 28.31% and EBITDA of ₹ 795.20 crore as compared to ₹ 600.04 crore during previous year, which grew by 31.52%. The EBITDA Margins increased to 23.18% as compared to 23.39% during previous year. The Company has registered a consolidated net profit after tax of ₹ 260.66 crore as compared to net profit after tax of ₹ 214.69 crore in the previous year, demonstrating overall turn around in operations & financial performance of the Company.

The operations of Material Subsidiary and Associate Companies are discussed below:

### Ardent Steel Limited (ASL):

During the year, ASL produced 572673 MTs of iron ore pellets & sold 560831 MTs of pellets in the market. The Company achieved net sales of ₹ 353.98 crores, EBIDTA of ₹ 91.52 Crores & PAT of ₹ 44.09 crores during year as compared to net sales of ₹ 296.13 crores, EBIDTA of ₹ 76.43 Crores & PAT of ₹ 28.18 crore during the previous year. The net debt of the Company at the end of the year stood at ₹ 113.55 crore which is a reduction of ₹ 10.22 crore from last year net debt of ₹ 151.06 crore.

### Godawari Green Energy Limited (GGEL)

During the year, the GGEL generated 84.91 million units (CUF which is 12.04% lower as compared to generation in FY18). The generation was lower on account of grid failure in the month of May'17. Now, the plant is connected to 220 KVA grid along with 132 KVA grid earlier so that the interruption in generation due to grid failure can be avoided. The net revenue, EBIDTA & PAT of the Company stood at ₹ 92.84 crore, ₹ 81.11 Crore, ₹ (1.03) Crore respectively during the year as compared to ₹ 105.36 crore, ₹ 89.86 crore & ₹ 0.62 crore respectively during previous year. The net debt of the Company at the end of the year stood at ₹ 457.44 crore which is a reduction of ₹ 22.92 crore from last year net debt of ₹ 480.36 crore.

### Hira Ferro Alloys Limited (HFAL):

The Company is operating ferro alloys manufacturing plant with capacity of 52200 MT and captive thermal power generation of 20MW. The Company also operates 8 MW bio mass power plant. The Company achieved operating revenues of ₹ 266.66 crores during the year as compared to operating revenue of ₹ 252.35 crores in previous year. The Company's operations resulted into net profit after tax of ₹ 3.76 crores as compared to net profit after tax of ₹ 5.76 crores during previous year.

### Risk management

Risk is an integral factor in virtually all businesses. At GPIL, risks are adequately measured, estimated and controlled. Irrespective of the type of risk or the activity that creates it, the Company's fundamental approach to risk management remains the same: identify and measure risks, leverage an in-depth knowledge of the business and competitors and respond flexibly in the understanding and management of risks.

### Economy risk

Domestic challenges like inflation, liquidity crunch, slower industrial growth, depreciating rupee, political instability and increasing commodity prices might affect performance.

### Risk mitigation:

GPIL correctly anticipated that the challenge of the future would revolve around the timely availability and affordability of resources and raw materials, which translated into timely backward integration initiatives. As a part of this backward integration, the Company manufactures products that are

consumed within and also sold to customers; the ability to provide a large and growing customer base from within has helped reduce marketing and costs of inventory, enhancing overall viability. Besides, the savings from captive supply has helped make the product more competitive for external sale, creating a unique win-win proposition. The Company generates significant per cent of its overall resource, raw material or power requirements by value from within, strengthening its overall competitiveness. As a result, integration is not incidental to the Company's existence; it represents its very core.

#### **Industry/Demand risk**

The Company may be affected by impact on demand due to the competitive action within the steel sector, import from Asian countries and industry down turn.

#### **Risk mitigation:**

The Company has significantly reduced the risks arising from erratic demand through integration of operations and captive production of iron ore and pellets. Besides, the Company's plants are located in a large steel manufacturing belt, making it possible to provide products with speed, periodic delivery and relatively high logistic efficiency, lower working capital cycle within the region. It is estimated that the 90% of the Company's output of pellets, sponge iron and its billets are sold within 200 kms of its plant. The Company's power sales are secured through merchant power sales agreement; the Company is engaged in long-term power sales agreement (25 years) with the government for units generated from its solar thermal power plant.

#### **Technology risk**

Technology obsolescence could warrant an increase in investments, affect cash flow and impact profitability.

#### **Risk mitigation:**

The Company invested in the latest technologies, which enables it to manufacture quality products. After completion of a project, the Company adapts the technology and builds in-house capabilities for further expansion. It also has a facility for the critical components for the existing units to lower plant downtime and control its operations better. It has also introduced the latest technology in the solar thermal power plant, which will lower the operating expenditure for the Company.

#### **Input risk**

In the business of steel manufacture, a number of diverse inputs are required to be progressively taken into the next stage. The challenge lies in an ability to procure these intermediate raw materials at the right cost and in the right time.

#### **Risk mitigation:**

The Company's integrated business model which makes it possible for the end product of one business to be positioned as the raw material of another, creating a self-feeding ecosystem

within minimal inventory, costing and logistic issues. The Company has also secured captive iron ore mines, in order to protect the input cost for its main raw material i.e. iron ore.

The extent of this integration has strengthened the Company's insulation from external pricing and supply shocks, enhancing input security. Besides, the Company is selectively enhancing production capacities, strengthening input security further.

#### **Project management risk**

Delay in project completion could lead to cost overrun.

#### **Risk mitigation:**

Over the years, the Company recognised that the principal viability risk was not derived as much from the marketplace as it was from within. Among the factors from within the organisation that affected viability, one of the most critical was the ability of the Company to commission its proposed plants on schedule. It is the Company's experience that timely commissioning creates a foundation of moderate capital cost and triggers revenue inflow to start contributing towards project payback. Over the years, the Company invested in project management with the objective to strengthen overall competitiveness: as a result, the focus graduated from timely commissioning to pre-scheduled commissioning, translating into a probable cost-underrun, accelerated revenue inflow and quicker payback.

#### **Location risk**

Locational disadvantage could affect logistic and time schedules, affecting viability.

#### **Risk management:**

The Company's manufacturing facility is located at the heart of industrial Chhattisgarh at Raipur. The Company's mines are located 150 km from the plant and adjacent to a highway, making logistics management convenient. The Company's location makes it easy to access JNPT port in the West (1,200 kms), Vishakhapatnam port in the South (500 kms) and Haldia and Paradeep ports in the East (800 and 600 kms respectively) for the export for ferro alloys and coal import. The Company markets 50 per cent of its pellet output within 200 km from its manufacturing units.

The Company's pellet plant in Orissa is also located at rich belt of Iron Ore in Keonjhor district, near to is principal raw material i.e. iron ore fines. The railways siding is located at about 3 KM away from plant for transport of pellet, making it an attractive location for such project.

Similarly the Company's 50 MW Solar Thermal Power Plant is located in Jaisalmer dist in Rajasthan having highest DNI (Solar Resource) in India, which an ideal location for a solar power plant.

#### **Caring for society**

GPIL believes that it is imperative to extend beyond the normal course of business and contribute to society.



## GODAWARI POWER & ISPAT LIMITED

### CSR commitment

The Company's CSR commitment is encapsulated in the following priorities:

1. Enhance health-related and educational awareness.
2. Conduct affairs of our Company in socially beneficial manner.
3. Understand, support and develop communities and cultures in the vicinity of our plants.
4. Protect the environment and ensure safety of the people connected with the Company.
5. Enhance the value of the Company through sustainable and inclusive growth.

### Education initiatives

1. Runs a school (Aakanksha Lion School) for specially-abled students.
2. Provided salary to night guard & teachers of Government Primary and Middle School of village Mandhar, Siltara & Tada and also to Community Teachers appointed in Govt. schools of Kachhe & Boria Gram Panchayat.
3. Provided examinations fee for poor students and National/ State Level Player students of Gram Panchayat Mandhar for the Session-2018.
4. Financially aided the Friends of Tribal Society for Establishing 90 Ekal Vidyalaya in State of Chhattisgarh.
5. Provided grants to the toppers of Govt. Primary & Middle School, Tada & felicitated all Topper Students of class V & VIII for the session-2018.

### Health initiatives

1. Free Health Checkup Camp for students of Village Siltara
2. Operating First Aid Health Centre in Peripheral villages of Kachhe Aari Dongri Mines, Dorba and Boria Mines.
3. Free Health Checkup of villagers in Gidhali.
4. Provided Financial Assistance for Cardiac Treatment and Brain Surgery of villager of Jarodha and Kachhe.

### Drinking water projects

1. Maintained pijau hut and engaged manpower to provide water in Siltara, Kachhe, Tada & Mandhar during summer season.
2. Provided Water tankers in the nearby villages of Mines during summer season.
3. Provided Water tanker for Dust Suppression & Drinking Water in Peripheral villages of Boria Mines.

### Infrastructure development

1. Constructed C.C. Road at Tada, Mandhar
2. Carried out maintenance work of Ghadi Chowk of Kanker.
3. Carried out repairing work of roads in Village Parastarai.
4. Paid to Gram Panchayat Kachhe for Infrastructure Development

### Environment

1. Engaged manpower for maintenance of Plantation & Garden in Janpad Office Dharsiwa & Dharsiwa Police Station.
2. Expenditure incurred for maintenance of Garden & Plantation at Swami Vivekananda International Airport, Udyog Bhavan, Tatibandh Chowk, Siltara Chowk, RKC Compound at Raipur and at Urla & Birgaon area.
3. Expenditure incurred for water tankers engaged for maintenance of plantation, dust suppression in nearby villages of Mining areas.
4. Maintenance of plantation in Telibandha Square, Canal Road.
5. Expenses incurred in Development & Maintenance of Green Belt Area (Oxy Zone) in 102 Acre Land, Siltara
6. Development & Maintenance of Garden, Plantation & Landscaping Work in Railway Station Raipur

### Community development activities:

1. Digged & Cleaned Bade Dabri Pond at Village Akoli
2. Engaged Manpower in Road Sweeping at Village Mandhar
3. Constructed Muktidhaam Boundary Wall at Village Siltara and Leveling of Muktidhaam Land & approach road at Village Tada
4. Financial assistance to Women SHG's for Community Development and to Sankalap Charitable Trust
5. Educational Programme on "Manthan-Cyber Security" by Forum for Awareness of National Security (Chhattisgarh)
6. Constructed Toilets under Clean India Mission at Gram Panchayat Kachhe
7. Leveled Land of Farmers Paddy Field in the nearby Villages of Mines

### Women Empowerment

1. Provided operational cost for Stitching & Tailoring Center at Kachhe & Parrekodo for tribal women.

### For and on behalf of Board of Directors

Place: Raipur

Date: 30.04.2019

Chairman

## INDEPENDENT AUDITORS' REPORT

To the Members of Godawari Power & Ispat Limited

### Report on the Audit of the Standalone Ind AS Financial Statements

#### Opinion

We have audited the standalone Ind AS financial statements of **Godawari Power & Ispat Limited** ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March, 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
  - (e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 29 to the standalone Ind AS financial statements;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For JDS & Co.**

(Firm Regn. No.018400C)

Chartered Accountants

**Sanjay Dewangan**

Partner

Membership Number: 409524

Raipur, 30<sup>th</sup> April, 2019



## ANNEXURE - A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31<sup>st</sup> March, 2019 we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all major assets except certain low value items viz furniture & fixtures and office equipment have been physically verified by the management at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company except the immovable properties transferred on amalgamation of the erstwhile RR Ispat Limited and Hira Industries Limited held in their name.
- (ii) As explained to us, the physical verification of inventories have been conducted at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) The company has granted unsecured loans and advances to two companies covered in the register maintained under section 189 of the companies Act, 2013 during the year. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that:
- (a) The terms & conditions of the grant of such loan are not prejudicial to the interest of the Company.
- (b) As explained to us the principal amounts are repayable on demand, whereas the interest is payable annually at the discretion of the Company and the repayments or receipts are regular.
- (c) Since the amount outstanding is not overdue, therefore, the provisions of clause 3 (iii)(c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (iv) In our opinion and according to the information & explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investment made, and guarantees and security provided by it. The Company has not granted any loans and made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public, in terms of the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and rules framed thereunder; therefore the provisions of clause 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed accounts and records, have been made and maintained. We have, however, not made a detailed examination of the records.
- (vii) (a) According to the information & explanations given to us, during the year the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods & services tax, duty of customs, sales tax, cess and any other statutory dues with the appropriate authorities. Further, no undisputed amounts of statutory dues as stated above were in arrears as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, goods & services tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except the following:

Name of Statute	Nature of Dues	Period	Amount (₹ in lacs)	Forum where dispute is pending
Central Excise Act, 1944	Disallowance of Duty on Structural items (Cement)	2008-09 to 2009-10	31.30	High Court of CG at Bilaspur.
Central Excise Act, 1944	Demand on account of Cenvat credit denial	2007-08	11.12	Addl. Commissioner, Central Excise, Raipur
Service Tax	Disallowance of Service Tax credit on Iron Ore not received after crushing	2009-10 to 2010-11	4.18	Assistant Commissioner, Central Excise, Raipur
Central Excise Act, 1944	Disallowance of Duty on Structural items (Other than Cement)	2008-09 to 2009-10	111.12	High Court of CG at Bilaspur.
Central Excise Act, 1944	Duty on Sale of Power to CSEB and on Output Service	2010-11 to 2014-15	187.82	CESTAT, NEW DELHI
Service Tax	Demand of Service Tax on recovery of Incidental charges HIL	2005-06 to 2006-07	102.92	CESTAT, NEW DELHI
Service Tax	Disallowance of Cenvat Credit of Service Tax paid on Industrial & Commercial Construction Service	April 11 to Nov 15	67.29	Addl. Commissioner, Central Excise, Raipur
Service Tax	Demand of Service Tax-Suppression of value- retention of Iron ore fines HIL	2011-12	119.23	CESTAT, NEW DELHI

Name of Statute	Nature of Dues	Period	Amount (₹ in lacs)	Forum where dispute is pending
Service Tax	Disallowance of Cenvat Credit of Service Tax paid on Industrial & Commercial Construction Service	Dec 15 to Aug 16	6.55	Addl. Commissioner, Central Excise, Raipur
Customs Act, 1962	Demand of Customs duty on imported Coal due to classified as Bituminous Coal	2012-13	10.00	CESTAT, HYDERABAD
Central Excise Act, 1944	Demand on account of excess Cenvat credit passed on by buyer	2013-14 to 2015-16	59.16	The Commissioner (Appeals) Raipur
Central Excise Act, 1944	Demand of duty on related party transaction	2004-05	3.12	CESTAT, NEW DELHI
Service Tax	Demand of ST on charges relating to ECB Loan availed - Penalty U/s 77 & 78	2006-07 to 2011-12	119.88	CESTAT, Bangalore
Service Tax	ST Credit availment on loading/handling, testing of fines HIL	2012-13 to 2013-14	0.84	The Commissioner (Appeals) Raipur
Central Excise Act, 1944	Denial of Cenvat credit on inputs	April 08 to Feb 09	16.68	Commissioner Central Excise, Raipur.
Central Excise Act, 1944	Denial of Cenvat credit on inputs	May 15 to Nov 15	1.00	The Commissioner (Appeals) Raipur
Service Tax	Reversal of ST Credit on removal of inputs RRI	July, 2015 to March, 2016	0.10	The Commissioner (Appeals) Raipur
Service Tax	Denial of Service Tax credit on Works Contract Service	2015-16 & 2016-17	19.06	Addl. Commissioner, Central Excise, Raipur
Service Tax	ST credit on General Insurance	2012-13 to 2015-16	1.78	CESTAT, NEW DELHI
C.G. Commercial Tax	Non receipt of sales tax declaration form	2010-11 & 2011-12	13.92	Chhattisgarh Commercial Tax Tribunal, Raipur
C.G. Commercial Tax	Non receipt of sales tax declaration form	2007-08	262.93	Appellate Addl. Commissioner, Raipur
Chhattisgarh Upkar Adhiniyam 1981	Energy Development Cess	May 2006 to Feb 2014	3279.08	Supreme Court

- (viii) Based on our audit procedures, and according to the information and explanations given to us, during the year, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or debenture holders as at the balance sheet date.
- (ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). As the company has not raised any term loan during the year, therefore, the provisions of clause 3(IX) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (x) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. Therefore, the provisions of clause 3(X) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xi) The Company has provided for managerial remuneration during the year in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Therefore, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections

177 and 188 of the Act, wherever applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xv) The Company has not entered into any non-cash transactions as referred in Section 192 of the Act with its directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clause 3(xvi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

**For JDS & Co.**  
(Firm Regn. No.018400C)  
Chartered Accountants

**Sanjay Dewangan**  
Partner  
Membership No.409524  
Raipur, 30<sup>th</sup> April, 2019

## ANNEXURE - B TO THE AUDITORS' REPORT

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Godawari Power & Ispat Limited** ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For JDS & Co.**  
(Firm Regn. No.018400C)  
Chartered Accountants

**Sanjay Dewangan**  
Partner  
Membership Number: 409524  
Raipur, 30<sup>th</sup> April, 2019

# GODAWARI POWER & ISPAT LIMITED

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2019

		(₹ in Lacs)	
Particulars	Note No	As at 31.03.2019	As at 31.03.2018
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment .....	3	131,150.79	128,406.57
(b) Capital work-in-progress .....		4,483.59	8,859.31
(c) Other intangible assets .....	4	11,327.42	12,384.49
(d) Financial assets			
(i) Investments .....	5	34,781.52	28,092.67
(ii) Loans .....	6	14.00	6,858.28
(e) Deferred tax assets (Net) .....	7	-	5,760.96
(f) Other non-current assets .....	8	774.90	510.37
<b>(2) Current-assets</b>			
(a) Inventories .....	9	55,835.68	38,361.38
(b) Financial assets			
(i) Trade Receivables .....	10	12,312.94	10,784.53
(ii) Cash and cash equivalents .....	11	70.05	730.84
(iii) Bank balances other than Cash and cash equivalents mentioned above ...	11	2,739.16	3,251.60
(c) Other current assets .....	8	12,836.96	14,354.55
<b>Total Assets .....</b>		<b>266,327.00</b>	<b>258,355.55</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital .....	12	3,411.12	3,411.12
(b) Other equity .....		104,339.14	83,323.05
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings .....	13	111,725.88	128,501.19
(b) Provisions .....	14	888.69	706.56
(c) Deferred tax liabilities (Net) .....	7	234.16	-
(d) Other non-current liabilities .....	15	159.68	202.81
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings .....	16	12,754.45	12,975.90
(ii) Trade Payables	17		
- total outstanding dues of micro enterprises and small enterprises		22.13	32.41
- total outstanding dues of creditors other than micro enterprises and small enterprises		18,200.75	14,168.84
(iii) Other Financial Liabilities .....	18	8,352.57	8,716.19
(b) Other current liabilities .....	19	3,876.72	4,458.31
(c) Provisions .....	14	58.51	43.01
(d) Current tax liabilities (Net) .....		2,303.19	1,816.16
<b>Total Equity and Liabilities .....</b>		<b>266,327.00</b>	<b>258,355.55</b>
<b>Summary of significant accounting policies .....</b>	<b>2</b>		

The accompanying notes are integral part of the financial statements.

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Reg. No.018400C)  
Chartered Accountants

per **Sanjay Dewangan**  
Partner  
Membership No.409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Abhishek Agrawal**  
Director

**Y. C. Rao**  
Company Secretary

**Sanjay Bothra**  
CFO

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019

		(₹ in Lacs)	
Particulars	Notes	2018-19	2017-18
<b>INCOME</b>			
Revenue from operations (Gross).....	20	287,525.14	218,461.40
Other Income.....	21	299.38	820.77
<b>TOTAL REVENUE (I) .....</b>		<b>287,824.53</b>	<b>219,282.17</b>
<b>EXPENDITURE</b>			
Cost of raw material and component consumed .....	22	169,291.03	127,211.98
Purchase of Traded Goods.....		5,626.56	716.90
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods.....	23	(5,990.41)	2,094.98
Excise Duty on sales .....		-	5,871.95
Employees benefits expenses .....	24	9,753.16	8,007.58
Finance cost.....	25	18,212.83	18,481.07
Depreciation and amortization expenses .....	26	9,050.93	8,949.07
Other Expenses.....	27	46,881.26	31,330.74
<b>TOTAL EXPENDITURE (II).....</b>		<b>252,825.35</b>	<b>202,664.26</b>
<b>Profit/(loss) before exceptional item and tax .....</b>		<b>34,999.18</b>	<b>16,617.91</b>
Exceptional items (net) (refer note 37).....		-	551.59
<b>Profit/(loss) before tax .....</b>		<b>34,999.18</b>	<b>16,066.33</b>
<b>Tax expenses .....</b>			
Current tax .....		7,714.44	3,440.00
Deferred Tax .....		5,958.94	(5,568.44)
<b>Total tax expenses .....</b>		<b>13,673.38</b>	<b>(2,128.44)</b>
<b>Profit/(loss) for the year from continuing operations.....</b>		<b>21,325.79</b>	<b>18,194.77</b>
<b>Other Comprehensive Income</b>			
<b>A (i) Items that will not be reclassified to profit or loss</b>			
Actuarial gain or loss on defined benefit plans .....		(52.37)	(28.11)
Income tax relating to items that will not be reclassified to profit or loss.....		18.30	11.14
<b>B (i) Items that will be reclassified to profit or loss</b>			
Fair value of financial assets .....		(221.15)	98.25
Income tax relating to items that will be reclassified to profit or loss.....		(54.48)	(8.19)
<b>Total Comprehensive Income for the period Comprising Profit/(Loss) and Other Comprehensive Income for the period) .....</b>		<b>21,016.09</b>	<b>18,267.85</b>
<b>Earnings per equity share [nominal value of share @ ₹ 10/- (31<sup>st</sup> March, 2018 ₹ 10)]</b>	28		
<b>Basic .....</b>		<b>60.52</b>	<b>51.64</b>
<b>Diluted .....</b>		<b>60.52</b>	<b>51.64</b>
<b>Summary of significant accounting policies .....</b>	<b>2</b>		

The accompanying notes are integral part of the financial statements.

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Reg. No.018400C)  
Chartered Accountants

**per Sanjay Dewangan**  
Partner  
Membership No.409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Y. C. Rao**  
Company Secretary

**Abhishek Agrawal**  
Director

**Sanjay Bothra**  
CFO

# GODAWARI POWER & ISPAT LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

		(₹ in Lacs)	
Particulars	2019	2018	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit/(loss) before tax .....	34,999.18	16,066.33	
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation/amortization.....	9,050.93	8,949.07	
Loss/(profit) on sale of fixed assets .....	1.06	(3.47)	
Provision for employee benefits.....	145.26	151.38	
Provision/Allowances for credit loss on debtors .....	57.28	(5.71)	
Finance Cost .....	18,212.83	18,481.07	
Interest Income .....	(216.34)	(813.62)	
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES.....</b>	<b>62,250.20</b>	<b>42,825.04</b>	
Movements in working capital :			
Increase/(decrease) in trade payables .....	4,021.64	4,063.30	
Increase/(decrease) in other financial liabilities .....	527.74	(220.16)	
Increase/(decrease) in other current liabilities .....	(581.59)	605.22	
Increase/(decrease) in Other non-current liabilities .....	(43.13)	19.47	
Decrease/(increase) in trade receivables .....	(1,585.69)	(3,415.28)	
Decrease/(increase) in inventories .....	(17,474.29)	(11,338.06)	
Decrease/(increase) in loans.....	6,844.28	(597.00)	
Decrease/(increase) in other current assets.....	1,517.59	1,813.12	
Decrease/(increase) in other non-current assets .....	(264.53)	(20.38)	
<b>Cash generated from/(used in) operations.....</b>	<b>55,212.21</b>	<b>33,735.28</b>	
Direct taxes paid (net of refunds).....	(7,227.41)	(1,452.18)	
<b>Net Cash flow from/(used in) operating activities.....</b>	<b>47,984.80</b>	<b>32,283.10</b>	<b>A</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets, including intangible assets and CWIP .....	(7,014.38)	(9,262.47)	
Proceeds from sale of fixed assets .....	650.96	74.46	
Proceeds from sale of non-current investments .....	-	6.68	
Increase in non-current investments .....	(6,910.00)	(35.12)	
Investments in bank deposits (having original maturity of more than three months) .....	-	(1,574.32)	
Proceeds from bank deposits (having original maturity of more than three months) .....	512.93	-	
Interest received.....	216.34	813.62	
<b>Net cash flow from/(used in) investing activities.....</b>	<b>(12,544.15)</b>	<b>(9,977.16)</b>	<b>B</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

Particulars	(₹ in Lacs)	
	2019	2018
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Redemption of debenture .....	(2,259.38)	(103.46)
Repayment of long-term borrowings.....	(15,407.78)	(938.28)
Repayment of short-term borrowings.....	(221.45)	(4,154.66)
Finance Cost.....	(18,212.83)	(18,481.07)
<b>Net cash flow from/(used in) financing activities .....</b>	<b>(36,101.43)</b>	<b>(23,677.46)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C).....</b>	<b>(660.78)</b>	<b>(1,371.53)</b>
Cash and Cash Equivalents at the beginning of the year .....	730.84	2,102.36
<b>Cash and Cash Equivalents at the end of the year.....</b>	<b>70.05</b>	<b>730.84</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
Cash in hand .....	9.65	21.87
With banks- on current account.....	60.41	708.97
	<b>70.05</b>	<b>730.84</b>

The Statement of Cash Flow has been prepared using Indirect method as per Ind AS 7.

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Reg. No.018400C)  
Chartered Accountants

**per Sanjay Dewangan**  
Partner  
Membership No.409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Abhishek Agrawal**  
Director

**Y. C. Rao**  
Company Secretary

**Sanjay Bothra**  
CFO

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

Equity Share Capital		(₹ in Lacs)						
	Balance as at 01.04.2017	Changes in the equity share capital during the year			Balance as at 31.03.2018			
	3,411.12	-			3,411.12			
Other Equity								
	Capital Reserve	Reserves and Surplus				Equity Instruments through Other Comprehensive Income (Net of Tax)	Other itmes of Other Comprehensive Income (Gain/loss on employee benefit) (Net of Tax)	Total
		Securities Premium	Debenture Redemption Reserve	General Reserve	Retained Earnings			
Balance at the beginning of the reporting period 01.04.2017	1,695.36	20,784.05	2,015.00	15,751.00	25,011.24	(155.53)	(45.93)	65,055.19
Actuarial Gain/loss on employee benefit (Net of Tax)							(16.97)	(16.97)
Equity Instruments through Other Comprehensive Income (Net of Tax)						90.05		90.05
Profit/(loss) for the year					18,194.77			18,194.77
On issue of equity shares		-						-
Balance at the end of the reporting period 31.03.2018	1,695.36	20,784.05	2,015.00	15,751.00	43,206.01	(65.47)	(62.90)	83,323.05

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Reg. No.018400C)  
Chartered Accountants

**per Sanjay Dewangan**  
Partner  
Membership No.409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Abhishek Agrawal**  
Director

**Y. C. Rao**  
Company Secretary

**Sanjay Bothra**  
CFO



# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019

Equity Share Capital									(₹ in Lacs)
Balance as at 01.04.2018		Changes in the equity share capital during the year				Balance as at 31.03.2019			
	3,411.12	-				3,411.12			
Other Equity									
		Reserves and Surplus				Equity Instruments through Other Comprehensive Income (Net of Tax)	Other items of Other Comprehensive Income (Gain/loss on employee benefit) (Net of Tax)	Total	
		Capital Reserve	Securities Premium	Debtenture Redemption Reserve	General Reserve				Retained Earnings
Balance at the beginning of the reporting period 01.04.2018		1,695.36	20,784.05	2,015.00	15,751.00	43,206.01	(62.90)	83,323.05	
Actuarial Gain/loss on employee benefit (Net of Tax)							(34.07)	(34.07)	
Equity Instruments through Other Comprehensive Income (Net of Tax)						(275.63)		(275.63)	
Profit/(loss) for the year						21,325.79		21,325.79	
Transfer		-	-	(1,210.25)	1,210.25	-	-	-	
Balance at the end of the reporting period 31.03.2019		1,695.36	20,784.05	804.75	16,961.25	64,531.80	(96.97)	104,339.14	

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Reg. No.018400C)  
Chartered Accountants

**per Sanjay Dewangan**  
Partner  
Membership No.409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Abhishek Agrawal**  
Director

**Y. C. Rao**  
Company Secretary

**Sanjay Bothra**  
CFO

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 1. CORPORATE INFORMATION

Godawari Power & Ispat Ltd. (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act. Its shares are listed on two stock exchanges in India. The company is mainly engaged in Generation of Electricity, Mining of Iron Ore and Manufacturing of Iron Ore Pellets, Sponge Iron, Steel Billets, Wire Rods, H.B. Wire and Ferro Alloys.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 BASIS OF PREPARATION AND PRESENTATION

- i) The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and guidelines issued by the Securities and Exchange Board of India (SEBI).
- ii) The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
  - Certain financial assets and liabilities (including derivative instruments) and
  - Defined benefit plans - plan assets
- iii) Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

#### 2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### a) Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The company has identified twelve months as its operating cycle.

##### b) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### c) Property, Plant and Equipment (PPE)

- i) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- ii) The cost of an item of property, plant and equipment is measured at :
  - its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
  - any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
  - the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
- iii) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- iv) After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.
- v) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.
- vi) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts / inspection is used as an indication of what the cost of the existing part / inspection component was when the item was acquired or inspection carried out.
- vii) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.
- viii) The company has continued the policy adopted for accounting for exchange differences arising from translation of long term foreign currency monetary items recognized in financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP, as permitted under Ind AS 101, 'First time adoption of Indian Accounting Standards'. Accordingly, the exchange differences arising on translation/settlement of long term foreign currency monetary items pertaining to the acquisition of a depreciable asset have been adjusted to the cost of the asset and are depreciated over the remaining life of the asset.

### d) Capital Work in Progress

- i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- ii) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.
- iii) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

### e) Intangible Assets

- i) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- ii) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.
- iii) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**f) Leases**

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**- Leased assets**

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

**g) Mining Assets****i) Exploration and Evaluation Assets**

Upon obtaining the legal rights to explore a specific area but before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the expenditure incurred on finding specific mineral resources are capitalised as Exploration and Evaluation Assets. These expenditure include expenses on acquisition of rights to explore; topographical, geological, geochemical and geophysical studies; exploratory drilling; trenching; sampling; activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource and such other related expenses. When the technical feasibility and commercial viability of extracting a mineral resource are demonstrated, the Exploration and Evaluation Assets are reclassified as part of the right to mine.

At the initial recognition the Exploration and Evaluation Assets are measured at cost. After recognition, the company continues to use the cost model.

Exploration and Evaluation Assets are assessed for impairment when facts and circumstances suggest that the carrying amount of such assets may exceed its recoverable amount.

After the reclassification of the Exploration and Evaluation Assets as part of the Right to Mine, the cost is then amortised over the remaining useful life of the mining rights.

**ii) Stripping Activity**

During the development phase of the mine (before production begins), stripping costs are capitalised as part of the cost of right to mine.

During the production phase, two benefits accrue from the stripping activity: usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods.

To the extent that the benefit from the stripping activity is realised in the form of inventory produced, the costs of that stripping overburden removal activity is accounted for in accordance with the principles of Ind AS 2, Inventories.

To the extent the benefit is improved access to ore, these costs are recognised as Stripping Activity Asset, if the following criteria are met:-

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow;
- the component of the ore body for which access has been improved can be identified; and
- the costs relating to the stripping activity associated with that component can be measured reliably.

The Stripping Cost capitalised during the development phase or during the production phase is amortised using the units or production method.

**h) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

Based on the Educational Material on Ind AS 18 issued by the ICAI, the company has considered that recovery of excise duty flows to the company on its own account. Therefore it is a liability of the manufacturer and forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the company on its own account, revenue includes excise duty.

However, Sales Tax/Value Added Tax (VAT) and Goods & Service Tax are not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

i) **Sale of goods**

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

ii) **Interest income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

iii) **Dividends**

Revenue is recognised when the company's right to receive payment is established, which is generally when shareholders approve the dividend.

iv) **Rendering of services**

Revenue from the services is recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

**i) Depreciation on Property, Plant & Equipment and Amortization of Intangible Assets**

i) Depreciation on Property, Plant & Equipment is provided on Straight Line Method based on estimated useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013 with the exception of the following:

- spares classified as plant and equipment are depreciated over 3 to 15 years based on the technical evaluation of useful life done by the management.
- assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

ii) Depreciation on additions to / deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.

iii) The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

iv) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.

v) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery or their useful life whichever is lower.

vi) Leasehold land is amortised annually on the basis of tenure of lease period. Freehold land is not depreciated.

vii) Expenditure incurred on Right to Mine are amortised over useful life of the mines or lease period whichever is shorter.

viii) Other Intangible assets are amortized over technically useful life of the assets.

**j) Inventories :**

i) Inventories are valued at lower of cost and net realizable value, after providing for obsolescences, if any.

ii) Cost of Raw Materials, Stores & Spares, Work in Progress, Finished Goods and Stock-in-Trade are computed on Moving Average basis.

iii) Cost of Work in Progress and Finished Goods includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.

iv) The cost is determined using moving average cost formula and net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

**k) Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**l) Income Taxes**

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In which case the tax is also recognised directly in equity or in other comprehensive income.

**i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

**ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**m) Foreign Currency Transactions**

- i) Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date.
- ii) Exchange differences arising on translation or settlement of monetary items are recognised as income or expenses in the period in which they arise in the Statement of Profit and loss.

**n) Employee Benefits Expense****Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**Post-Employment Benefits****Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Contributory Pension Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**Defined Benefits Plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The company has recognized the gratuity payable to the employees as per the Payment of Gratuity Act, 1972 and Leave Encashment Benefits as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

**o) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

**p) Impairment of non-financial assets - property, plant and equipment and intangible assets**

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### q) Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

Treasury shares held in the Trust are deducted from the equity.

### r) Financial Instruments

#### i) Financial Assets

##### A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

##### B. Subsequent measurement

###### Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

##### C. Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

##### D. Other Equity Investments

All other equity investments are measured at fair value through Other Comprehensive Income with value changes recognised therein.

##### E. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through OCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

#### ii) Financial Liabilities

##### A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.



**B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**iii) Derivative financial instruments and Hedge Accounting**

The Company uses derivative financial instruments such as interest rate swaps and forward contracts to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

**Hedges that meet the criteria for hedge accounting are accounted for as follows:**

**A. Cash flow hedge**

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

**B. Fair Value Hedge**

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates and foreign exchange rates.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

**iv) Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**s) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**t) Dividend Distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the Company's shareholders.

**u) Statement of Cash Flows****i) Cash and Cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, Bank overdrafts are classified within borrowings in current liabilities.

**ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.**



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### v) Segment Reporting Policies

#### Identification of segments :

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The Operating segments have been identified on the basis of the nature of products.

#### Inter segment Transfers :

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

#### Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

#### Unallocated items :

The Corporate and Other segment includes general corporate income and expense items which are not allocated to any business segment.

### 2.3 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The estimated useful lives and residual values of the assets are reviewed annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes and other related matters. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

#### b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.

#### c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

#### d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

#### e) Measurement of defined benefit obligations

The measurement of defined benefit and other post-employment benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(₹ in lacs)

**3. PROPERTY, PLANT AND EQUIPMENT**

	Freehold Land	Leasehold Land	Site & Land Development	Factory Shed & Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Total
<b>Gross Block</b>								
<b>Carrying Value</b>								
At 1 <sup>st</sup> April, 2017 .....	3,736.33	146.64	1,415.64	22,614.82	118,602.67	237.02	491.43	147,244.54
Additions.....	259.13	-	-	54.57	2,556.75	6.76	120.60	2,997.81
Disposals.....	-	-	-	-	53.02	-	41.21	94.24
Other adjustments .....	-	-	-	-	-	-	-	-
- Exchange differences .....	-	-	-	-	-	-	-	-
- Borrowing costs.....	-	-	-	-	68.64	-	-	68.64
At 31 <sup>st</sup> March, 2018.....	3,995.45	146.64	1,415.64	22,669.38	121,175.04	243.79	570.81	150,216.75
Additions.....	151.35	320.47	-	4,567.92	5,556.25	4.61	170.14	10,770.73
Disposals.....	-	-	-	-	1,091.17	-	56.28	1,147.45
<b>Other adjustments .....</b>	-	-	-	-	-	-	-	-
- Borrowing costs.....	-	-	-	619.37	-	-	-	619.37
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>4,146.81</b>	<b>467.11</b>	<b>1,415.64</b>	<b>27,856.67</b>	<b>125,640.12</b>	<b>248.39</b>	<b>684.67</b>	<b>160,459.41</b>
<b>Depreciation</b>								
At 1 <sup>st</sup> April, 2017 .....	-	2.56	-	2,225.03	11,347.58	79.88	149.98	13,805.03
Charge for the year.....	-	1.56	-	1,068.39	6,845.25	35.00	78.21	8,028.40
(Disposals)/Adjustment.....	-	-	-	-	4.81	-	18.44	23.25
At 31 <sup>st</sup> March, 2018.....	-	4.12	-	3,293.42	18,188.02	114.87	209.75	21,810.18
Charge for the year.....	-	4.67	-	1,068.65	6,807.10	29.94	83.50	7,993.86
(Disposals)/Adjustment.....	-	-	-	-	466.69	-	28.74	495.42
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>-</b>	<b>8.79</b>	<b>-</b>	<b>4,362.07</b>	<b>24,528.43</b>	<b>144.81</b>	<b>264.51</b>	<b>29,308.62</b>
<b>Net Block</b>								
At 31 <sup>st</sup> March, 2018.....	3,995.45	142.51	1,415.64	19,375.96	102,987.02	128.91	361.07	128,406.57
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>4,146.81</b>	<b>458.31</b>	<b>1,415.64</b>	<b>23,494.60</b>	<b>101,111.69</b>	<b>103.58</b>	<b>420.16</b>	<b>131,150.79</b>

**Capitalized borrowing costs**

The borrowing cost capitalized during the year ended 31<sup>st</sup> March, 2019 was ₹ Nil (31<sup>st</sup> March, 2018: ₹ 68.64 lacs). The company capitalized the borrowing cost in the capital work-in-progress (CWIP) ₹ Nil (31<sup>st</sup> March, 2018: ₹ 557.54 Lacs). The amount of borrowing cost shown as other adjustments in the above note reflects the amount of borrowing cost transferred from Capital Work In Progress.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 4. OTHER INTANGIBLE ASSETS

(₹ in lacs)

	Computer software	Right to Mine	Total
<b>Gross Block</b>			
<b>Carrying Value</b>			
At 1 <sup>st</sup> April, 2017 .....	927.33	10,305.34	11,232.67
Purchase/additions .....	-	3,229.20	3,229.20
At 31 <sup>st</sup> March, 2018.....	927.33	13,534.55	14,461.88
Purchase/additions .....	-	-	-
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>927.33</b>	<b>13,534.55</b>	<b>14,461.88</b>
<b>Amortization</b>			
At 1 <sup>st</sup> April, 2017 .....	59.13	1,097.59	1,156.72
Charge for the year.....	110.87	809.80	920.67
At 31 <sup>st</sup> March, 2018.....	170.00	1,907.39	2,077.39
Charge for the year.....	110.87	946.20	1,057.07
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>280.87</b>	<b>2,853.59</b>	<b>3,134.46</b>
<b>Net Block</b>			
At 31 March, 2018 .....	757.33	11,627.16	12,384.49
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>646.46</b>	<b>10,680.96</b>	<b>11,327.42</b>

### 5. INVESTMENTS

(₹ in lacs)

Particulars	Face value per unit in ₹	No. of Shares / Units	As at 31.03.2019	As at 31.03.2018
<b>Trade investments</b>				
<b>Valued at cost</b>				
<b>Investment in subsidiaries</b>				
Unquoted equity instruments, fully Paid up				
*Godawari Green Energy Ltd .....	10	17,847,000	17,802.00	17,802.00
**Godawari Energy Ltd. ....	10	11,800,000	1,180.00	1,180.00
***Ardent Steel Ltd.....	10	8,065,000	4,764.00	4,764.00
Unquoted debenture instruments, fully Paid up				
0.01 % Optionally Convertible Debentures				
Godawari Energy Ltd. ....	10	69,000,000	6,900.00	-
<b>Investment in step down subsidiaries</b>				
Unquoted equity instruments, fully Paid up				
Hira Energy Ltd .....	10	14,000	1.40	-
<b>Investment in joint ventures</b>				
<b>Valued at cost</b>				
Investment in equity instruments, fully Paid up (unquoted).....				
Raipur Infrastructure Company Ltd.....	10	130,800	210.70	210.70
Chhattisgarh Capitive Coal Mining Ltd.....	10	342,824	473.54	473.54
<b>Investment in associates</b>				
<b>Valued at cost</b>				
Investment in equity instruments, fully Paid up (unquoted)				
Hira Ferro Alloys Ltd.....	10	9,491,000	2,234.26	2,234.26
Jagdamba Power & Alloys Ltd .....	10	2,605,000	260.50	260.50
Chhattisgarh Ispat Bhoomi Ltd.....	10	2,810,000	489.40	489.40

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

			(₹ in lacs)	
Particulars	Face value per unit in ₹	No. of Shares / Units	As at 31.03.2019	As at 31.03.2018
<b>Trade investments (valued at cost)</b>				
<b>Carried at Fair Value through OCI</b>				
Investment in equity instruments, fully Paid up (unquoted)				
Hira Steels Limited .....	10	1,940,100	397.84	623.29
Hira Energy Ltd .....	10	14,000	-	1.40
Shourya Diamonds Ltd .....	10	10,000	0.61	0.61
Investment in mutual fund, fully Paid up (unquoted)				
<b>Carried at Fair Value through OCI</b>				
Baroda Pioneer Banking & Financial Services Fund Plan-A-Growth .....	10	19,990	4.64	4.00
Axis Long Term Equity Fund - Growth .....	10	34,349.375	15.03	13.85
Canara Robeco Capital Protection Oriented Fund Series-9 .....	10	350,000	37.49	35.12
Canara Robeco Capital Protection Oriented Fund Series-10 .....	10	100,000	10.10	-
			34,781.52	28,092.67
Aggregate amount of quoted investments and market value thereof .....			67.26	17.85
Aggregate amount of Unquoted investments .....			34,714.25	28,074.82
Investment carried at cost .....			34,315.80	27,414.40
Investment carried at fair value through OCI .....			465.71	678.27

### Investments given as security

\* Out of 17847000 equity shares, 11957970 (11957970) equity shares pledged for the credit facilities sanctioned to Godawari Green Energy Limited.

\*\* 11800000 (11800000) equity shares are pledged for the credit facilities available by the company.

\*\*\* Out of 8065000 equity shares, 4113150 (4113150) equity shares are pledged for the credit facilities sanctioned to Ardent Steel Limited.

## 6. LOANS

	(₹ in lacs)	
	As at 31.03.2019	As at 31.03.2018
Loans and advances to subsidiary companies, considered good - Unsecured .....	14.00	6,858.28
	14.00	6,858.28

## 7. DEFERRED TAX ASSETS

	(₹ in lacs)	
	As at 31.03.2019	As at 31.03.2018
<b>Deferred Tax Assets/(Liability)</b>		
Temporary differences on account of PPE & Other intangible assets .....	(18,029.72)	(16,541.74)
Temporary differences on account of fair valuation of Investments .....	10.66	(43.82)
Temporary differences on account of Employee Benefits .....	330.99	259.41
Unused MAT Credit .....	16,799.41	9,994.43
Others .....	654.50	12,092.68
<b>Net deferred tax assets/(liabilities) .....</b>	<b>(234.16)</b>	<b>5,760.96</b>
<b>RECONCILIATION OF DEFERRED TAX ASSETS/(LIABILITIES) (NET)</b>		
<b>Deferred Tax Assets/(Liabilities)</b>		
Deferred tax (liability) / assets at the beginning of the year .....	5,760.96	189.57
Deferred tax (liability) /assets during the year on account of timing difference .....	12,444.14	1,864.56
Recognition of unrecognized tax loss .....	-	(4,187.87)
Utilization of unabsorbed depreciation for previous years .....	355.97	-
MAT credit utilized for previous years .....	738.56	-
MAT Credit arisen .....	(7,543.54)	(3,248.07)
<b>DEFERRED TAX (LIABILITIES) / ASSETS AT THE END OF THE YEAR .....</b>	<b>(234.16)</b>	<b>5,760.96</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 8. OTHER ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in lacs)

	Non-Current		Current	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
<b>Advances other than capital advances</b>				
Advance to Vendors.....			11,137.76	12,645.35
Prepaid expenses .....			32.91	37.45
Balance with statutory/govt. authorities .....			1,219.38	1,671.75
Security deposit with govt. & others.....	774.90	510.37	446.91	-
<b>Total .....</b>	<b>774.90</b>	<b>510.37</b>	<b>12,836.96</b>	<b>14,354.55</b>

### 9. INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
Raw Materials and components .....	33,762.90	22,963.59
Work-in-progress .....	4,865.18	1,362.57
Finished goods & by-products .....	8,224.86	6,837.13
Stock-in-trade .....	1,102.36	2.29
Stores & spares .....	7,880.38	7,195.81
	<b>55,835.68</b>	<b>38,361.38</b>

### 10. TRADE RECEIVABLES

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
Trade receivables considered good - Unsecured .....	12,312.94	10,784.53
Trade Receivables which have significant increase in Credit Risk .....	267.37	210.09
Trade Receivables - credit impaired .....	124.77	124.77
	<b>12,705.08</b>	<b>11,119.39</b>
Less: Provision for doubtful receivables.....	392.14	334.86
	<b>12,312.94</b>	<b>10,784.53</b>

### 11. BANK, CASH AND CASH EQUIVALENTS

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
<b>Cash and cash equivalents</b>		
<b>Balances with banks:</b>		
On current accounts .....	60.41	708.97
Cash on hand .....	9.65	21.87
	<b>70.05</b>	<b>730.84</b>
<b>Other bank balances</b>		
Unpaid dividend account .....	12.27	11.78
Deposits with original maturity for more than 3 months but less than 12 months .....	2,726.89	3,239.81
	<b>2,739.16</b>	<b>3,251.60</b>
	<b>2,809.21</b>	<b>3,982.43</b>

Out of total Deposits, deposits of ₹ 2726.89 lacs (previous year ₹ 3239.81 lacs) are pledged with various banks for availing LC, Bank Guarantee, OD facilities, margin money and pledged with other Govt. Departments.

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 12. EQUITY SHARE CAPITAL

	As at 31.03.2019	As at 31.03.2018
Authorized		
49800000 (31 <sup>st</sup> March, 2018: 49800000 ) equity shares of ₹ 10/- each .....	4,980.00	4,980.00
	4,980.00	4,980.00
Issued, subscribed and fully paid-up		
35236247 (31 <sup>st</sup> March, 2018: 35236247) equity shares of ₹ 10/- each fully paid-up .....	3,411.12	3,411.12

#### a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

	As at 31.03.2019		As at 31.03.2018	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period.....	35,236,247	*3411.12	35,236,247	*3411.12
Issued during the period .....	-	-	-	-
Outstanding at the end of the period .....	35,236,247	*3411.12	35,236,247	*3411.12

\*Treasury shares held in the trust are deducted from the equity share capital.

#### b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### c. Shares held by Associate company

Out of equity shares issued by the company, shares held by its associate company are as below:

Particulars	As at 31.03.2019	As at 31.03.2018
Equity shares of ₹ 10/- each fully paid .....		
1200000 (1200000) nos. of shares held by Hira Ferro Alloys Ltd.....	120.00	120.00
	120.00	120.00

#### d. Details of shareholders holding more than 5% shares in the company:

	As at 31.03.2019		As at 31.03.2018	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 10/- each fully paid				
Hira Infra-tek Limited .....	1790652	5.08	1790652	5.08
Dinesh Agrawal .....	1846347	5.24	1846347	5.24
Bajrang Lal Agrawal (HUF).....	2738932	7.77	2738932	7.77
Vinay Agrawal .....	1875466	5.32	1875466	5.32
Kumar Agrawal.....	2460678	6.98	2460678	6.98
	10712075	30.39	10712075	30.39

e. Apart from authorised equity share capital, the company is also having authorised preference share capital consisting 3200000 preference shares of ₹ 10/-each as on 31.03.2019 and 31.03.2018.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 13. BORROWINGS

(₹ in lacs)

Particulars	Non-current portion		Current maturities	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
<b>Debentures</b>				
0 (31 <sup>st</sup> March, 2018: 209) A Series 12% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured).....	-	1,946.87	-	112.50
200 (31 <sup>st</sup> March, 2018: 200) B Series 12.75% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured) .....	1,728.00	1,869.00	141.00	108.00
150 (31 <sup>st</sup> March, 2018: 150) C Series 12.90% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured) .....	1,251.00	1,362.71	99.00	79.29
<b>Term Loans</b>				
Secured loan from bank including FCNR.....	108,746.88	123,318.65	7,272.89	8,085.88
<b>Other loans and advances</b>				
Other loans from bank and financial institution(secured) .....	-	3.95	4.92	23.99
	111,725.88	128,501.19	7,517.81	8,409.66
<b>The above amount includes</b>				
Secured borrowings .....	111,725.88	128,501.19	7,517.81	8,409.66
Unsecured borrowings .....	-	-	-	-
Amount disclosed under the head.....				
"other financial liabilities" (refer note 18) .....			(7,517.81)	(8,409.66)
<b>Net amount .....</b>	<b>111,725.88</b>	<b>128,501.19</b>	<b>-</b>	<b>-</b>

#### Security and terms & conditions for above loans:

- 12.75% redeemable non-convertible debentures 'B' Series are secured by Pari passu first charge on the tangible fixed assets of the Company.
- 12.90% redeemable non-convertible debentures 'C' Series are secured by Pari passu first charge on the fixed assets of the Company & pari passu second charge on the current assets of the Company.
- The rupee term loans aggregating to ₹1160.20 Cr (Previous year ₹1314.05 Cr) (including current maturities of ₹ 72.73 Cr (Previous year ₹ 80.86 Cr) classified under 'other financial liabilities' in note 18) are secured by a first pari passu charge over immovable and movable assets of the company, both present and future, subject to prior charge in favour of working capital bankers of the Company over the current assets i.e. stocks of raw materials, finished goods, stock in process, stores & consumables, trade receivables for securing working capital facilities availed from the banks. The rupee term loans are also secured by personal guarantee of promoter directors of the Company & their relatives and by 2nd pari passu charge on pledge of 77,80,245 equity shares of the Company held by the promoters.
- Other loans from banks and financial institution are secured by hypothecation and mortgage of specific assets from various banks.

#### Repayment terms for above loans:

- The outstanding amount of Non Convertible Debentures are repayable in 168 monthly instalments which shall be ended on 31<sup>st</sup> March, 2032.
- Rupee term loan outstanding aggregating to ₹ 1121.45 crore are repayable in 168 monthly instalments which shall be ended on 31<sup>st</sup> March, 2032.
- Rupee term loan outstanding aggregating to ₹ 38.75 crores are repayable in 88 monthly instalments which shall be ended on 31<sup>st</sup> March, 2026.

### 14. PROVISIONS

(₹ in lacs)

	Non- current		Current	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Provision for Employee Benefits.....	888.69	706.56	58.51	43.01
	888.69	706.56	58.51	43.01

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 15. OTHER NON-CURRENT LIABILITIES

	As at 31.03.2019	As at 31.03.2018
Retention money payable.....	159.68	202.81
	<b>159.68</b>	<b>202.81</b>

### 16. BORROWINGS

	As at 31.03.2019	As at 31.03.2018
Cash Credit facility from banks (secured).....	12,754.45	12,975.90
<b>The above amount includes .....</b>		
Secured borrowings .....	12,754.45	12,975.90

#### Terms & Conditions of Secured Loans

- The cash credit facilities from Banks are secured by first pari passu charge over entire current assets i.e. stocks of raw materials, finished goods, stock in process, stores & consumables, trade receivables of the Company and second charge over the other movable assets and immovable assets of the Company.
- The above credit facilities are also secured by personal guarantee of promoter directors of the Company.
- The working capital facilities (including cash credit) are also secured in line with rupee term loans by pledge of 77,80,245 equity shares of the company held by the promoters.

### 17. TRADE PAYABLE

	As at 31.03.2019	As at 31.03.2018
Trade payables		
- total outstanding dues of micro enterprises and small enterprises .....	22.13	32.41
- total outstanding dues of creditors other than micro enterprises and small enterprises .....	18,200.75	14,168.84
	<b>18,222.88</b>	<b>14,201.25</b>

### 18. OTHER FINANCIAL LIABILITIES

	As at 31.03.2019	As at 31.03.2018
Current maturities of long-term borrowings (secured) (refer note-13).....	7,517.81	8,409.66
Interest accrued but not due on borrowings.....	822.49	294.75
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend.....	12.27	11.78
	<b>8,352.57</b>	<b>8,716.19</b>

### 19. OTHER CURRENT LIABILITIES

	As at 31.03.2019	As at 31.03.2018
Other Payable	2,974.70	2,668.67
GST payable	209.32	1,046.11
Advances from Customer	692.70	743.53
	<b>3,876.72</b>	<b>4,458.31</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 20. REVENUE FROM OPERATIONS

		(₹ in lacs)
	2018-19	2017-18
<b>Revenue from operations</b>		
<b>Sale of products</b>		
Manufacturing Goods and By-Products .....	279,729.54	209,477.88
Electricity .....	56.15	193.15
Traded Goods .....	4,618.40	778.36
Others .....	1,748.65	6,772.03
Sale of services .....	1,372.39	1,239.98
<b>Revenue from operations (gross) .....</b>	<b>287,525.14</b>	<b>218,461.40</b>

### 21. OTHER INCOME

		(₹ in lacs)
	2018-19	2017-18
<b>Interest Income on</b>		
Bank Deposits .....	168.02	160.27
Others .....	48.32	653.34
Profit on sale of fixed assets .....	-	3.47
Other non-operating income (net of expenses directly attributable to such income) .....	83.04	3.69
	<b>299.38</b>	<b>820.77</b>

### 22. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

		(₹ in lacs)
	2018-19	2017-18
Inventory at the beginning of the year .....	22,963.59	10,516.43
Add: purchases .....	180,090.34	139,659.14
	<b>203,053.93</b>	<b>150,175.57</b>
Less : Inventory at the end of the year .....	33,762.90	22,963.59
<b>Cost of raw material and components consumed .....</b>	<b>169,291.03</b>	<b>127,211.98</b>

### 23. (INCREASE)/DECREASE IN INVENTORIES

			(₹ in lacs)
	2018-19	2017-18	(Increase)/ Decrease
<b>Inventories at the end of the year</b>			<b>2018-19</b>
Finished goods and by-products .....	8,224.86	6,837.13	(1,387.74)
Work-in-progress .....	4,865.18	1,362.57	(3,502.61)
Traded goods .....	1,102.36	2.29	(1,100.07)
	<b>14,192.40</b>	<b>8,201.99</b>	<b>(5,990.41)</b>
<b>Inventories at the beginning of the year</b>			<b>2017-18</b>
Finished goods and by-products .....	6,837.13	9,970.27	3,133.14
Work-in-progress .....	1,362.57	324.40	(1,038.16)
Traded goods .....	2.29	2.29	-
	<b>8,201.99</b>	<b>10,296.96</b>	<b>2,094.98</b>
<b>Net (increase)/decrease in inventories .....</b>	<b>5,990.41</b>	<b>(2,094.98)</b>	

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**
**24. EMPLOYEE BENEFITS EXPENSES**

		(₹ in lacs)
	2018-19	2017-18
Salaries, wages and bonus .....	8,603.53	6,969.48
Contribution to provident and other fund .....	619.45	590.06
Gratuity Expense .....	130.25	111.84
Workmen and staff welfare expenses .....	399.93	336.20
	<b>9,753.16</b>	<b>8,007.58</b>

**25. FINANCE COSTS**

		(₹ in lacs)
	2018-19	2017-18
Interest		
- on debentures .....	681.21	688.81
- on term loans .....	14,337.82	14,897.54
- on working capital .....	1,396.96	1,466.65
- on others .....	73.44	148.41
Bank charges .....	1,723.40	1,279.65
	<b>18,212.83</b>	<b>18,481.07</b>

**26. DEPRECIATION AND AMORTIZATION EXPENSES**

		(₹ in lacs)
	2018-19	2017-18
Depreciation on tangible assets .....	7,993.86	8,028.40
Amortization of intangible assets .....	1,057.07	920.67
	<b>9,050.93</b>	<b>8,949.07</b>

**27. OTHER EXPENSES**

		(₹ in lacs)
	2018-19	2017-18
Consumption of stores and spares .....	10,820.58	8,091.73
(Increase)/decrease of excise duty on inventory .....	-	(445.07)
Grid Parallel operation charges .....	442.30	72.63
Power & Fuel .....	16,338.24	10,852.85
Water Charges .....	328.82	375.07
Other manufacturing expenses .....	7,565.31	5,590.60
CDM Expenses .....	5.60	2.87
Rent .....	102.82	62.86
Rates and taxes .....		
- Entry tax .....	-	29.42
- Excise duty/GST .....	8.28	12.21
- Electricity duty cess .....	774.57	945.83
- Others .....	31.25	32.77
Insurance .....	102.93	99.79

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

		(₹ in lacs)
	2018-19	2017-18
Repairs and maintenance		
- Plant and machinery .....	652.69	455.97
- Buildings.....	246.96	185.08
- Others .....	140.87	104.69
Rebate, shortage claims & other deductions.....	2,058.12	1,529.00
Commission- Other than Sole selling agents.....	441.37	598.35
Provision/Allowances for credit loss on debtors.....	57.28	(5.71)
Travelling and conveyance.....	410.03	309.16
Communication expenses .....	108.92	85.00
Printing and stationery .....	31.97	36.46
Legal and professional fees .....	589.13	397.73
Directors' sitting fees .....	18.20	22.92
Directors' remuneration .....	627.60	440.61
Payment to Auditor (Refer details below) .....	30.00	30.16
Freight and forwarding charges.....	3,687.62	311.46
Security service charges.....	348.86	250.03
Loss on sale of fixed assets.....	1.06	-
Loss on sale of investments .....	-	10.02
Loss/(gain) on Foreign exchange.....	-	(27.56)
Corporate Social Responsibility.....	289.02	291.07
Miscellaneous expenses .....	620.83	582.75
	<b>46,881.26</b>	<b>31,330.74</b>
		(₹ in lacs)
<b>Payment to Auditor</b>	<b>2018-19</b>	<b>2017-18</b>
<b>As auditor :</b>		
Audit fee .....	27.50	27.50
Tax Audit fee .....	2.50	2.50
<b>In other capacity</b>		
Taxation matters .....	-	0.16
	<b>30.00</b>	<b>30.16</b>

### 28. EARNINGS PER SHARE (EPS)

		(₹ in lacs)
	2018-19	2017-18
Net profit/(loss) as per statement of profit and loss.....	21,325.79	18,194.77
Net profit/(loss) attributable to Equity Shareholders .....	21,325.79	18,194.77
Nominal Value of Equity Shares (₹) .....	10	10
Weighted average number of equity shares in calculating Basic EPS .....	35,236,247	35,236,247
Weighted average number of equity shares in calculating Diluted EPS .....	35,236,247	35,236,247
Basic & Diluted EPS .....		
- Basic earning per share .....	60.52	51.64
- Diluted earning per share.....	60.52	51.64

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 29. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS ARE NOT PROVIDED FOR IN RESPECT OF :-

- i) Counter Guarantees given to banks against Bank guarantees issued by the Company Banker aggregate to ₹ 2568 lacs (Previous Year ₹ 2754 lacs.)
  - ii) Disputed liability of ₹ 441.83 lacs (Previous Year ₹ 681.59 lacs) on account of Service Tax against which the company has preferred an appeal.
  - iii) Disputed liability of ₹ 421.32 lacs (Previous Year ₹ 280.53 lacs) on account of CENVAT against which the company has preferred an appeal.
  - iv) Disputed liability of ₹ 413.90 lacs (Previous ₹ 413.90 lacs) on account of Sales Tax against which the company has preferred an appeal.
  - v) Disputed liability of ₹ 39.35 lacs (Previous Year ₹ 39.35 lacs) on account of Income Tax against which the company has preferred an appeal.
  - vi) Disputed liability of ₹ 10 lacs (Previous Year ₹ 10 lacs) on account of Custom Duty against which the company has preferred an appeal.
  - vii) Disputed energy development cess demanded by the Chief Electrical Inspector, Govt. of Chhattisgarh ₹ 4664.39 lacs (Previous Year ₹ 4224.19 lacs). The Hon'ble High Court of Chhattisgarh has held the levy of cess as unconstitutional vide its order dated 20th June, 2008. The State Govt. has filed a Special Leave Petition before Hon'ble Supreme Court, which is pending for final disposal.
  - viii) Disputed demand of ₹ 758 lacs (Previous Year ₹ 758 lacs) from Chhattisgarh State Power Distribution Company Limited relating to cross subsidy on power sold under open access during the financial year 2009-10. The company has contested the demand and obtained stay from CSERC and expect a favourable decision in favour of company.
  - ix) Disputed demand of ₹ 68.77 lacs from Mining Department of Chhattisgarh against which the company has preferred an appeal.
  - x) Estimated amount of contracts remaining to be executed on capital accounts ₹ 2032 lacs (Previous Year ₹ 2902 lacs).
30. During the year, the Hon'ble Income Tax Settlement Commission, Kolkata Bench has passed an order in respect of settlement proceedings of the company and due effect of the order has duly been accounted for in the books of account.

### 31. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS:

#### a. Defined Contribution Plan:

Amount of ₹ 619.45 lacs (P.Y. ₹ 590.06 lacs) is recognised as an expense and included in employee benefit expense as under the following defined contribution plans (Refer Note no 24).

		(₹ in lacs)	
Benefit (Contribution to):		2018-19	2017-18
Contribution to Provident & Other Fund.....		619.45	590.06
<b>Total .....</b>		<b>619.45</b>	<b>590.06</b>

#### b. Defined benefit plan:

##### Gratuity:

		(₹ in lacs)	
Particulars	Gratuity		Leave Encashment
	2018-19 Non-Funded	2017-18 Non-Funded	2018-19 Non-Funded
<b>I Change in Present value of defined benefit obligation during the year:</b>			
Present value of defined benefit obligation at the beginning of the year	646.64	510.01	102.93
Interest Cost .....	48.94	38.96	7.00
Current Service Cost .....	81.31	72.88	54.19
Past Service Cost.....	-	-	-
Benefit paid directly by employer .....	(22.00)	(14.68)	(24.18)
Actuarial Changes arising from changes in financial assumption .....	5.19	-16.42	0.79
Actuarial Changes arising from changes in experience assumption.....	36.42	55.89	9.97
Present value of defined benefit obligation at the end of the year .....	796.50	646.64	150.70
<b>II Change in fair value of plan assets during the year:</b>			
Fair value of plan assets at the beginning of the year .....	-	-	-
Contribution paid by the employer.....	22.00	14.68	24.18
Benefit paid from the fund.....	(22.00)	(14.68)	(24.18)
Fair value of plan assets at the end of the year .....	-	-	-
<b>III Net asset / (liability) recognised in the balance sheet:</b>			
Present Value of defined benefit obligation at the end of the year.....	796.50	646.64	150.70
Fair value of plan assets at the end of the year .....	-	-	-

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

(₹ in lacs)

Particulars	Gratuity		Leave Encashment	
	2018-19 Non-Funded	2017-18 Non-Funded	2018-19 Non-Funded	2017-18 Non-Funded
<b>Amount recognised in the balance sheet</b>				
Net asset / (liability) - Current .....	49.26	36.41	9.25	6.60
Net asset / (liability) - Non Current.....	747.24	610.23	141.45	96.33
<b>IV Expenses recognized in the statement of profit and loss for the year:</b>				
Current Service Cost .....	81.31	72.88	54.19	40.84
Interest Cost on benefit obligation (Net).....	48.94	38.96	7.00	6.60
Total expenses included in employee benefits expenses .....	130.25	111.84	61.19	47.44
<b>V Recognized in other comprehensive income for the year:</b>				
Actuarial Changes arising from changes in financial assumption .....	5.19	(16.42)	0.79	(2.79)
Actuarial Changes arising from changes in experience assumption .....	36.42	55.89	9.97	(8.56)
Recognized in other comprehensive income for the year .....	41.61	39.47	10.76	(11.35)
<b>VI Maturity profile of defined benefit obligation:</b>				
Within the next 12 months (next annual reporting period) .....	49.26	40.03	9.24	7.03
Between 2 and 5 years.....	28.88	170.68	3.34	28.01
Between 6 and 10 years.....	259.27	250.72	30.31	38.32
<b>VII Quantitative Sensitivity analysis for significant assumption is as below:</b>				
1% point increase in discount rate .....	720.50	584.07	136.05	92.86
1% point decrease in discount rate.....	886.00	720.53	168.04	114.88
1% point increase rate of salary Increase.....	886.61	721.98	168.95	115.51
1% point decrease rate of salary Increase.....	717.86	581.33	135.07	92.19
1% point increase rate of employee turnover rate.....	809.71	657.64	153.27	104.80
1% point decrease rate of employee turnover rate.....	781.47	634.04	147.77	100.80

### 2 Sensitivity Analysis Method:

Sensitivity Analysis is determined based on the expected movement in liability if the assumption were not proved to be true on different count.

Particulars	Gratuity		Leave Encashment	
	2018-19 Non-Funded	2017-18 Non-Funded	2018-19 Non-Funded	2017-18 Non-Funded
<b>VIII Actuarial assumptions:</b>				
1 Discount rate	7.70%	7.75%	7.70%	7.75%
2 Salary escalation	6.00%	6.00%	6.00%	6.00%
3 Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
4 Mortality post retirement rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
5 Rate of Employee Turnover	1% to 8%	1% to 8%	1% to 8%	1% to 8%

### Expected contribution to the defined plan for the next reporting period:

#### Notes:

- (i) The actuarial valuation of plan assets and the present value of the defined obligation were carried out at 31st March, 2019. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected Unit Credit Method.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 32. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013.

Investment made are given under the respective heads. Further the company has not given any guarantee.

Loan given by the Company in respect of loans as at 31<sup>st</sup> March, 2019

(₹ in lacs)

Name of Company	As at 31.03.2019	As at 31.03.2018
Godawari Energy Ltd. ....	14.00	6858.28
	14.00	6858.28

### 33. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also enters into derivative contracts.

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk
- Currency risk
- Price risk

The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

#### Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties non performance or default on their obligations. The Company's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. The Company's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this the Company periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

#### Trade receivables

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

#### Loans and Advances

Financial assets in the form of loans and advances are written off when there is no reasonable expectations of recovery. Where recoveries are made, these are recognised as income in the statement of profit and loss. The company measures the expected credit loss of dues based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and passed trends. Based on historical data, loss on collection of dues is not material hence no additional provisions considered.

#### Bank, Cash and cash equivalents

Bank, Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31.03.2019	31.03.2018
Trade receivables.....	12,312.94	10,784.53
Loans and advances.....	14.00	6,858.28
Bank, Cash and cash equivalents.....	2,809.21	3,982.43

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

		(₹ in lacs)
	31.03.2019	31.03.2018
<b>Impairment losses</b>		
Trade receivables (measured under life time excepted credit loss model)		
Opening balance	334.87	340.58
Provided during the year	0.00	-
Reversal of provision	-	5.71
Unwinding of discount	-	-
Closing balance	334.87	334.87
	31.03.2019	31.03.2018
<b>Ageing analysis</b>		
Upto 3 months	9,964.22	9,792.46
3-6 months	945.86	365.22
More than 6 months	1,402.86	626.85
	12,312.94	10,784.53

No significant changes in estimation techniques or assumptions were made during the reporting period

### Liquidity risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

### Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

		(₹ in lacs)
	31.03.2019	31.03.2018
Cash Credit facilities .....	2,237.55	4,527.40

### Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

				(₹ in lacs)
As at 31 <sup>st</sup> March, 2019	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings .....	20,272.26	35,363.60	76,362.28	131,998.14
Trade payables .....	18,222.88	-	-	18,222.88
Other financial liabilities .....	834.76	-	-	834.76
	39,329.91	35,363.60	76,362.28	151,055.78
As at 31 <sup>st</sup> March, 2018	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings .....	21,385.56	37,890.75	90,610.44	149,886.75
Trade payables .....	14,201.25	-	-	14,201.25
Other financial liabilities .....	306.53	-	-	306.53
	35,893.34	37,890.75	90,610.44	164,394.53

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the company. The Company is exposed to long term and short-term borrowings, Commercial Paper Program. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure	(₹ in lacs)	
	31.03.2019	31.03.2018
Variable rate borrowings .....	131,993.23	149,858.81
Fixed rate borrowings .....	4.92	27.94

### b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

	(₹ in lacs)	
	Impact on profit after tax	
	31.03.2019	31.03.2018
Interest rates - increase by 70 basis points .....	(923.95)	(931.79)
Interest rates - decrease by 70 basis points .....	923.95	931.79

### FOREX EXPOSURE RISK

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through purchases from overseas suppliers in various foreign currencies.

Foreign currency exchange rate exposure is partly balanced by hedging of exposure by forward contract of purchasing of goods in the respective currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies to foreign currency risk.

PARTICULARS	Currency	Currency in Lacs	
		2018-19	2017-18
Borrowings .....	USD	296.00	-
Trade Payables .....	USD	46.88	85.70

Profit or loss estimate to higher/lower as a result of changes in foreign exchange rates-

	(₹ in lacs)	
	Impact on profit after tax	
	31.03.2019	31.03.2018
Foreign exchange rates - increase by 1% .....	238.10	55.77
Foreign exchange rates - decrease by 1% .....	(238.10)	(55.77)

### PRICE RISK:

The entity is exposed to equity price risk, which arises out from FVTPL quoted equity shares and FVTOCI quoted and unquoted equity shares including preference instrument. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

### Sensitivity Analysis for Price Risk:

Equity Investments carried at FVTOCI are not listed on the stock exchange. For equity investments classified as at FVTOCI, the impact of a 2 % in the index at the reporting date on profit & loss would have been an increase of ₹ 9.31 lacs (2017-18: ₹ 13.57 lacs); an equal change in the opposite direction would have decreased profit and loss.

## 34. CAPITAL MANAGEMENT

The Company's main objectives when managing capital are to:

- ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business;
- ensure compliance with covenants related to its credit facilities; and
- minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions.
- safeguard its ability to continue as a going concern
- to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity

	(₹ in lacs)	
	31.03.2019	31.03.2018
Total long term debt .....	119,243.69	136,910.85
Less : Bank, Cash and cash equivalent.....	2,796.94	3,970.65
<b>Net debt.....</b>	<b>116,446.75</b>	<b>132,940.20</b>
Total equity .....	107,750.26	86,734.17
<b>Net debt to equity ratio .....</b>	<b>1.08</b>	<b>1.53</b>

During the year the company has complied with major covenants of the terms of sanction of the loan facilities throughout the year.

### 35. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly indirectly.

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

	(₹ in lacs)			
	Carrying amount			
	As at 31.03.2019	Level 1	Level 2	Level 3
<b>Financial assets at amortised cost:</b>				
Investments .....	34,315.80	-	-	-
Trade receivables.....	12,312.94	-	-	-
Loans.....	14.00	-	-	-
Bank, Cash and bank balances.....	2,809.21	-	-	-
	49,451.95	-	-	-
<b>Financial assets at fair value through other comprehensive income:</b>				
Investments .....	465.71	67.26	398.45	-
<b>Total .....</b>	<b>465.71</b>	<b>67.26</b>	<b>398.45</b>	<b>-</b>
<b>Financial liabilities at amortised cost:</b>				
Long term borrowings .....	111,725.88	-	-	-
Short term borrowings.....	12,754.45	-	-	-
Trade payables .....	18,222.88	-	-	-
Other financial liabilities .....	8,352.57	-	-	-
<b>Total .....</b>	<b>151,055.78</b>	<b>-</b>	<b>-</b>	<b>-</b>

(₹ in lacs)

	Carrying amount			
	As at 31.03.2018	Level 1	Level 2	Level 3
<b>Financial assets at amortised cost:</b>				
Investments .....	27,414.40	-	-	-
Trade receivables.....	10,784.53	-	-	-
Loans.....	6,858.28	-	-	-
Bank, Cash and bank balances.....	3,982.43	-	-	-
	49,039.64	-	-	-
<b>Financial assets at fair value through other comprehensive income:</b>				
Investments .....	678.27	52.98	625.29	-
<b>Total .....</b>	<b>678.27</b>	<b>52.98</b>	<b>625.29</b>	<b>-</b>
<b>Financial liabilities at amortised cost:</b>				
Long term borrowings .....	128,501.19	-	-	-
Short term borrowings.....	12,975.90	-	-	-
Trade payables .....	14,201.25	-	-	-
Other financial liabilities.....	8,716.19	-	-	-
<b>Total .....</b>	<b>164,394.53</b>	<b>-</b>	<b>-</b>	<b>-</b>

During the reporting period ending 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018, there were no transfers between Level 1 and Level 2 fair value measurements.

**36. RECONCILIATION OF CURRENT TAX**

(₹ in lacs)

	2018-19	2017-18
Current Tax for the period.....	7,542.00	3,440.00
Tax related to earlier years.....	172.44	-
	<b>7,714.44</b>	<b>3,440.00</b>

**37.** The exceptional items of ₹ Nil (Previous Year ₹ 5.52 crores) (net) includes income of ₹ 13.56 crores pertains to compensation received from equipment supplier under the performance contract and expense of ₹ 19.08 crores on account of RECs.

**38. INFORMATION ON RELATED PARTY DISCLOSURES ARE GIVEN BELOW :**
**i) Related Parties**
**a) Subsidiaries**

- Godawari Green Energy Limited
- Godawari Energy Limited
- Ardent Steel Limited

**b) Associates**

- Jagdamba Power & Alloys Ltd.
- Chhattisgarh Ispat Bhumi Limited
- Hira Ferro Alloys Limited

**c) Other Related Parties**

- Hira Cement Limited
- Raipur Complex

**d) Step Down Subsidiary**

- Hira Energy Ltd.

**e) Joint Ventures**

- Raipur Infrastructure Company Limited
- Chhattisgarh Captive Coal Mining Limited

**f) Key Management Personnel**

- Shri B.L.Agrawal (Managing Director)
- Shri Abhishek Agrawal (Whole Time Director)
- Shri Dinesh Agrawal (Whole Time Director)
- Shri Vinod Pillai (Whole Time Director)
- Shri Sanjay Bothra (CFO)
- Shri Y.C. Rao (Company Secretary)
- Shri Vivek Agrawal (Chief Operational Officer)

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### ii) Transaction with Related Parties in the ordinary course of business

		(₹ in lacs)	
		2018-19	2017-18
<b>a) Subsidiaries</b>	Sale of Materials .....	118.07	99.91
	Interest Received .....	1.61	569.93
	Interest Paid .....	-	114.76
	Conversion of Loan into Debentures .....	6,900.00	-
	Income From Services / Misc other receipts .....	58.94	75.28
	Purchase of fixed assets .....	-	27.73
	Repayment of Advance received .....	1,000.00	1,000.00
	Advance given .....	1,036.02	535.07
	Repayment received of advance given .....	980.30	451.00
	<b>Outstandings</b>		
	Receivables .....	14.00	6,858.28
	Payables .....	-	-
<b>b) Associates</b>	Sale of Materials .....	520.18	435.14
	Purchase of Materials .....	1,874.62	759.86
	Purchase of Electricity .....	3,620.66	1,367.18
	Interest received .....	12.03	5.91
	Service and Other charges paid .....	1,608.46	380.91
	Other charges received .....	14.50	71.32
	Sale of fixed assets .....	164.02	0.00
	Purchase of fixed assets .....	2.60	106.13
	<b>Outstandings</b>		
	Receivables .....	1,111.85	652.22
	Payables .....	160.17	208.23
<b>c) Other Related Parties</b>	Purchase of Materials .....	301.00	230.84
	Sale of Materials .....	11.95	24.14
	Service and Other charges paid .....	86.86	166.62
	Other charges received .....	0.16	0.25
	Rent Paid .....	8.41	6.61
	<b>Outstandings</b>		
	Receivables .....	25.68	14.69
	Payables .....	0.19	0.13
<b>d) Joint Ventures</b>	Service Charges Paid .....	6.99	609.09
	<b>Outstandings</b>		
	Payables .....	269.31	289.44
<b>e) Key Management Personnel</b>	Remuneration/salary Paid .....	787.48	606.37

### iii) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year

		2018-19	2017-18
<b>a) Purchase of Materials:</b>			
	Hira Ferro Alloys Ltd .....	1,874.62	759.86
	Hira Cement Ltd .....	301.00	230.84
<b>b) Service Charges Paid:</b>			
	Raipur Infrastructure Company Limited .....	6.99	609.09
	Jagdamba Power & Alloys Ltd. ....	1,258.69	-
	Chhattisgarh Ispat Bhumi Limited .....	348.39	377.98
	Hira Cement Limited. ....	71.33	166.62
<b>c) Sale of Materials:</b>			
	Hira Ferro Alloys Ltd .....	496.53	416.97
	Ardent Steel Ltd .....	115.09	97.49

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

	2018-19	2017-18
<b>d) Repayment of advance received:</b>		
Godawari Green Energy Limited .....	-	1,000.00
<b>e) Purchase of Fixed Assets:</b>		
Ardent Steel Limited .....	486.74	27.73
Hira Ferro Alloys Ltd.....	115.09	106.13
<b>f) Purchase of Electricity</b>		
Jagdamba Power & Alloys Ltd. ....	1,786.81	-
Hira Ferro Alloys Ltd.....	1,833.85	1,367.18
<b>g) Interest received:</b>		
Godawari Energy Limited .....	1.61	569.93
Hira Ferro Alloys Ltd.....	12.03	5.91
<b>h) Interest paid:</b>		
Godawari Green Energy Limited.....	-	114.76
<b>i) Conversion of loan into debentures</b>		
Godawari Energy Limited .....	6,900.00	-
<b>j) Advance Received:</b>		
Godawari Green Energy Limited.....	-	-
<b>k) Loan/Advance Given:</b>		
Ardent Steel Ltd. ....	-	450.00
Godawari Energy Limited .....	139.03	85.07
Godawari Green Energy Limited.....	896.99	-
<b>l) Repayment receipt of Loan/Advance given:</b>		
Ardent Steel Limited .....	-	450.00
Godawari Energy Limited .....	83.31	1.00
Godawari Green Energy Limited .....	896.99	-
<b>m) Rent Paid:</b>		
Raipur Complex .....	8.41	6.61
<b>n) Remuneration</b>		
Shri B.L.Agrawal .....	216.00	180.00
Shri Dinesh Agrawal.....	180.00	98.61
Shri Abhisekh Agrawal.....	180.00	144.00
Shri Vivek Agrawal.....	77.46	67.76

### 39. SEGMENT-WISE REVENUE RESULTS :

#### Basis of preparation :

- Business segments of the company have been identified as distinguishable components that are engaged in a group of related product and that are subject to risks and returns different from other business segments. Accordingly Steel and Electricity have been identified as the business segments.
- The geographic segments identified as secondary segments are "Domestic Market" and "Export Market". Since there is no Export Market Revenue, the same has not been disclosed. The entire capital employed is within India.

#### Information about business Segments-Primary

(₹ in Lacs)

Particulars	External Sales		Inter Segment Sales		Eliminations		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>A) REVENUE</b>								
Steel Segment.....	285,720.33	213,404.13	0.00	0.00	0.00	0.00	285,720.33	213,404.13
Electricity Segment.....	1,804.81	5,057.27	22,956.70	21,966.31	(22,956.70)	(21,966.31)	1,804.81	5,057.27
<b>Total Segment Revenue</b>	<b>287,525.14</b>	<b>218,461.40</b>	<b>22,956.70</b>	<b>21,966.31</b>	<b>(22,956.70)</b>	<b>(21,966.31)</b>	<b>287,525.14</b>	<b>218,461.40</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

(₹ in Lacs)

<b>B) RESULTS</b>	<b>2018-19</b>	<b>2017-18</b>
Segment Operational Profit		
Steel Segment.....	<b>48,411.87</b>	28,506.89
Electricity Segment.....	<b>10,055.49</b>	10,310.12
<b>Total Segment Results .....</b>	<b>58,467.36</b>	38,817.00
Un-allocated expenditure net off unallocated income.....	<b>(5,255.36)</b>	(4,269.61)
<b>Operating Profit .....</b>	<b>53,212.00</b>	34,547.39
Interest Expenses .....	<b>(18,212.83)</b>	(18,481.07)
Less: Tax Expense .....	<b>13,673.38</b>	(2,128.44)
<b>Net Profit/(Loss) .....</b>	<b>21,325.79</b>	18,194.77
<b>C) OTHER INFORMATION</b>	<b>2018-19</b>	<b>2017-18</b>
Segment Assets		
Steel Segment.....	<b>221,679.43</b>	211,305.90
Electricity Segment.....	<b>42,356.47</b>	44,916.29
<b>Total Segment Assets.....</b>	<b>264,035.90</b>	256,222.19
Un-allocable Assets.....	<b>2,291.10</b>	2,133.36
<b>Total Assets.....</b>	<b>266,327.00</b>	258,355.55
Segment Liabilities and Provisions		
Steel Segment.....	<b>132,950.89</b>	144,371.28
Electricity Segment.....	<b>15,036.64</b>	16,174.47
<b>Total Segment Liabilities &amp; Provisions.....</b>	<b>147,987.52</b>	160,545.75
Un-allocable Liabilities and Provisions .....	<b>10,589.22</b>	11,075.63
<b>Total Liabilities and Provisions.....</b>	<b>158,576.74</b>	171,621.38
<b>Capital Expenditure</b>		
Steel Segment.....	<b>5,525.38</b>	9,186.48
Electricity Segment.....	<b>964.64</b>	26.85
Unallocable .....	<b>524.36</b>	49.14
<b>Total Capital Expenditure .....</b>	<b>7,014.38</b>	9,262.47
<b>Depreciation &amp; Amortisation</b>		
Steel Segment.....	<b>8,201.01</b>	7,882.91
Electricity Segment.....	<b>511.30</b>	491.17
Unallocable.....	<b>338.63</b>	574.99
<b>Total Segment Depreciation &amp; Amortisation .....</b>	<b>9,050.93</b>	8,949.07

### 40. UNHEDGED FOREIGN CURRENCY EXPOSURE

Foreign currency exposure that are not hedged by any derivative instruments or Forward Contracts as at 31<sup>st</sup> March, 2019 amount to ₹ 450.11 lacs (Previous Year ₹ 2598.07 lacs)

41. During the year the company has incurred ₹ 289.02 lacs on account of Corporate Social Responsibility Activities. According to provisions of section 135 of the Companies Act, 2013, the company is required to spend ₹ 111.25 lacs based on the average net profits/loss of the previous three years. The break-up of amount spent during the year are as follows:

<b>Particulars</b>	<b>In Cash</b>	<b>Yet to be paid in cash</b>	<b>Total</b>
Constructions/acquisition of any assets .....	0.00	0.00	0.00
On purpose other than above .....	289.02	0.00	289.02

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**

- 42.** The Company has identified the amount due to Micro, Small and Medium Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31<sup>st</sup> March, 2019:

	(₹ in lacs)	
	2018-19	2017-18
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at 31 <sup>st</sup> March, 2019		
Principal Amount .....	22.13	32.41
Interest .....	0.00	0.00
ii) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending 31 <sup>st</sup> March, 2019.....	0.00	0.00
iii) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year) .....	0.00	0.00
iv) The amount of interest accrued and remaining unpaid for the year ending 31 <sup>st</sup> March, 2019 .....	0.00	0.00
v) The amount of further interest remaining due and payable for the earlier years.....	0.00	0.00

Note : The information has been given in respect of such suppliers to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company.

- 43. DISCLOSURE PURSUANT TO REGULATION 34 (3) AND 53(F) AND PARA A OF SCHEDULE-V OF SEBI (LODR) REGULATION, 2015:**

Loans and Advances in the nature of loans given

(₹ in lacs)			
Name of the Company	Amount outstanding as at 31.03.2019	Maximum amount outstanding during the year	Investment by the loanee in the shares of the company
Godawari Energy Limited .....	14.00	6909.68	0.00
Godawari Green Energy Limited.....	0.00	326.25	0.00

- 44. PREVIOUS YEAR FIGURES HAVE BEEN REGROUPED OR REARRANGED WHEREVER NECESSARY.**

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Reg. No.018400C)  
Chartered Accountants

**per Sanjay Dewangan**  
Partner  
Membership No. 409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Y. C. Rao**  
Company Secretary

**Abhishek Agrawal**  
Director

**Sanjay Bothra**  
CFO

## INDEPENDENT AUDITORS' REPORT

To the Members of Godawari Power and Ispat Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Godawari Power and Ispat Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2019, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at 31<sup>st</sup> March, 2019, of consolidated profit/loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Description of Key Audit Matters

The Group has given due effect of order passed by the hon'ble Income Tax Settlement Commission, Additional Bench, Kolkata during the year, for the income tax matter related to the assessment year 2009-10 to 2016-17, in the books of account.

Refer Note 32 to the Financial Statements.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance

with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

#### Other Matters

- (a) We did not audit the financial statements of one subsidiaries, whose financial statements reflect total assets of ₹ 475.62 lacs as at 31<sup>st</sup> March, 2019, total revenues of ₹ Nil and net cash flows amounting to ₹ 0.07 lac for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

(b) The consolidated financial statements also include the Group's share of net profit/loss of ₹ 191.63 lacs for the year ended 31<sup>st</sup> March, 2019, as considered in the consolidated financial statements, in respect of one associates and two joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly ventures and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid jointly ventures and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

#### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities— Refer Note 31 to the consolidated financial statements.
  - ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

**For JDS & Co.**  
(ICAI Firm Regn. No.018400C)  
Chartered Accountants

**Sanjay Dewangan**  
Partner  
Membership number: 409524  
Raipur, 30<sup>th</sup> April, 2019



## ANNEXURE - A TO THE AUDITORS' REPORT

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2019, we have audited the internal financial controls over financial reporting of Godawari Power & Ispat Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For JDS & Co.**  
(ICAI Firm Regn. No.018400C)  
Chartered Accountants

**Sanjay Dewangan**  
Partner  
Membership number: 409524  
Raipur, 30<sup>th</sup> April, 2019

# GODAWARI POWER & ISPAT LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2019

		(₹ in lacs)	
Particulars	Note No	As at 31.03.2019	As at 31.03.2018
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment .....	3	213,315.31	213,767.67
(b) Capital work-in-progress .....		13,024.04	17,103.71
(c) Other intangible assets .....	4	11,560.17	12,674.51
(d) Investments in associates and joint ventures .....	5	11,645.47	12,407.28
(e) Financial assets			
(i) Investments .....	6	1,558.01	700.07
(ii) Others .....	7	-	50.96
(f) Deferred tax assets (net) .....	8	-	6,549.13
(g) Other non-current assets .....	9	1,508.46	1,102.52
		252,611.47	264,355.87
<b>(2) Current assets</b>			
(a) Inventories .....	10	61,642.95	43,230.38
(b) Financial assets			
(i) Trade Receivables .....	11	16,685.74	15,583.56
(ii) Cash and cash equivalents .....	12	231.43	966.29
(iii) Bank Balances other than cash and cash equivalents mentioned above .....	12	3,654.21	4,254.04
(iv) Others .....	13	512.85	-
(c) Current tax assets (net) .....		239.32	196.20
(d) Other current assets .....	9	15,532.71	16,587.23
		98,499.21	80,817.69
<b>Total Assets .....</b>		<b>351,110.67</b>	<b>345,173.56</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital .....	14	3,411.12	3,411.12
(b) Other equity .....		113,518.46	88,920.56
<b>Equity attributable to owners of the Company .....</b>		<b>116,929.58</b>	<b>92,331.68</b>
Non-controlling interest .....		16,715.05	16,038.79
<b>Total equity .....</b>		<b>133,644.63</b>	<b>108,370.48</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings .....	15	164,310.10	187,294.50
(b) Provisions .....	16	1,024.16	827.42
(c) Deferred Tax Liabilities (net) .....	8	81.20	-
(d) Other non-current liabilities .....	17	159.68	202.81
		165,575.15	188,324.73
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings .....	18	13,930.80	13,440.62
(ii) Trade Payables	19		
- total outstanding dues of micro enterprises and small enterprises .....		22.16	32.41
- total outstanding dues of creditors other than micro enterprises and small enterprises .....		20,274.62	16,081.68
(iii) Other Financial Liabilities .....	20	11,176.53	12,021.15
(b) Other current liabilities .....	21	4,107.46	4,680.70
(c) Provisions .....	16	76.13	51.50
(d) Current tax liabilities (net) .....		2,303.19	2,170.30
		51,890.90	48,478.36
<b>Total Equity and Liabilities .....</b>		<b>351,110.67</b>	<b>345,173.56</b>
<b>Summary of significant accounting policies .....</b>	2		

The accompanying notes are integral part of the financial statements.

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Regn. No. 018400C)  
Chartered Accountants

per **Sanjay Dewangan**  
Partner  
Membership No. 409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Abhishek Agrawal**  
Director

**Y. C. Rao**  
Company Secretary

**Sanjay Bothra**  
CFO

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

Particulars	Notes	2018-19	2017-18
(₹ in lacs)			
<b>INCOME</b>			
Revenue from operations .....	22	332,163.74	258,883.59
Other Income .....	23	583.18	865.70
<b>TOTAL REVENUE (I) .....</b>		<b>332,746.93</b>	<b>259,749.29</b>
<b>EXPENSES</b>			
Cost of raw material and component consumed .....	24	184,503.87	137,900.86
Purchase of Traded Goods .....		5,851.20	716.90
(Increase)/decrease in inventories of finished goods work-in-progress and traded goods .....	25	(6,858.35)	1,899.49
Excise Duty on sales .....		-	6,145.33
Employees benefits expenses .....	26	11,755.11	9,675.42
Finance costs .....	27	25,260.80	26,331.19
Depreciation and amortization expenses .....	28	13,285.09	13,179.60
Other Expenses .....	29	57,975.24	42,855.79
<b>TOTAL EXPENSES (II) .....</b>		<b>291,772.96</b>	<b>238,704.58</b>
<b>Profit/(loss) before share of associates &amp; joint ventures and exceptional items .....</b>		<b>40,973.97</b>	<b>21,044.71</b>
Add: Share of profit/(loss) of associates and Joint Ventures (after tax) .....		383.86	340.01
<b>Profit/(loss) before exceptional items and tax .....</b>		<b>41,357.83</b>	<b>21,384.72</b>
<b>Exceptional Items (net) (refer note-37) .....</b>		<b>-</b>	<b>551.59</b>
<b>Profit/(loss) before tax .....</b>		<b>41,357.83</b>	<b>20,833.13</b>
<b>Tax expenses .....</b>			
Current tax .....		9,059.77	4,397.69
Deferred Tax .....		6,231.71	(5,033.99)
<b>TOTAL TAX EXPENSES .....</b>		<b>15,291.48</b>	<b>(636.30)</b>
<b>Profit/(loss) for the year .....</b>		<b>26,066.35</b>	<b>21,469.43</b>
<b>Other Comprehensive Income</b>			
<b>A (i) Items that will not be reclassified to profit or loss</b>			
Actuarial gain or loss on defined benefit plans .....		(47.85)	(42.47)
Share of other comprehensive income in associates and Joint Ventures to the extent not to be classified into profit or loss .....		(1.41)	(2.32)
Income tax relating to items that will not be reclassified to profit or loss .....		15.21	15.98
		(34.05)	(28.81)
<b>B (i) Items that will be reclassified to profit or loss</b>			
Fair value of financial assets .....		(131.56)	151.40
Share of other comprehensive income in associates and Joint Ventures to the extent to be classified into profit or loss .....		(1,144.26)	1,852.54
Income tax relating to items that will be reclassified to profit or loss .....		(75.51)	(7.80)
		(1,351.33)	1,996.14
<b>Total Comprehensive Income for the period Comprising Profit/(Loss) and Other Comprehensive Income for the period .....</b>		<b>24,680.97</b>	<b>23,436.76</b>
<b>Profit/(loss) attributable to:</b>			
Equity holders of the parents .....		25,211.12	20,762.75
Non-controlling interests .....		855.23	706.68
		26,066.35	21,469.43
<b>Other Comprehensive Income attributable to:</b>			
Equity holders of the parents .....		(1,399.29)	1,969.40
Non-controlling interests .....		13.91	(2.07)
		(1,385.38)	1,967.32
<b>Total Comprehensive Income attributable to:</b>			
Equity holders of the parents .....		23,811.82	22,732.15
Non-controlling interests .....		869.15	704.61
		24,680.97	23,436.76
<b>Earnings per equity share [nominal value of share @ ₹ 10/- (31<sup>st</sup> March, 2018 ₹ 10)]</b>	30		
<b>Basic .....</b>		71.55	58.92
<b>Diluted .....</b>		71.55	58.92
<b>Summary of significant accounting policies .....</b>	2		

The accompanying notes are integral part of the financial statements.

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Regn. No. 018400C)  
Chartered Accountants

per **Sanjay Dewangan**  
Partner  
Membership No. 409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Y. C. Rao**  
Company Secretary

**Abhishek Agrawal**  
Director

**Sanjay Bothra**  
CFO

# GODAWARI POWER & ISPAT LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

		(₹ in lacs)	
Particulars	2019	2018	
<b>Cash Flow from operating activities</b>			
Profit/(loss) before tax and exceptional items .....	40,973.97	21,044.71	
Exceptional items .....	-	(551.59)	
	40,973.97	20,493.13	
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation/amortization .....	13,285.09	13,179.60	
Loss/(profit) on sale of fixed assets .....	19.62	10.21	
Loss/(profit) on sale of non-current other investments .....	-	0.39	
Provision for gratuity .....	221.37	176.57	
Provision/Allowances for credit loss on debtors .....	27.75	5.48	
Interest Expenses .....	25,260.80	26,331.19	
Interest Income .....	(316.27)	(842.97)	
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES.....</b>	<b>79,472.31</b>	<b>59,353.59</b>	
Movements in working capital :			
Increase/(decrease) in trade payables .....	4,182.70	3,646.59	
Increase/(decrease) in other financial liabilities .....	475.29	(751.97)	
Increase/(decrease) in other current liabilities .....	(573.24)	437.17	
Increase/(decrease) in Other non-current liabilities .....	(43.13)	19.47	
Decrease/(increase) in trade receivables .....	(1,129.93)	(4,233.15)	
Decrease/(increase) in inventories .....	(18,412.57)	(12,794.21)	
Decrease/(increase) in other financial assets .....	(512.85)	-	
Decrease/(increase) in other current assets .....	1,054.52	2,051.68	
Decrease/(increase) in other non-current assets .....	(405.94)	(293.44)	
<b>Cash generated from/(used in ) operations.....</b>	<b>64,107.17</b>	<b>47,435.74</b>	
Direct taxes paid (net of refunds) .....	(9,124.56)	(2,322.72)	
<b>Net Cash flow from/(used in) operating activities .....</b>	<b>54,982.61</b>	<b>45,113.02</b>	<b>A</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets, including intangible assets and CWIP .....	(8,269.17)	(10,630.10)	
Proceeds from sale of fixed assets .....	669.55	118.93	
Proceeds from sale of non-current other investments .....	-	1.60	
(Increase)/decrease in non-current other investments .....	(10.00)	(35.00)	
Proceeds/(investment) from/in bank deposits (having original maturity of more than three months) .....	650.79	(2,405.34)	
Interest received .....	316.27	842.97	
<b>Net cash flow from/(used in) investing activities .....</b>	<b>(6,642.55)</b>	<b>(12,106.94)</b>	<b>B</b>

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

(₹ in lacs)

Particulars	2019	2018
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Redemption of debenture .....	(2,259.38)	(103.46)
Repayment of long-term borrowings.....	(22,044.94)	(2,865.34)
Proceeds/(Repayment) of short-term borrowings .....	490.18	(6,109.20)
Interest paid.....	(25,260.80)	(26,331.19)
<b>Net cash flow from/(used in) financing activities .....</b>	<b>(49,074.92)</b>	<b>(35,409.19)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C).....</b>	<b>(734.86)</b>	<b>(2,403.11)</b>
Cash and Cash Equivalents at the beginning of the year .....	966.29	3,369.40
Cash and Cash Equivalents at the end of the year (refer note-13).....	231.43	966.29
<b>Components of cash and cash equivalents</b>		
Cash in hand .....	11.96	25.85
Stamp in hand .....	1.23	1.23
<b>Balances with banks:</b>		
On current accounts .....	154.66	813.59
Deposits with original maturity of less than 3 months .....	63.57	125.61
	<b>231.43</b>	<b>966.29</b>

The Statement of Cash Flow has been prepared using Indirect method as per Ind AS 7.

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Regn. No. 018400C)  
Chartered Accountants

**per Sanjay Dewangan**  
Partner  
Membership No. 409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Abhishek Agrawal**  
Director

**Y. C. Rao**  
Company Secretary

**Sanjay Bothra**  
CFO

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

(₹ in lacs)

**Equity Share Capital**

	Balance as at 01.04.2017	Changes in the equity share capital during the year	Balance as at 31.03.2018
	3,411.12	-	3,411.12

**Equity Share Capital**

	Balance as at 01.04.2018	Changes in the equity share capital during the year	Balance as at 31.03.2019
	3,411.12	-	3,411.12

**Other Equity**

	Capital Reserve	Securities Premium	Reserves and Surplus	Equity Instruments through Other Comprehensive Income (Net of Tax)	Share of Other Comprehensive Income (Net of Tax) in associates and Joint Ventures	Other items of Other Comprehensive Income (Gain/loss on employee benefit) (Net of Tax)	Total
			Debt Redemption Reserve	Retained Earnings			
<b>Balance at the beginning of the reporting period 01.04.2017.....</b>	10,902.26	20,784.05	2,015.00	15,421.74	(155.09)	21.13	66,282.31
Changes in ownership interest/loss of control.....	-	-	-	(93.90)	-	-	(93.90)
Fair value of equity instruments, net of taxes.....	-	-	-	-	143.79	-	143.79
Total Other Comprehensive Income for the year.....	-	-	-	-	-	(24.61)	1,825.60
Profit/(loss) for the year.....	-	-	-	20,762.75	-	-	20,762.75
<b>Balance at the end of the reporting period 31.03.2018.....</b>	10,902.26	20,784.05	2,015.00	36,090.59	(11.29)	(3.48)	88,920.56
Prior period item (net of tax) (refer note 32).....	-	-	-	566.44	-	-	566.44
<b>Restated Balance at the beginning of the reporting period 01.04.2018.....</b>	10,902.26	20,784.05	2,015.00	36,657.03	(11.29)	(3.48)	89,487.00
Changes in ownership interest.....	106.08	-	-	113.56	-	-	219.64
Fair value of equity instruments, net of taxes.....	-	-	-	-	(207.07)	-	(207.07)
Total Other Comprehensive Income for the year.....	-	-	-	-	-	(46.55)	(1,192.22)
Profit/(loss) for the year.....	-	-	-	25,211.12	-	-	25,211.12
Transfer.....	-	-	(1,210.25)	-	-	-	-
<b>Balance at the end of the reporting period 31.03.2019.....</b>	11,008.34	20,784.05	804.75	61,981.70	(218.36)	(50.04)	113,518.46

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**per Sanjay Dewangan**  
Partner  
Membership No. 409524

Place : Raipur  
Date : 30.04.2019

**B. L. Agrawal**  
Managing Director

**Abhishek Agrawal**  
Director

**Y. C. Rao**  
Company Secretary

**Sanjay Bothra**  
CFO

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 1. CORPORATE INFORMATION

The Company, its subsidiaries and its associates & joint venture [jointly referred to as the 'Group' herein under] considered in these consolidated financial statements are:

#### a) Subsidiaries

Name of the Company	Country of incorporation	Proportion (%) of equity interest	
		As at 31.03.2019	As at 31.03.2018
Godawari Energy Limited .....	India	51.30%	51.30%
Godawari Green Energy Limited.....	India	76.12%	76.12%
Hira Energy Limited.....	India	97.52%	0.00%
Ardent Steel Limited .....	India	79.98%	76.34%

#### b) Associates

Name of the Company	Country of incorporation	Proportion (%) of equity interest	
		As at 31.03.2019	As at 31.03.2018
Hira Ferro Alloys Limited .....	India	48.45%	48.45%
Jagdamba Power & Alloys Limited.....	India	33.96%	33.96%
Chhattisgarh Ispat Bhumi Limited.....	India	35.36%	35.36%

#### c) Joint Venture

Name of the Company	Country of incorporation	Proportion (%) of equity interest	
		As at 31.03.2019	As at 31.03.2018
Raipur Infrastructure Company Ltd.....	India	33.33%	33.33%
Chhattisgarh Captive Coal Mining Ltd.....	India	25.93%	25.93%

### 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 BASIS OF PREPARATION AND PRESENTATION

- These Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and guidelines issued by the Securities and Exchange Board of India (SEBI).
- The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
  - Certain financial assets and liabilities and
  - Defined benefit plans - plan assets
- Subsidiaries are entities where the group exercise or controls more than one-half of its total share capital. The net assets results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements upto their date of disposal, being the date of control ceases.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered.
- The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**

Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

- vi) Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.
- vii) Non-controlling interests in the net assets of consolidated subsidiaries consists of:
  - a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
  - b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.
- viii) Investments in associates and joint venture are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in the profit & loss, and the Company's share of other comprehensive income of the investee in the other comprehensive income.
- ix) Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.
- x) Group's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

**2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a) Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has identified twelve months as its operating cycle.

**b) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Group determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole:



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re- assessing categorisation at the end of each reporting period.

### c) Property, Plant and Equipment (PPE)

- i) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.
- ii) The cost of an item of property, plant and equipment is measured at :
  - its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
  - any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
  - the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
- iii) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- iv) After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.
- v) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.
- vi) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/ inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.
- vii) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.
- viii) The Group has continued the policy adopted for accounting for exchange differences arising from translation of long term foreign currency monetary items recognized in financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP, pursuant to para 46A/46AA and D13AA of Ind AS 101, 'First time adoption of Indian Accounting Standards'. Accordingly, the exchange differences arising on translation/settlement of long term foreign currency monetary items pertaining to the acquisition of a depreciable asset have been adjusted to the cost of the asset and are depreciated over the remaining life of the asset.

### d) Capital Work in Progress

- i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- ii) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

- iii) Capital Expenditure incurred for creation of facilities, over which the Group does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

**e) Intangible Assets**

- i) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- ii) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.
- iii) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**f) Leases**

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

- Leased assets

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

**g) Mining Assets**

**i) Exploration and Evaluation Assets**

Upon obtaining the legal rights to explore a specific area but before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the expenditure incurred on finding specific mineral resources are capitalised as Exploration and Evaluation Assets. These expenditure include expenses on acquisition of rights to explore; topographical, geological, geochemical and geophysical studies; exploratory drilling; trenching; sampling; activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource and such other related expenses. When the technical feasibility and commercial viability of extracting a mineral resource are demonstrated, the Exploration and Evaluation Assets are reclassified as part of the right to mine.

At the initial recognition the Exploration and Evaluation Assets are measured at cost. After recognition, the Group continues to use the cost model.

Exploration and Evaluation Assets are assessed for impairment when facts and circumstances suggest that the carrying amount of such assets may exceed its recoverable amount.

After the reclassification of the Exploration and Evaluation Assets as part of the Right to Mine, the cost is then amortised over the remaining useful life of the mining rights.

**ii) Stripping Activity**

During the development phase of the mine (before production begins), stripping costs are capitalised as part of the cost of right to mine.

During the production phase, two benefits accrue from the stripping activity: usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

To the extent that the benefit from the stripping activity is realised in the form of inventory produced, the costs of that stripping overburden removal activity is accounted for in accordance with the principles of Ind AS 2, Inventories.

To the extent the benefit is improved access to ore, these costs are recognised as Stripping Activity Asset, if the following criteria are met:-

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow;
- the component of the ore body for which access has been improved can be identified; and
- the costs relating to the stripping activity associated with that component can be measured reliably.

The Stripping Cost capitalised during the development phase or during the production phase is amortised using the units or production method.

In accordance with Ind AS 101 First Time Adoption of Ind AS, the previously recognised asset balance that resulted from stripping activity undertaken during the production phase ('predecessor stripping asset' classified as Iron Ore Mines under Intangible Assets) is reclassified as a part of an existing asset i.e. Right to Mine to which the stripping activity relates, to the extent that there remains an identifiable component of the ore body with which the predecessor stripping asset can be associated. Such balances will be amortised over the remaining expected useful life of the Right to Mine.

### h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Group has considered that recovery of excise duty flows to the Group on its own account. Therefore it is a liability of the manufacturer and forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty.

However, Sales Tax/Value Added Tax (VAT) are not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

#### i) Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

#### ii) Interest income

Interest income is recognised using the effective interest rate (EIR) method.

#### iii) Dividends

Revenue is recognised when the Group's right to receive payment is established, which is generally when shareholders approve the dividend.

#### iv) Rendering of services

Revenue from the services is recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

### i) Depreciation on Property, Plant & Equipment and Amortization of Intangible Assets

i) Depreciation on Property, Plant & Equipment is provided on Straight Line Method based on estimated useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013 with the exception of the following:

- spares classified as plant and equipment are depreciated over 3 to 15 years based on the technical evaluation of useful life done by the management.
- assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

ii) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**

- iii) The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.
- iv) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.
- v) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery or their useful life whichever is lower.
- vi) Leasehold land is amortised annually on the basis of tenure of lease period. Freehold land is not depreciated.
- vii) Expenditure incurred on Right to Mine are amortised over useful life of the mines or lease period whichever is shorter.
- viii) Intangible assets having finite-life are amortised on a straight line basis over the period of their expected useful lives and indefinite lives intangible assets are not amortised but are tested for impairment.

**j) Inventories :**

- i) Inventories are valued at lower of cost and net realizable value, after providing for obsolesces, if any.
- ii) Cost of Raw Materials, Stores & Spares, Work in Progress, Finished Goods and Stock-in-Trade are computed on Moving Average basis.
- iii) Cost of Work in Progress and Finished Goods includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.
- iv) The cost is determined using moving average cost formula and net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

**k) Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**l) Income Taxes**

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In which case the tax is also recognised directly in equity or in other comprehensive income.

**i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

**ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**m) Foreign Currency Transactions**

- i) Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date.
- ii) Exchange differences arising on translation or settlement of monetary items are recognised as income or expenses in the period in which they arise in the Statement of Profit and loss.

**n) Employee Benefits Expense****Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### Post-Employment Benefits

#### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund and Contributory Pension Fund. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

#### Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Group has recognized the gratuity payable to the employees as per the Payment of Gratuity Act, 1972 and Leave Encashment Benefits as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

#### o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a consolidated asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

#### p) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### q) Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

Treasury shares held in the Trust are deducted from the equity.

#### r) Financial Instruments

##### i) Financial Assets

##### A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**B. Subsequent measurement**Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL.

**C. Other Investments**

Other investments are measured at fair value through Other Comprehensive Income with value changes recognised therein.

**D. Impairment of financial assets**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through OCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

**ii) Financial Liabilities****A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**iii) Derivative financial instruments**

The Group uses derivative financial instruments such as interest rate swaps and forward contracts to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

**iv) Derecognition of financial instruments**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**s) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### t) Dividend Distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's shareholders.

### u) Statement of Cash Flows

#### i) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, stamp in hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

### v) Segment Reporting Policies

#### Identification of segments :

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The Operating segments have been identified on the basis of the nature of products.

#### Inter segment Transfers :

The Group generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

#### Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

#### Unallocated items :

The Corporate and Other segment includes general corporate income and expense items which are not allocated to any business segment.

### w) Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

## 2.3 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The estimated useful lives and residual values of the assets are reviewed annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes and other related matters. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

### b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.

**c) Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**d) Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**e) Measurement of defined benefit obligations**

The measurement of defined benefit and other post-employment benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 3. Property, Plant and Equipment

(₹ in lacs)

	Freehold Land	Leasehold Land	Site & Land Development	Factory Shed & Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Total
<b>Gross Block</b>								
<b>Carring Value</b>								
At 01 <sup>st</sup> April, 2017 .....	5,203.95	351.69	6,501.12	26,321.88	204,904.18	631.55	668.75	244,583.13
Additions .....	259.13	-	-	65.42	3,346.83	8.59	142.73	3,822.70
Disposals .....	-	-	-	-	133.64	-	93.97	227.61
Other adjustments .....								-
- Borrowing costs .....	-	-	-	-	68.64	-	-	68.64
<b>At 31<sup>st</sup> March, 2018 .....</b>	<b>5,463.08</b>	<b>351.69</b>	<b>6,501.12</b>	<b>26,387.30</b>	<b>208,186.02</b>	<b>640.14</b>	<b>717.51</b>	<b>248,246.86</b>
<b>Additions .....</b>	<b>151.35</b>	<b>320.47</b>	<b>-</b>	<b>4,567.92</b>	<b>6,484.61</b>	<b>8.13</b>	<b>196.99</b>	<b>11,729.47</b>
On account of consolidation .....	58.71	-	-	-	-	-	-	58.71
Disposals .....	3.09	-	-	-	1,123.41	-	72.71	1,199.21
<b>Other adjustments .....</b>								
- Borrowing costs .....	-	-	-	619.37	-	-	-	619.37
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>5,611.34</b>	<b>672.16</b>	<b>6,501.12</b>	<b>31,574.59</b>	<b>213,547.21</b>	<b>648.28</b>	<b>841.80</b>	<b>259,455.21</b>
<b>Depreciation</b>								
At 01 <sup>st</sup> April, 2017 .....	-	4.77	-	3,094.77	18,899.61	173.33	203.52	22,376.00
Charge for the year .....	-	2.66	-	1,337.65	10,673.77	81.34	106.23	12,201.66
(Disposals)/Adjustment .....	-	-	-	-	50.90	-	47.57	98.47
<b>At 31<sup>st</sup> March, 2018 .....</b>	<b>-</b>	<b>7.43</b>	<b>-</b>	<b>4,432.42</b>	<b>29,522.48</b>	<b>254.67</b>	<b>262.19</b>	<b>34,479.19</b>
Charge for the year .....	-	5.78	-	1,262.52	10,719.42	76.19	106.84	12,170.74
(Disposals)/Adjustment .....	-	-	-	-	474.27	-	35.77	510.04
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>-</b>	<b>13.21</b>	<b>-</b>	<b>5,694.94</b>	<b>39,767.63</b>	<b>330.86</b>	<b>333.26</b>	<b>46,139.90</b>
<b>Net Block</b>								
At 31 <sup>st</sup> March, 2018 .....	5,463.08	344.26	6,501.12	21,954.88	178,663.54	385.47	455.33	213,767.67
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>5,611.34</b>	<b>658.95</b>	<b>6,501.12</b>	<b>25,879.65</b>	<b>173,779.58</b>	<b>317.42</b>	<b>508.54</b>	<b>213,315.31</b>

#### Capitalized borrowing costs

The borrowing cost capitalized during the year ended 31<sup>st</sup> March, 2019 was ₹ Nil (31<sup>st</sup> March, 2018: ₹ 68.64 lacs). The company capitalized the borrowing cost in the capital work-in-progress (CWIP) ₹ Nil (31<sup>st</sup> March, 2018: ₹ 557.54 Lacs). The amount of borrowing cost shown as other adjustments in the above note reflects the amount of borrowing cost transferred from Capital Work In Progress.

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 4. Other Intangible assets

(₹ in lacs)

	Computer software	Right to Mine	Know How	Total
<b>Gross Block</b>				
<b>Carrying Value</b>				
At 01 <sup>st</sup> April, 2017 .....	989.19	10,305.34	400.00	11,694.53
Purchase/additions .....	-	3,229.20	-	3,229.20
<b>At 31<sup>st</sup> March, 2018 .....</b>	<b>989.19</b>	<b>13,534.55</b>	<b>400.00</b>	<b>14,923.73</b>
Purchase/additions .....	-	-	-	-
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>989.19</b>	<b>13,534.55</b>	<b>400.00</b>	<b>14,923.73</b>
<b>Amortization</b>				
At 01 <sup>st</sup> April, 2017 .....	73.68	1,097.59	100.00	1,271.27
Charge for the year .....	118.15	809.80	50.00	977.95
<b>At 31<sup>st</sup> March, 2018 .....</b>	<b>191.83</b>	<b>1,907.39</b>	<b>150.00</b>	<b>2,249.22</b>
Charge for the year .....	118.15	946.20	50.00	1,114.35
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>309.98</b>	<b>2,853.59</b>	<b>200.00</b>	<b>3,363.57</b>
<b>Net Block</b>				
At 31 <sup>st</sup> March, 2018 .....	797.36	11,627.16	250.00	12,674.51
<b>At 31<sup>st</sup> March, 2019 .....</b>	<b>679.21</b>	<b>10,680.96</b>	<b>200.00</b>	<b>11,560.17</b>

### 5. Investment

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
<b>Trade investments</b>		
<b>Investment in associates and joint ventures</b>		
<b>Investments accounted for using the equity method</b>		
Investment in associates		
Unquoted Equity Instruments .....	<b>10,614.59</b>	11,506.16
Investment in joint ventures		
Unquoted Equity Instruments .....	<b>1,030.88</b>	901.12
	<b>11,645.47</b>	12,407.28

### 6. Other investments

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
<b>Carried at Fair Value through OCI</b>		
Investments in Unquoted Equity Instruments .....	<b>967.44</b>	625.29
Investments in Unquoted Preference Instruments .....	<b>516.00</b>	15.00
Investment in mutual fund, fully Paid up (quoted) .....	<b>74.58</b>	59.78
	<b>1,558.01</b>	700.07
	<b>13,203.49</b>	13,107.35
Aggregate amount of quoted investments and market value thereof .....	<b>74.58</b>	59.78
Aggregate amount of Unquoted investments .....	<b>13,128.91</b>	13,047.57
Investment carried at cost .....	<b>11,645.47</b>	12,407.28
Investment carried at fair value through OCI .....	<b>1,558.01</b>	700.07

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**
**7. Other financial Non-Current assets**

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
<b>Unsecured, considered good unless stated otherwise</b>		
Deposit with bank with original maturity for more than 12 months (refer note-12) .....	-	50.96
	-	<b>50.96</b>

**8. Deferred Tax (Assets)/Liabilities**

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
<b>Deferred Tax (Assets)/Liability</b>		
Temporary differences on account of PPE & Other intangible assets .....	<b>24,946.99</b>	24,159.57
Temporary differences on account of fair valuation of Investments .....	<b>10.63</b>	44.08
Temporary differences on account of Employee Benefits .....	<b>(349.29)</b>	(304.89)
Unused MAT Credit .....	<b>(19,322.21)</b>	(11,851.89)
Others .....	<b>(5,204.92)</b>	(18,596.00)
<b>Net deferred tax (assets)/ liabilities .....</b>	<b>81.20</b>	<b>(6,549.13)</b>

**RECONCILIATION OF DEFERRED TAX (ASSETS)/LIABILITIES (NET)**

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
<b>Deferred Tax (Assets)/Liabilities</b>		
Deferred tax liability / (assets) at the beginning of the year .....	<b>(6,549.13)</b>	(1,506.96)
Deferred tax liability / (assets) during the year on account of timing difference .....	<b>27,491.73</b>	(5,071.98)
Recognition of unrecognized tax losses .....	<b>(13,391.08)</b>	4,187.87
MAT Credit utilized/(arised) .....	<b>(7,470.32)</b>	(4,158.06)
<b>DEFERRED TAX LIABILITIES / (ASSETS) AT THE END OF THE YEAR .....</b>	<b>81.20</b>	<b>(6,549.13)</b>

**9. Other assets (unsecured, considered good)**

(₹ in lacs)

	Non-Current		Current	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Advances for capital goods .....	<b>303.97</b>	267.05	-	-
<b>Advances other than capital advances</b>				
Advance to Vendors .....	-	-	<b>12,346.33</b>	13,591.36
Prepaid expenses .....	-	-	<b>58.23</b>	50.26
Balance with statutory/govt. authorities .....	-	-	<b>2,603.14</b>	<b>2,935.89</b>
Interest accrued on FDR .....	-	-	<b>78.09</b>	<b>9.72</b>
Security deposit with govt. & others .....	<b>1,204.49</b>	<b>835.47</b>	<b>446.91</b>	-
<b>Total .....</b>	<b>1,508.46</b>	<b>1,102.52</b>	<b>15,532.71</b>	<b>16,587.23</b>

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 10. Inventories (valued at lower of cost and net realizable value)

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
Raw Materials and components .....	36,486.78	25,842.64
<b>Work-in-progress .....</b>	<b>4,911.41</b>	1,411.04
Finished goods & by-products .....	9,480.75	7,222.84
Stock-in-trade .....	1,102.36	2.29
Stores & spares .....	9,661.65	8,751.58
	<b>61,642.95</b>	43,230.38

### 11. Trade receivables

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
Trade receivables considered good - Unsecured .....	16,685.74	15,583.56
Trade Receivables which have significant increase in Credit Risk .....	356.21	328.46
Trade Receivables - credit impaired .....	124.77	124.77
	<b>17,166.72</b>	16,036.79
Less: Provision for doubtful receivables .....	480.98	453.23
	<b>16,685.74</b>	15,583.56

### 12. Bank, Cash and cash equivalents

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
<b>Cash and cash equivalents</b>				
<b>Balances with banks:</b>				
On current accounts .....	-	-	154.66	813.59
Deposits with original maturity of less than three months .....	-	-	63.57	125.61
Stamp in hand .....	-	-	1.23	1.23
Cash on hand .....	-	-	11.96	25.85
	-	-	<b>231.43</b>	966.29
<b>Other bank balances</b>				
Unpaid dividend account .....	-	-	12.27	11.78
Deposits with original maturity for more than 12 months .....	-	50.96	-	-
Deposits with original maturity for more than 3 months but less than 12 months .....	-	-	3,641.94	4,242.25
	-	50.96	<b>3,654.21</b>	4,254.04
Amount disclosed under other financial assets (note 7) .....	-	50.96	-	-
	-	-	<b>3,885.64</b>	5,220.32

Out of total Deposits, deposits of ₹ 3705.50 lacs (31<sup>st</sup> March, 2018: ₹ 4418.83 lacs) are pledged with various banks for availing LC, Bank Guarantee, OD facilities, margin money and pledged with other Govt. Departments.

### 13. Other - financial assets (considered good-unsecured)

(₹ in lacs)

	Current	
	As at 31.03.2019	As at 31.03.2018
Claim receivable .....	494.21	-
Other receivable .....	18.63	-
<b>Total .....</b>	<b>512.85</b>	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 14. Equity Share capital

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
<b>Authorised</b>		
49800000 (31 <sup>st</sup> March, 2018: 49800000) .....	4,980.00	4,980.00
equity shares of ₹10/- each .....	4,980.00	4,980.00
<b>Issued, subscribed and fully paid-up</b>		
35236247 (31 <sup>st</sup> March, 2018: 35236247) .....	3411.12	3411.12
equity shares of ₹ 10/- each fully paid-up .....	3,411.12	3,411.12

#### a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

	As at 31.03.2019		As at 31.03.2018	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period.....	35236247	* 3,411.12	35236247	* 3,411.12
Issued during the period .....	-	-	-	-
Outstanding at the end of the period.....	35236247	3,411.12	35236247	3,411.12

\*Treasury shares held in the trust are deducted from the equity share capital.

#### b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### c. Shares held by Associate company

Out of equity shares issued by the company, shares held by its associate company are as below:

(₹ in lacs)

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Equity shares of ₹ 10/- each fully paid</b>		
1200000 (1200000) nos. of shares held by Hira Ferro Alloys Ltd.....	120.00	120.00
	120.00	120.00

#### d. Details of shareholders holding more than 5% shares in the company:

(₹ in lacs)

	As at 31.03.2019		As at 31.03.2018	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 10/- each fully paid				
Hira Infra-tek Limited .....	1790652	5.08	1790652	5.08
Dinesh Agrawal .....	1846347	5.24	1846347	5.24
Bajrang Lal Agrawal (HUF).....	2738932	7.77	2738932	7.77
Vinay Agrawal .....	1875466	5.32	1875466	5.32
Kumar Agrawal.....	2460678	6.98	2460678	6.98
	10712075	30.39	10712075	30.39

e. Apart from authorised equity share capital, the company is also having authorised preference share capital consisting 3200000 preference shares of ₹ 10/-each as on 31.03.2019 and 31.03.2018.

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 15. Borrowings

(₹ in lacs)

Particulars	Non-current portion		Current maturities	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
<b>Debentures</b>				
0 (31 <sup>st</sup> March, 2018: 209) A Series 12% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured) .....	-	1,946.87	-	112.50
200 (31 <sup>st</sup> March, 2018: 200) B Series 12.75% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured) .....	1,728.00	1,869.00	141.00	108.00
150 (31 <sup>st</sup> March, 2018: 150) C Series 12.90% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured) .....	1,251.00	1,362.71	99.00	79.29
<b>Term Loans</b>				
Secured loan from bank .....	161,331.10	182,111.96	10,070.19	11,311.24
<b>Other loans and advances</b>				
Other loans from bank and financial institution(secured) .....	-	3.95	4.92	23.99
	164,310.10	187,294.50	10,315.11	11,635.02
<b>The above amount includes</b>				
Secured borrowings .....	164,310.10	187,294.50	10,315.11	11,635.02
Unsecured borrowings .....	-	-	-	-
Amount disclosed under the head .....				
"other financial liabilities" (refer note 20) .....	-	-	(10,315.11)	(11,635.02)
<b>Net amount</b>	164,310.10	187,294.50	-	-

### 16. Provisions

(₹ in lacs)

	Non-current		Current	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Provision for Employee Benefits.....	1,024.16	827.42	76.13	51.50
	1,024.16	827.42	76.13	51.50

### 17. Other non-current liabilities

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
Retention money payable.....	159.68	202.81
	159.68	202.81

### 18. Borrowings

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
Cash Credit facility from banks (secured).....	13,776.42	13,440.62
Loans and advances from body corporate and others (unsecured) .....	154.38	-
	13,930.80	13,440.62
<b>The above amount includes</b>		
Secured borrowings .....	13,776.42	13,440.62
Unsecured borrowings .....	154.38	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 19. Trade Payable

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
<b>Trade payables</b>		
- total outstanding dues of micro enterprises and small enterprises .....	22.16	32.41
- total outstanding dues of creditors other than micro enterprises and small enterprises .....	20,274.62	16,081.68
	<b>20,296.78</b>	<b>16,114.08</b>

### 20. Other Financial Liabilities

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
Current maturities of long-term borrowings (secured) (refer note-15).....	10,315.11	11,635.02
Interest accrued but not due on borrowings.....	849.15	374.35
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend.....	12.27	11.78
	<b>11,176.53</b>	<b>12,021.15</b>

### 21. Other Current Liabilities

(₹ in lacs)

	As at 31.03.2019	As at 31.03.2018
Other Payable .....	3,120.28	2,836.89
GST payable.....	209.32	1,046.11
Advances from Customer.....	753.24	788.79
Creditors for capital goods.....	24.62	8.91
	<b>4,107.46</b>	<b>4,680.70</b>

### 22. Revenue from operations

(₹ in lacs)

	2018-19	2017-18
<b>Revenue from operations</b>		
<b>Sale of products</b>		
Manufacturing Goods and By-Products.....	313,437.14	239,262.74
Electricity .....	9,217.13	10,672.22
Traded Goods .....	4,846.97	778.36
Others .....	1,748.65	8,012.00
<b>Other operating revenue</b>		
Scrap & Other sales.....	2,913.84	158.26
<b>Revenue from operations.....</b>	<b>332,163.74</b>	<b>258,883.59</b>

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 23. Other Income

(₹ in lacs)

	2018-19	2017-18
<b>Interest Income on</b>		
Bank Deposits .....	180.42	168.74
Others .....	135.85	674.23
Other non-operating income (net of expenses directly attributable to such income) .....	266.91	22.74
	<b>583.18</b>	865.70

### 24. Cost of raw material and components consumed

(₹ in lacs)

	2018-19	2017-18
Inventory at the beginning of the year .....	25,842.64	11,450.16
Add: purchases .....	195,148.01	152,293.33
	<b>220,990.65</b>	163,743.49
Less : Inventory at the end of the year .....	36,486.78	25,842.64
Cost of raw material and components consumed .....	<b>184,503.87</b>	137,900.86

### 25. (Increase)/Decrease in Inventories

(₹ in lacs)

	2018-19	2017-18	(Increase)/ Decrease 2018-19
<b>Inventories at the end of the year</b>			
Finished goods and by-products .....	9,480.75	7,222.84	(2,257.91)
Work-in-progress .....	4,911.41	1,411.04	(3,500.38)
Traded goods .....	1,102.36	2.29	(1,100.07)
	<b>15,494.52</b>	8,636.17	(6,858.35)
<b>Inventories at the beginning of the year</b>			
Finished goods and by-products .....	7,222.84	10,171.02	2,948.18
Work-in-progress .....	1,411.04	362.35	(1,048.68)
Traded goods .....	2.29	2.29	-
	<b>8,636.17</b>	10,535.66	1,899.49
Net (increase)/decrease in inventories .....	<b>(6,858.35)</b>	1,899.49	

### 26. Employee benefits expenses

(₹ in lacs)

	2018-19	2017-18
Salaries, wages and bonus .....	10,446.33	8,470.27
Contribution to provident and other fund .....	692.83	671.47
Gratuity Expense .....	158.99	136.32
Workmen and staff welfare expenses .....	456.96	397.35
	<b>11,755.11</b>	9,675.42



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 27. Finance Costs

(₹ in lacs)

	2018-19	2017-18
Interest		
- on debentures .....	681.21	688.81
- on term loans .....	21,129.51	22,457.48
- on working capital .....	1,520.74	1,613.89
- on others .....	85.22	34.61
Bank charges .....	1,844.11	1,536.39
	<b>25,260.80</b>	<b>26,331.19</b>

### 28. Depreciation and amortization expenses

(₹ in lacs)

	2018-19	2017-18
Depreciation on tangible assets .....	12,170.74	12,201.66
Amortization of intangible assets .....	1,114.35	977.95
	<b>13,285.09</b>	<b>13,179.60</b>

### 29. Other Expenses

(₹ in lacs)

	2018-19	2017-18
Consumption of stores and spares .....	11,901.68	8,901.04
(Increase)/decrease of excise duty on inventory .....	-	(445.07)
Grid Parallel operation charges .....	442.30	72.63
Power & Fuel .....	22,497.16	16,356.74
Water Charges .....	328.82	375.07
Other manufacturing expenses .....	7,849.99	5,795.55
CDM Expenses .....	38.14	9.05
Rent .....	118.48	79.12
Rates and taxes .....	856.52	1,104.20
Insurance .....	139.55	137.77
Repairs and maintenance .....		
- Plant and machinery .....	1,164.68	873.57
- Buildings .....	309.79	230.58
- Others .....	301.59	232.71
Rebate, shortage claims & other deductions .....	2,748.82	2,120.27
Commission .....		
- Other than Sole selling agents .....	443.93	618.61
Provision/Allowances for credit loss on debtors .....	27.75	5.48
Travelling and conveyance .....	464.17	369.19
Communication expenses .....	122.92	99.53
Printing and stationery .....	39.10	42.00
Legal and professional fees .....	724.78	680.81
Directors' sitting fees .....	20.50	25.77
Directors' remuneration .....	726.60	528.63
Payment to Auditor (Refer details below) .....	40.06	40.13

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

	2018-19	2017-18
Frieght and forwarding charges .....	5,155.83	3,292.30
Security service charges.....	447.93	315.61
Loss on sale of fixed assets (net).....	19.62	10.21
Loss on sale of investment .....	-	0.39
Loss/(gain) on foreign exchange fluctuation .....	-	(27.56)
Corporate Social Responsibility.....	307.83	296.68
Miscellaneous expenses .....	736.69	714.78
	<b>57,975.24</b>	<b>42,855.79</b>

### Payment to Auditor

	2018-19	2017-18
<b>As auditor :</b>		
Audit fee .....	36.19	36.13
Tax Audit fee .....	3.84	3.84
<b>In other capacity</b>		
Taxation matters .....	0.02	0.16
	<b>40.06</b>	<b>40.13</b>

### 30. Earnings per share (EPS)

	2018-19	2017-18
Net profit/(loss) for the year as per the statement of profit and loss .....	26,066.35	21,469.43
Net profit/(loss) attributable to equity holders of the parents .....	25,211.12	20,762.75
Nominal Value of Equity Shares (₹) .....	10	10
Weighted average number of equity shares in calculating Basic EPS .....	35,236,247	35,236,247
Weighted average number of equity shares in calculating Diluted EPS .....	35,236,247	35,236,247
Basic & Diluted EPS		
- Basic earning per share .....	71.55	58.92
- Diluted earning per share.....	71.55	58.92

### 31. Contingent Liabilities and Capital Commitments are not provided for in respect of :-

- Counter Guarantees given to banks against Bank guarantees issued by the group Banker aggregate to ₹ 2656.51 lacs (Previous Year ₹ 2845.63 lacs.)
- Disputed liability of ₹ 441.83 lacs (Previous Year ₹ 681.59 lacs) on account of Service Tax against which the company has preferred an appeal.
- Disputed liability of ₹ 421.32 lacs (Previous Year ₹ 280.53 lacs) on account of CENVAT against which the company has preferred an appeal.
- Disputed liability of ₹ 665.02 lacs (Previous Year ₹ 665.02 lacs) on account of Sales Tax against which the Group has preferred an appeal.
- Disputed liability of ₹ 45.62 lacs (Previous Year ₹ 45.62 lacs) on account of Income Tax against which the Group has preferred an appeal.
- Disputed liability of ₹ 10 lacs (Previous Year ₹ 10 lacs) on account of Custom Duty against which the company has preferred an appeal.
- Disputed energy development cess demanded by the Chief Electrical Inspector, Govt. of Chhattisgarh ₹ 4664.39 lacs (Previous Year ₹ 4224.19 lacs). The Hon'ble High Court of Chhattisgarh has held the levy of cess as unconstitutional vide its order dated 20<sup>th</sup> June, 2008. The State Govt. has filed a Special Leave Petition before Hon'ble Supreme Court, which is pending for final disposal.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

- viii) Demand raised by NTPC Vidyut Vyapar Nigam Limited (NVVN) amounting to ₹ 17.84 Crores on account of penalty towards minimum guaranteed generation under PPA upto FY2017-18. The lower than minimum guaranteed generation of power is on account of lower DNI and grid failure on certain occasions. The Company had filed a petition before honourable CERC. CERC in its order directed the NVVN to calculate the penalty after taking into account the grid failure and no relief on account of lower DNI was allowed. The NVVN has preferred an appeal against the order of CERC before the appellate authority towards relief granted by CERC to the Company. The Company has also preferred an appeal before appellate authority against the CERC order to Consider the lower DNI as Force measure and allow proportionate relief towards higher tariff on sale of power under PPA and also loss of power generation on account of lower DNI for calculation of minimum guaranteed generation under PPA for levying penalty. The Company has been legally advised that no liability is likely to accrue towards the minimum guaranteed generation on account of lower DNI and accordingly no provision for penalty has been made in the accounts.
- ix) Disputed Claims against the Company under EPC Contract amounting to ₹ 55.07 Crores raised by EPC Contractor. During the previous year, EPC Contractor has invoked the Arbitration under the EPC Contract against the Company in respect of their alleged claim towards invocation of Performance Bank Guarantees by the Company and also towards other claims, cost overrun etc. amounting to ₹ 92.95 Crores out of which ₹ 37.88 crores claim has been withdrawn by the EPC Contractor during the year. The Company is contesting the claim in the arbitration and has also lodged its counter claim under the EPC Contract against the EPC Contractor amounting to ₹ 568.62 Crores towards losses incurred on account of various reasons. The Company has not provided for the liability towards, the amount of claims raised by EPC Contractor against the Company in the arbitration proceedings, in view of strong defence of the Company and the management believes ultimate outcome of the proceedings is expected to be in company's favour. In view of above and claim of legal expenditure related to arbitration proceedings made by the company, ₹ 494.21 lacs (including ₹ 180.05 lacs incurred in previous year) shown as amount recoverable from EPC contractor.
- x) Disputed demand of ₹ 758 lacs (Previous Year ₹ 758 lacs) from Chhattisgarh State Power Distribution Company Limited relating to cross subsidy on power sold under open access during the financial year 2009-10. The company has contested the demand and obtained stay from CSERC and expect a favourable decision in favour of company.
- xi) Disputed payment for delayed wages as estimated ₹ 5.57 Lacs plus 10 times compensation amounting to ₹ 55.71 Lacs is pending case under The Payment of Wages Act, 1936, case with SDJM, Kendujhar.
- xii) Disputed demand of ₹ 68.77 lacs from Mining Department of Chhattisgarh against which the company has preferred an appeal.
- xiii) Estimated amount of contracts remaining to be executed on capital accounts ₹ 2032 lacs (Previous Year ₹ 2902 lacs).
32. During the year, the Hon'ble Income Tax Settlement Commission, Kolkata Bench has passed an order in respect of settlement proceedings of the Group and the due effect of the order has been duly accounted for in the books of account.

### 33. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS:

#### a. Defined Contribution Plan:

Amount of ₹ 692.83 lacs (P.Y. ₹ 671.47 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 26).

(₹ in lacs)

	2018-19	2017-18
<b>Benefit (Contribution to):</b>		
Provident & Other Fund .....	<b>692.83</b>	671.47
<b>Total .....</b>	<b>692.83</b>	671.47

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### b. Defined benefit plan:

#### Gratuity:

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service subject to a maximum of ₹ 20 Lacs. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

(₹ in lacs)

Particulars	Gratuity		Leave Encashment	
	2018-19 (Non Funded)	2017-18 (Non Funded)	2018-19 (Non Funded)	2017-18 (Non Funded)
<b>I Change in Present value of defined benefit obligation during the year:</b>				
Present value of defined benefit obligation at the beginning of the year .....	734.42	568.01	144.49	120.83
Interest Cost .....	55.55	43.38	9.69	7.84
Current Service Cost .....	103.43	92.93	68.12	59.43
Past Service Cost .....	-	-	-	-
Benefit paid directly by employer .....	(25.78)	(16.55)	(37.50)	(39.44)
Actuarial Changes arising from changes in financial assumption ..	6.50	(18.40)	1.06	(3.88)
Actuarial Changes arising from changes in experience assumption .....	24.09	65.04	16.21	(0.28)
Present value of defined benefit obligation at the end of the year .....	898.22	734.42	202.06	144.49
<b>II Change in fair value of plan assets during the year:</b>				
Fair value of plan assets at the beginning of the year .....	-	-	-	-
Contribution paid by the employer .....	25.63	16.55	26.97	39.44
Benefit paid from the fund .....	(25.63)	(16.55)	(26.97)	(39.44)
Fair value of plan assets at the end of the year .....	-	-	-	-
<b>III Net asset / (liability) recognised in the balance sheet:</b>				
Present Value of defined benefit obligation at the end of the year .....	898.22	734.42	202.06	144.49
Fair value of plan assets at the end of the year .....	-	-	-	-
Amount recognised in the balance sheet .....	-	-	-	-
Net asset / (liability) - Current .....	54.27	41.83	12.61	9.68
Net asset / (liability) - Non Current .....	843.96	692.61	189.46	134.81
<b>IV Expenses recognized in the statement of profit and loss for the year:</b>				
Current Service Cost .....	103.43	92.93	68.12	59.43
Interest Cost on benefit obligation (Net) .....	55.55	43.38	9.69	7.84
Total expenses included in employee benefits expenses .....	158.99	136.32	77.81	67.27
<b>V Recognized in other comprehensive income for the year:</b>				
Actuarial Changes arising from changes in financial assumption ..	6.50	(18.40)	1.06	(3.88)
Actuarial Changes arising from changes in experience assumption .....	24.09	65.04	16.21	(0.28)
Recognized in other comprehensive income for the year: .....	30.59	46.64	17.27	(4.16)
<b>VI Maturity profile of defined benefit obligation:</b>				
Within the next 12 months (next annual reporting period) .....	54.27	44.86	12.60	10.17
Between 2 and 5 years .....	32.35	195.90	4.19	40.37
Between 6 and 10 years .....	297.62	284.45	37.62	53.15
<b>VII Quantitative Sensitivity analysis for significant assumption is as below:</b>				
<b>1</b> 1% point increase in discount rate .....	812.09	663.18	182.52	130.48
1% point decrease in discount rate .....	999.79	818.65	225.22	161.12
1% point increase rate of salary Increase .....	1,001.02	820.62	226.44	162.00
1% point decrease rate of salary Increase .....	808.78	659.89	181.20	129.54
1% point increase rate of employee turnover rate .....	912.30	746.24	205.51	147.10
1% point decrease rate of employee turnover rate .....	882.09	720.80	198.13	141.52

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### 2 Sensitivity Analysis Method:

Sensitivity Analysis is determined based on the expected movement in liability if the assumption were not proved to be true on different count.

Particulars	Gratuity		Leave Encashment	
	2018-19	2017-18	2018-19	2017-18
	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
<b>VIII Actuarial assumptions:</b>				
1 Discount rate .....	7.70%	7.75%	7.70%	7.75%
2 Salary escalation .....	6.00%	6.00%	6.00%	6.00%
3 Mortality rate during employment.....	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
4 Mortality post retirement rate .....	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
5 Rate of Employee Turnover .....	1% to 8%	1% to 8%	1% to 8%	1% to 8%

#### Expected contribution to the defined plan for the next reporting period:

#### Notes:

- (i) The actuarial valuation of plan assets and the present value of the defined obligation were carried out at 31<sup>st</sup> March, 2019. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected Unit Credit Method.

### 34. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group also enters into derivative contracts.

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk
- Currency risk
- Price risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the risks associated with its financial instruments, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

#### Credit Risk

The Group is exposed to credit risk as a result of the risk of counterparties non performance or default on their obligations. The Group's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Group monitors and limits its exposure to credit risk on a continuous basis. The Group's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this the Group periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

#### Trade receivables

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

#### Loans and Advances

Financial assets in the form of loans and advances are written off when there is no reasonable expectations of recovery. Where recoveries are made, these are recognise as income in the statement of profit and loss. The Group measures the expected credit loss of dues based

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**

on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and passed trends. Based on historical data, loss on collection of dues is not material hence no additional provisions considered.

**Bank, Cash and cash equivalents**

Bank, Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(₹ in lacs)

	31.03.2019	31.03.2018
Trade receivables.....	16,685.74	15,583.56
Bank, Cash and cash equivalents.....	3,885.64	5,220.32

**Impairment losses**

(₹ in lacs)

	31.03.2019	31.03.2018
Trade receivables (measured under life time excepted credit loss model)		
Opening balance.....	453.13	447.65
Provided during the year .....	27.75	5.48
Reversal of provision .....	-	-
Closing balance .....	480.87	453.13

**Ageing analysis**

(₹ in lacs)

	31.03.2019	31.03.2018
Upto 3 months .....	12,459.54	12,651.11
3-6 months.....	945.86	368.59
More than 6 months.....	3,280.34	2,563.86
	16,685.74	15,583.56

No significant changes in estimation techniques or assumptions were made during the reporting period

**Liquidity risk**

The Group is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Group monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Group has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Group's liquidity risk, the Group's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Group's reputation.

**Financing arrangements**

The Group has access to following undrawn borrowing facilities at the end of the reporting period:

(₹ in lacs)

	31.03.2019	31.03.2018
Cash Credit facilities .....	3,867.58	6,856.68

**Maturities of financial liabilities**

The contractual undiscounted cash flows of financial liabilities are as follows:

(₹ in lacs)

As at 31 <sup>st</sup> March, 2019	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings .....	24,245.91	56,259.39	108,050.71	188,556.01
Trade payables .....	20,296.78	-	-	20,296.78
Other financial liabilities.....	861.42	-	-	861.42
	45,404.11	56,259.39	108,050.71	209,714.21

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

As at 31 <sup>st</sup> March, 2018	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings .....	25,075.64	59,342.29	127952.20	212,370.14
Trade payables .....	16,114.08	-	-	16,114.08
Other financial liabilities .....	386.13	-	-	386.13
	41,575.85	59,342.29	127,952.20	228,870.35

### Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the Group. The Group is exposed to long term and short-term borrowings, Commercial Paper Program. The Group manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

#### a) Interest rate risk exposure

(₹ in lacs)

	31.03.2019	31.03.2018
Variable rate borrowings .....	188,551.09	212,342.20
Fixed rate borrowings .....	4.92	27.94

#### b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

(₹ in lacs)

	Impact on profit after tax	
	31.03.2019	31.03.2018
Interest rates - increase by 70 basis points .....	1,319.86	(859.23)
Interest rates - decrease by 70 basis points .....	(1,319.86)	859.23

### FOREX EXPOSURE RISK

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through purchases from overseas suppliers in various foreign currencies.

Foreign currency exchange rate exposure is partly balanced by purchasing of goods in the respective currencies.

The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like interest rate swap to hedge exposure to foreign currency risk.

(₹ in lacs)

PARTICULARS	Currency	Currency in Lacs	
		2018-19	2017-18
Borrowings .....	USD	296.00	-
Trade Payables .....	USD	46.88	85.70

Profit or loss estimate to higher/lower as a result of changes in foreign exchange rates-

(₹ in lacs)

	Impact on profit after tax	
	31.03.2019	31.03.2018
Foreign exchange rates - increase by 1% .....	238.10	55.77
Foreign exchange rates - decrease by 1% .....	(238.10)	(55.77)

### PRICE RISK:

The entity is exposed to equity price risk, which arises out from FVTPL quoted equity shares and FVTOCI quoted and unquoted equity shares including preference instrument. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### Sensitivity Analysis for Price Risk:

Equity Investments carried at FVTOCI are not listed on the stock exchange. For equity investments classified as at FVTOCI, the impact of a 2 % in the index at the reporting date on profit & loss would have been an increase of ₹ 31.16 lacs (2017-18: ₹ 14.01 lacs); an equal change in the opposite direction would have decreased profit and loss.

### 35. CAPITAL MANAGEMENT

The Group's main objectives when managing capital are to:

- ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business;
- ensure compliance with covenants related to its credit facilities; and
- minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions.
- safeguard its ability to continue as a going concern
- to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Group's capital management, capital includes issued capital and all other equity reserves. The Group manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Group manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity

(₹ in lacs)

	31.03.2019	31.03.2018
Total long term debt .....	174,625.21	198,929.52
Less : Bank, Cash and cash equivalent.....	3,873.36	5,208.54
<b>Net debt.....</b>	<b>170,751.84</b>	193,720.98
Total equity.....	116,929.58	92,331.68
<b>Net debt to equity ratio</b>	<b>1.46</b>	2.10

The Group has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting period.

### 36. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

(₹ in lacs)

PARTICULARS	Carrying amount	Level 1	Level 2	Level 3
	As at 31.03.2019			
<b>Financial assets at amortised cost:</b>				
Investments .....	11,645.47	-	-	-
Trade receivables .....	16,685.74	-	-	-
Bank, Cash and bank balances .....	3,885.64	-	-	-
Other financial assets .....	512.85	-	-	-
	<b>32,729.70</b>	-	-	-
<b>Financial assets at fair value through other comprehensive income:</b>				
Investments .....	1,558.01	74.58	1,483.44	-
<b>Total .....</b>	<b>1,558.01</b>	<b>74.58</b>	<b>1,483.44</b>	<b>-</b>
<b>Financial liabilities at amortised cost:</b>				
Long term borrowings .....	164,310.10	-	-	-
Short term borrowings .....	13,930.80	-	-	-
Trade payables .....	20,296.78	-	-	-
Other financial liabilities .....	11,176.53	-	-	-
<b>Total .....</b>	<b>209,714.21</b>	<b>-</b>	<b>-</b>	<b>-</b>

PARTICULARS	Carrying amount	Level 1	Level 2	Level 3
	As at 31.03.2018			
<b>Financial assets at amortised cost:</b>				
Investments .....	12,407.28	-	-	-
Trade receivables .....	15,583.56	-	-	-
Bank, Cash and bank balances .....	5,271.29	-	-	-
Other financial assets .....	-	-	-	-
	<b>33,262.13</b>	-	-	-
<b>Financial assets at fair value through other comprehensive income:</b>				
Investments .....	700.07	59.78	640.29	-
<b>Total .....</b>	<b>700.07</b>	<b>59.78</b>	<b>640.29</b>	<b>-</b>
<b>Financial liabilities at amortised cost:</b>				
Long term borrowings .....	187,294.50	-	-	-
Short term borrowings .....	13,440.62	-	-	-
Trade payables .....	16,114.08	-	-	-
Other financial liabilities .....	12,021.15	-	-	-
<b>Total .....</b>	<b>228,870.35</b>	<b>-</b>	<b>-</b>	<b>-</b>

During the reporting period ending 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018, there were no transfers between Level 1 and Level 2 fair value measurements.

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

37. The exceptional items of ₹ Nil (Previous Year ₹ 5.52 crores) (net) includes income of ₹ 13.56 crores pertains to compensation received from equipment supplier under the performance contract and expense of ₹ 19.08 crores on account of RECs.

38. Information on Related Party Disclosures are given below :

### i) Related Parties

#### a) Subsidiaries

Godawari Green Energy Limited  
Godawari Energy Limited  
Ardent Steel Limited  
Hira Energy Limited

#### b) Associates

-- Jagdamba Power & Alloys Ltd.  
-- Chhattisgarh Ispat Bhumi Limited  
-- Hira Ferro Alloys Limited

#### c) Other Related Parties

-- Hira Cement Ltd.  
-- Raipur Complex

#### d) Joint Ventures

-- Raipur Infrastructure Company Ltd.  
-- Chhattisgarh Captive Coal Mining Ltd.

#### e) Key Management Personnel

-- Shri B.L.Agrawal (Managing Director)  
-- Shri Abhishek Agrawal (Whole Time Director)  
-- Shri Dinesh Agrawal (Whole Time Director)  
-- Shri Vinod Pillai (Whole Time Director)  
-- Shri Sanjay Bothra (CFO)  
-- Shri Y.C. Rao (Company Secretary)  
-- Shri Dinesh Kumar Gandhi (Director)  
-- Shri Vivek Agrawal (Chief Operational Officer)

### ii) Transaction with Related Parties in the ordinary course of business

(₹ in lacs)

	2018-19	2017-18
<b>a) Associates</b>		
Sale of Materials .....	520.18	435.14
Purchase of Materials .....	1,874.62	759.86
Purchase of Electricity .....	3,620.66	1,367.18
Interest received .....	12.03	5.91
Service and other charges paid .....	1,608.46	380.91
Other charges received .....	14.50	71.32
Sale of fixed assets .....	164.02	0.00
Purchase of fixed assets .....	2.60	106.13
<b>Outstandings</b>		
Receivables .....	1,111.85	652.22
Payables .....	160.17	208.23
<b>b) Other Related Parties</b>		
Purchase of Materials .....	301.00	230.84
Sale of Materials .....	11.95	24.14
Other charges paid .....	86.86	166.62
Other charges received .....	0.16	0.25
Rent Paid .....	8.41	6.61
<b>Outstandings</b>		
Receivables .....	25.68	14.69
Payables .....	0.19	0.13

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

	2018-19	2017-18
<b>c) Joint Ventures</b>		
Service Charges Paid .....	6.99	609.09
<b>Outstandings</b>		
Payables.....	269.31	289.44
<b>d) Key Management Personnel</b>		
Remuneration/ Salary Paid.....	1,288.98	673.87
Refund of deposit given .....	0.00	10.00

### 39. Segment-wise Revenue Results :

#### Basis of preparation :

- Business segments of the company have been identified as distinguishable components that are engaged in a group of related product and that are subject to risks and returns different from other business segments. Accordingly Steel and Electricity have been identified as the business segments.
- The geographic segments identified as secondary segments are "Domestic Market" and "Export Market". Since there is no Export Market Revenue, the same has not been disclosed. The entire capital employed is within India.

#### Information about business Segments-Primary

(₹ in Lacs)

Particulars	External Sales		Inter Segment Sales		Eliminations		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>A) REVENUE</b>								
Steel Segment.....	321,076.23	243,290.22	0.00	0.00	0.00	0.00	321,076.23	243,290.22
Electricity Segment.....	11,087.51	15,593.36	22,956.70	21,966.31	(22,956.70)	(21,966.31)	11,087.51	15,593.36
<b>Total Segment Revenue.....</b>	<b>332,163.74</b>	<b>258,883.59</b>	<b>22,956.70</b>	<b>21,966.31</b>	<b>(22,956.70)</b>	<b>(21,966.31)</b>	<b>332,163.74</b>	<b>258,883.59</b>

<b>B) RESULTS</b>	2018-19	2017-18
Segment Operational Profit		
Steel Segment.....	56,364.63	35,027.08
Electricity Segment.....	15,125.50	16,171.59
<b>Total Segment Results .....</b>	<b>71,490.13</b>	<b>51,198.67</b>
Un-allocated expenditure net off unallocated income.....	(5,255.36)	(4,374.35)
<b>Operating Profit .....</b>	<b>66,234.77</b>	<b>46,824.32</b>
Interest Expenses .....	(25,260.80)	(26,331.19)
Less: Tax Expense .....	15,291.48	(636.30)
Share of profit/(loss)of associates and JV .....	383.86	340.01
<b>Net Profit/(Loss) .....</b>	<b>26,066.35</b>	<b>21,469.44</b>
Other Comprehensive income.....	(1,385.38)	1,967.32
<b>Total Comprehensive income .....</b>	<b>24,680.97</b>	<b>23,436.76</b>

<b>C) OTHER INFORMATION</b>	2018-19	2017-18
<b>Segment Assets</b>		
Steel Segment.....	24,7483.43	241,291.37
Electricity Segment.....	101,336.14	101,748.82
<b>Total Segment Assets.....</b>	<b>348,819.57</b>	<b>343,040.20</b>
Un-allocable Assets .....	2,291.10	2,133.36
<b>Total Assets.....</b>	<b>351,110.67</b>	<b>345,173.56</b>
<b>Segment Liabilities and Provisions</b>		
Steel Segment.....	146,617.17	161,893.18
Electricity Segment.....	60,259.65	63,834.27
<b>Total Segment Liabilities &amp; Provisions.....</b>	<b>206,876.82</b>	<b>225,727.45</b>

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

		(₹ in Lacs)
Un-allocable Liabilities and Provisions .....	10,589.22	11,075.63
<b>Total Liabilities and Provisions .....</b>	<b>217,466.04</b>	<b>236,803.08</b>
<b>Capital Expenditure</b>		
Steel Segment.....	6,665.47	9,907.07
Electricity Segment.....	1,079.34	673.89
Un-allocable Capital Expenditure.....	524.36	49.14
<b>Total Capital Expenditure .....</b>	<b>8,269.17</b>	<b>10,630.10</b>
<b>Depreciation &amp; Amortisation</b>		
Steel Segment.....	9,406.01	9,005.01
Electricity Segment.....	3,540.45	3,599.60
Un-allocable.....	338.63	574.99
<b>Total Segment Depreciation &amp; Amortisation .....</b>	<b>13,285.09</b>	<b>13,179.60</b>

40. During the year the group has incurred ₹ 307.83 lacs on account of Corporate Social Responsibility Activities. According to provisions of section 135 of the Companies Act, 2013, The break-up of amount spent during the year are as follows:

Particulars	In Cash	Yet to be paid in cash	Total
Constructions/acquisition of any assets .....	0.00	0.00	0.00
On purpose other than above .....	307.83	0.00	307.83

### 41. Unhedged Foreign Currency Exposure

Foreign currency exposure that are not hedged by any derivative instruments or Forward Contracts as at 31<sup>st</sup> March, 2019 amount to ₹ 450.11 lacs (Previous Year ₹ 2598.07 lacs)

42. Previous year figures have been regrouped or rearranged wherever necessary.

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Regn. No. 018400C)  
Chartered Accountants

**per Sanjay Dewangan**  
Partner  
Membership No. 409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Y. C. Rao**  
Company Secretary

**Abhishek Agrawal**  
Director

**Sanjay Bothra**  
CFO

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE  
COMPANIES/ JOINT VENTURES  
PART "A" SUBSIDIARIES**

*{Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Account) Rules, 2014-Form AOC- 1 }*

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover (Net)	Other Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding
1	Ardent Steel Limited	INR	1056.50	12629.21	27352.00	13666.28	1317.30	35398.10	30.60	6166.81	1758.20	4408.60	NIL	76.34%
2	Godawari Green Energy Limited .....	INR	4144.70	20834.83	70567.03	45587.50	0.00	9284.21	254.81	-243.19	140.11	-103.08	NIL	76.12%
3	Godawari Energy Limited .....	INR	2300.00	515.38	9732.69	6917.31	0.00	0.00	2.41	(4.49)	0.00	(4.49)	NIL	51.30%

**Name of Subsidiaries which are yet to commence operations**

Sl. No.	Name of Companies
1	Godawari Energy Limited

# GODAWARI POWER & ISPAT LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

### PART "B" ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associate and Joint Ventures	Latest Audited/ Unaudited Balance Sheet	Shares of Associate/Joint Ventures held by the company on the year end (Refer Note-B)			Network attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year		Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
			No.	Amount of Investment in Associates/ Joint Venture	Extend of Holding %		Considered in Consolidation	Not Considered in Consolidation		
Associates										
1	Jagdamba Power and Alloys Limited .....	31.03.2019	2605000	260.50	33.96%	2422.11	6.63	0.00	Note- A	-
2	Chhattisgarh Ispat Bhumi Limited. Balance Sheet as on 31.03.2019 has been consolidated		2810000	489.40	35.36%	790.28	61.87	0.00	Note- A	-
3	Hira Ferro Alloys Limited .....	31.03.2019	9491000	2234.26	48.45%	7248.83	185.60	0.00	Note-A	-
Joint Ventures										
1	Raipur Infrastructure Company Limited .....	Unaudited Balance Sheet as on 31.03.2019 has been consolidated	130800	210.70	33.31%	666.07	108.66	0.00	Note- A	-
2	Chhattisgarh Captive Coal Mining Limited .....	Unaudited Balance Sheet as on 31.03.2019 has been consolidated	342824	473.54	25.93%	364.33	21.10	0.00	Note- A	-

Names of Associate/ Joint Venture which are yet to commence operations -

Sl. No.	Name of Companies
1	Chhattisgarh Captive Coal Mining Limited

Note:

A. There is significant influence due to percentage(%) of Share Capital.

B. Shares of Associate/Joint Ventures held by the company is shown as per the audited financial statements of Godawari Power and Ispat Ltd. as on 31.03.2019.

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Regn. No. 018400C)  
Chartered Accountants

per **Sanjay Dewangan**  
Partner  
Membership No. 409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Y. C. Rao**  
Company Secretary

**Abhishek Agrawal**  
Director

**Sanjay Bothra**  
CFO

**ADDITIONAL INFORMATION RELATED TO CONSOLIDATED FINANCIAL STATEMENT**

(₹ in lacs)

Sl. No.	Name of Entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in Profit/Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated net profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	<b>Parent.....</b>	60.26%	80531.52	81.81%	21,325.79	22.35%	-309.70	85.15%	21016.09
	<b>Subsidiaries (Indian)</b>								
1	Ardent Steel Limited .....	8.19%	10942.02	13.53%	3526.04	-4.19%	58.02	14.52%	3584.06
2	Godawari Green Energy Limited.....	9.02%	12060.51	-0.03%	(8.89)	0.14%	-1.94	-0.04%	-10.83
3	Godawari Energy Limited.....	1.08%	1437.75	-0.01%	(2.31)	0.00%	0.00	-0.01%	-2.31
4	Hira Energy Limited.....	0.23%	312.31	-0.05%	(13.37)	0.00%	0.00	-0.05%	-13.37
	Non Controlling Interests in all subsidiaries.....	12.51%	16715.05	3.28%	855.23	-1.00%	13.91	3.52%	869.14
	<b>Associates (investment as per equity method) (Indian)</b>								
1	Jagdamba Power and Alloys Limited .....	1.81%	2422.11	0.03%	6.63	-0.04%	0.57	0.03%	7.20
2	Chhattisgarh Ispat Bhumi Limited.....	0.61%	818.91	0.24%	61.87	0.00%	0.00	0.25%	61.87
3	Hira Ferro Alloys Limited .....	5.52%	7373.57	0.71%	185.60	82.74%	-1146.24	-3.89%	-960.64
	<b>Joint Ventures (investment as per equity method) (Indian)</b>								
1	Raipur Infrastructure Company Limited .....	0.50%	666.54	0.42%	108.66	0.00%	0.00	0.44%	108.66
2	Chhattisgarh Captive Coal Mining Limited .....	0.27%	364.34	0.08%	21.10	0.00%	0.00	0.09%	21.10

As per our report of even date  
For **JDS & Co.**  
(ICAI Firm Regn. No. 018400C)  
Chartered Accountants

**per Sanjay Dewangan**  
Partner  
Membership No. 409524

Place : Raipur  
Date : 30.04.2019

For and on behalf of the Board of Directors of  
**Godawari Power & Ispat Limited**

**B. L. Agrawal**  
Managing Director

**Y. C. Rao**  
Company Secretary

**Abhishek Agrawal**  
Director

**Sanjay Bothra**  
CFO

## NOTES

[illegible]





## NOTES

[illegible]



## NOTES

[illegible]



## **GODAWARI POWER & ISPAT**

An ISO 9001:2008, ISO 14001:2004 & OHSAS 18001:2007 certified company

## **GODAWARI POWER AND ISPAT LIMITED**

CIN: L27106CT1999PLCO13756

**Registered Office & Works:** Plot No. 428/2, Phase I, Industrial Area, Siltara – 493 111, Dist. Raipur, Chhattisgarh, India

**P:** +91 – 0771 4082333; **F:** 4082234

**Corporate Office:** First Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur – 492 004, Chhattisgarh, India

**P:** +91 – 771 – 4082000 **F:** 4057601

[www.godawaripowerispat.com](http://www.godawaripowerispat.com)



## **GODAWARI POWER AND ISPAT LIMITED**

Registered Office: Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur - 493111, Chhattisgarh

Corporate Office: Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492004, Chhattisgarh

Web Site: [www.godawaripowerispat.com](http://www.godawaripowerispat.com), Email Id: [yarra.rao@hiragroup.com](mailto:yarra.rao@hiragroup.com)

CIN: L27106CT1999PLC013756 Contact No.: 0771-4082000 Fax: 0771-4057601

### **NOTICE OF ANNUAL GENERAL MEETING**

#### **TO ALL THE MEMBERS**

#### **GODAWARI POWER AND ISPAT LIMITED**

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of Godawari Power and Ispat Limited will be held on Saturday, the 10<sup>th</sup> day of August, 2019 at 11.30 A.M. at the Corporate Office of the Company situated at 2<sup>nd</sup> Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (Chhattisgarh) – 492004 to transact the following businesses:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements comprising of Balance Sheet as on 31<sup>st</sup> March, 2019 and Profit and Loss Account of the Company for the year ended 31<sup>st</sup> March, 2019 along with the reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Siddharth Agrawal (DIN: 02180571), who retires by rotation and being eligible for reappointment, offers himself for reappointment.

#### **SPECIAL BUSINESS:**

3. Re-appointment of Mr. Biswajit Choudhuri (DIN: 00149018) as an Independent Non-Executive Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

#### **“RESOLVED THAT**

- (a) pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Biswajit Choudhuri (DIN: 00149018), who was appointed as an Independent Non-Executive Director and holds office as such up to the conclusion of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for re-appointment and in respect of whom a written notice has been received under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Non-Executive Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in the Calendar Year 2024, not liable to retire by rotation.
  - (b) pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, sanction be and is hereby accorded to Mr. Biswajit Choudhuri to continue to hold office of Independent Director for second term of 5 years in spite of his age being more than 75 years.”
4. Re-appointment of Mr. Bhriagu Nath Ojha (DIN: 02282594) as an Independent Non-Executive Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

## **"RESOLVED THAT**

- (a) pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Bhrigu Nath Ojha (DIN: 02282594), who was appointed as an Independent Non-Executive Director and holds office as such up to the conclusion of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for re-appointment and in respect of whom a written notice has been received under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Non-Executive Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in the Calendar Year 2024, not liable to retire by rotation.
  - (b) pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, sanction be and is hereby accorded to Mr. Bhrigu Nath Ojha to continue to hold office of Independent Director for second term of 5 years in spite of his age being more than 75 years."
5. Re-appointment of Mr. Shashi Kumar (DIN: 00116600) as an Independent Non-Executive Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

## **"RESOLVED THAT**

- (a) pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Shashi Kumar (DIN: 00116600), who was appointed as an Independent Non-Executive Director and holds office as such up to the conclusion of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for re-appointment and in respect of whom a written notice has been received under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Non-Executive Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in the Calendar Year 2024, not liable to retire by rotation.
  - (b) pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, sanction be and is hereby accorded to Mr. Shashi Kumar to continue to hold office of Independent Director notwithstanding that he will be attaining the age of 75 years before expiry of his second term of 5 years."
6. Re-appointment of Mr. Harishankar Khandelwal (DIN: 00330891) as an Independent Non-Executive Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Harishankar Khandelwal (DIN: 00330891), who was appointed as an Independent Non-Executive Director and holds office as such up to the conclusion of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for re-appointment and in respect of whom a written notice has been received under Section 160 of the Act, from a member proposing his candidature for the office of Director, be and is

hereby re-appointed as an Independent Non-Executive Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in the Calendar Year 2024, not liable to retire by rotation.”

7. Re-appointment of Ms Bhavna Govindbhai Desai (DIN: 06893242) as an Independent Women Non-Executive Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms Bhavna Govindbhai Desai (DIN: 06893242), who was appointed as an Independent Women Non-Executive Director and holds office as such up to the conclusion of this Annual General Meeting and who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and being eligible for re-appointment and in respect of whom a written notice has been received under Section 160 of the Act, from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Women Non-Executive Director of the Company for a second term of 5 (five) consecutive years on the Board of the Company upto the conclusion of the Annual General Meeting to be held in the Calendar Year 2024, not liable to retire by rotation.”

8. Revision in remuneration of Mr. Bajrang Lal Agrawal (DIN: 00479747) Managing Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification, amendments or re-enactments thereof for the time being in force) and such other approvals, permissions and sanctions consent of the Company, be and is hereby accorded for revision of remuneration payable to Mr. Bajrang Lal Agrawal (DIN: 00479747), Managing Director of the Company, as detailed in the statement forming part of this notice with liberty to the Board of Directors (hereinafter referred to as the ‘Board’ which term shall be deemed to include Nomination and Remuneration Committee of the Board) to vary and alter the terms and conditions of the said appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time.”

9. Revision in remuneration of Mr. Abhishek Agrawal (DIN: 02434507) Whole- Time Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification, amendments or re-enactments thereof for the time being in force) and such other approvals, permissions and sanctions consent of the Company be and is hereby accorded for revision of remuneration payable to Mr. Abhishek Agrawal (DIN: 02434507), Whole- Time Director of the Company as detailed in the statement forming part of this notice with liberty to the Board of Directors (hereinafter referred to as the ‘Board’ which term shall be deemed to include Nomination and Remuneration Committee of the Board) to vary and alter the terms and conditions of the said appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time.”



10. Revision in remuneration of Mr. Dinesh Kumar Agrawal (DIN: 00479936) Whole- Time Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification, amendments or re-enactments thereof for the time being in force) and such other approvals, permissions and sanctions consent of the Company be and is hereby accorded for revision of remuneration payable to Mr. Dinesh Kumar Agrawal (DIN: 00479936), Whole-Time Director of the Company as detailed in the statement forming part of this notice with liberty to the Board of Directors (hereinafter referred to as the 'Board' which term shall be deemed to include Nomination and Remuneration Committee of the Board) to vary and alter the terms and conditions of the said appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time."

11. Revision in remuneration of Mr. Vinod Pillai (DIN: 00497620) Whole- Time Director and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification, amendments or re-enactments thereof for the time being in force) and such other approvals, permissions and sanctions consent of the Company be and is hereby accorded for revision of remuneration payable to Mr. Vinod Pillai (DIN: 00497620), Whole- Time Director of the Company as detailed in the statement forming part of this notice with liberty to the Board of Directors (hereinafter referred to as the 'Board' which term shall be deemed to include Nomination and Remuneration Committee of the Board) to vary and alter the terms and conditions of the said appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time."

12. To approve the commission payable to Non-Executive Directors and Independent Directors of the Company and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 197, 198 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modifications or re-enactment thereof for the time being in force) and the Articles of Association of the Company and subject to such conditions, modifications, as may be prescribed or imposed by any of the authorities in granting such approvals permissions and sanctions and approval of the Board of Directors, approval of the Company be and is hereby accorded for payment of such sum by way of commission to its Non Executive Directors and Independent Directors, as the Board may determine from time to time, but not exceeding 1% of Net Profit of the Company, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, in addition to sitting fees being paid/payable for attending the meetings of the Board of Directors of the Company and its Committees thereof, for a period of 5 years commencing from 01st April, 2019."

13. To approve the remuneration of the Cost Auditors for the Financial Year ending 31<sup>st</sup> March, 2020 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the

time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending 31<sup>st</sup> March, 2020, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.”

14. To consider and determine the fees for delivery of any document through a particular mode of delivery to a member and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to provisions of Section 20 of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company may serve documents on its members, by sending the document(s) that he/ she is entitled to receive as a member under the Act, by post/ registered post/ speed post/ courier or such electronic or other particular mode as may be prescribed by such member.”

**“RESOLVED FURTHER THAT** the Company shall charge such fees which shall not be more than the amount charged by the Department of Post or the Service Provider(s) including related handling charges, if any, to deliver the documents in a particular mode and the member shall pay the estimated fees for such delivery, in advance before the dispatch of the said document.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

By Order of the Board

Place: Raipur  
Date: 01.07.2019

**Y.C. Rao**  
Company Secretary

# GODAWARI POWER & ISPAT LIMITED

## NOTES:

### 1. PROXY

A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself on a poll only and the proxy need not be a member of the Company. Proxy forms should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.

### 2. BOOK CLOSURE

The Register of Members and share transfer books of the Company shall remain closed from 03<sup>rd</sup> August, 2019 to 10th August, 2019 (both days inclusive) for the purpose of the Annual General Meeting (AGM) for the year ended 31<sup>st</sup> March, 2019.

3. Corporate Members are requested to send at the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.
4. Members / proxy holders are requested to bring their attendance slip duly signed so as to avoid inconvenience.
5. Members holding shares in physical form are requested to advise any change in their registered address, to the Company's Registrar and Share Transfer Agent (RTA), Link Intime India Private Limited (LIPL), Mumbai quoting their folio number. Members holding shares in electronic form must send the advice about change in their registered address or bank particulars to their respective Depository Participant and not to the Company.
6. Members desiring any information on the accounts of the Company are requested to write to the Company at least 10 days in advance so as to enable the Company to keep the information ready.
7. In all correspondence with the Company or with its Share Transfer Agent, members are requested to quote their folio number and in case the shares are held in the dematerialized form, they must quote their Client ID Number and their DPID Number.
8. Information under Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with respect to the details of the Directors seeking appointment/re-appointment are given in the additional information on Directors recommended for appointment/reappointment forming part of this notice.
9. The following are the details of dividends paid by the Company and respective due dates for transfer of unclaimed dividend to such Investor Education and Protection Fund (IEPF) of the Central Government:

Year of Dividend	Date of Declaration	Due date for transfer to IEPF
2011-12	29.09.2012	28.10.2019
2012-13	28.09.2013	27.10.2020
2013-14 (interim)	15.03.2014	14.04.2021
2013-14	27.09.2014	26.10.2021
2014-15	19.09.2015	18.10.2022
2015-16	NA	NA
2016-17	NA	NA
2017-18	NA	NA
2018-19	NA	NA

Further, the Company shall not be in a position to entertain the claims of the shareholders for the unclaimed dividends which have been transferred to the credit of the IEPF of the Central Government under the provisions of Section 125 of the Companies Act, 2013.

10. In furtherance of its "Go-Green" initiative, the Ministry of Corporate Affairs, Government of India, has mandated service of documents/ notices by companies to their shareholders through electronic mode. With a view to participate in the initiative, we request that you may provide your e-mail address, if you wish to receive the documents / notices etc. of our Company through electronic mode. You may send your e-mail address to the Company's RTA, LIPL, at their following e-mail address, mentioning your Folio No.(s), if you are holding shares in physical form, and DP ID and Client ID, if you are holding shares in Dematerialized form:- [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

Further, the Shareholder who wants physical copy of Annual Report and Notice may send a request to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in), mentioning DP ID and Client ID. The same shall be provided free of cost by the Company.

#### 11. VOTING THROUGH ELECTRONIC MEANS:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their vote at the 20<sup>th</sup> AGM by electronic means and the business may be transacted through e-Voting services provided by LIPL:

- I. The instructions for e- voting as under:
  - Log-in to e-Voting website of LIPL
  - i. Visit the e-voting system of LIPL.
  - ii. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>
  - iii. Click on "Login" tab, available under 'Shareholders' section.
  - iv. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT"
- II. Your User ID details are given below:
  - a) Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID.
  - b) Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID.
  - c) Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.
- III. Your Password details are given below: If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below: Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Shareholders holding shares in Demat Form or Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
DOB	Enter the DOB (Date of Birth) / DOI as recorded with depository participant or in the Company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio number.</p> <p>Please enter the DOB / DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or Company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (II-c).</p>

If you are holding shares in demat form and had registered on to e-voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any Company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB / DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the Company in which they are a shareholder and eligible to vote, provided that the Company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Cast your vote electronically

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

- IV. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/View "Event No" of the Company, you choose to vote.
- V. On the voting page, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
- VI. Cast your vote by selecting appropriate option i.e. Favour/Against as desired.
- VII. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
- VIII. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
- IX. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
- X. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- XI. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.
- XII. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through email to office.csps@gmail.com with a copy marked to insta.vote@linkintime.co.in.
- XIII. Persons who have acquired shares and became Members of the Company after the dispatch of the Notice of the AGM (i.e. cut-off date for dispatch 30<sup>th</sup> June, 2019) but before the cut-off date of 03<sup>rd</sup> August, 2019 may obtain their user ID and password for e-voting by sending a request to our registrar and transfer agent at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- XIV. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
- XV. The e-voting period commences on 07<sup>th</sup> August, 2019 (09:00 am) and ends on 09<sup>th</sup> August, 2019 (05:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 03<sup>rd</sup> August, 2019, may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter. Once the vote on resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- XVI. The voting rights of shareholders shall be in proportion to their shares of the paid up Equity Share Capital of the Company as the cut-off date (record date) of 03<sup>rd</sup> August, 2019.
- XVII. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- XVIII. CS Brajesh R. Agrawal, C/o B R Agrawal & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- XIX. The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- XX. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizers Report shall be placed on the Company's website [www.godawaripowerispat.com](http://www.godawaripowerispat.com) and on the website of LIPL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange Limited (BSE) & National Stock Exchange of India Limited (NSE).
- XXI. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (09:00 am to 05:00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

#### **GENERAL GUIDELINES FOR SHAREHOLDERS**

- I. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.
- II. They are also required to upload a scanned certified true copy of the board resolution/ authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
- III. During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- IV. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- V. In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Insta-vote e-voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an e-mail to [e-notices@linkintime.co.in](mailto:e-notices@linkintime.co.in) or Call us :- Tel : 022 – 49186000

By Order of the Board

Place: Raipur  
Date: 01.07.2019

**Y.C. Rao**  
Company Secretary

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS  
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item no. 3, 4, 5, 6 and 7:**

Mr. Biswajit Choudhuri (DIN: 00149018), Mr. Bhrigu Nath Ojha (DIN: 02282594), Mr. Shashi Kumar (DIN: 00116600), Mr. Harishankar Khandelwal (DIN: 00330891) and Ms. Bhavna Govindbhai Desai (DIN: 06893242) were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. They hold office as Independent Directors of the Company up to the conclusion / date of the ensuing Annual General Meeting of the Company ("first term" in line with the explanation to Section 149(10) and 149(11) of the Act).

The Nomination and Remuneration Committee of the Board of Directors of the Company, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure, the continued association of Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, it is proposed to re-appoint Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") *inter alia* prescribe that an Independent Director of a Company shall meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 (1) (b) of Listing Regulations.

Section 149(10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the Company and disclosure of such appointment in its Board's report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members under Section 160 of the Act proposing the candidature of Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, for the office of Independent Directors of the Company.

The Company has also received declarations from Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Regulation 16 (1) (b) of Listing Regulations.

Further the approval from the members of the Company at the Extra Ordinary General Meeting held on 26<sup>th</sup> March, 2019 was obtained for continuation of Directorship beyond the age of seventy five (75) years of Mr. Biswajit Choudhuri and Mr. Bhrigu Nath Ojha, pursuant to the Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

In the opinion of the Board, Mr. Biswajit Choudhuri, Mr. Bhrigu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai fulfill the conditions for appointment as Independent Directors and are independent of the management as specified in the Act and the Listing Regulations.

Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos. 3,4,5,6 and 7, are provided in the **"Annexure"** to the Notice pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India (SS-2).

Copies of the draft letters of appointment of Mr. Biswajit Choudhuri, Mr. Bhriagu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, setting out the terms and conditions of appointment are available for inspection by the members at the Registered Office of the Company.

Mr. Biswajit Choudhuri, Mr. Bhriagu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai are interested in the resolutions set out respectively at Item Nos. 3,4,5,6 and 7 of the Notice with regard to their respective re-appointments.

The relatives of Mr. Biswajit Choudhuri, Mr. Bhriagu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends the Special Resolutions set out at Item Nos. 3,4,5,6 and 7 of the Notice for approval by the members.

#### **Item No. 8**

Mr. Bajrang Lal Agrawal, was re-appointed as Managing Director of the Company w.e.f. 12<sup>th</sup> August, 2015 for a period of 5 (five) years.

The Board of Directors approved the proposal as recommended by the Nomination and Remuneration Committee to revise his remuneration pursuant to the provisions of Section 196, 197, 203, Schedule V (including any statutory modifications, amendments or re-enactments thereto for the time being in force) and all other applicable provisions of the Act and subject to approval of the shareholders of the Company by way of Special Resolution as under:

**Salary:** In the scale of ₹ 20,00,000/- to ₹ 40,00,000/- per month with retrospective effect from 01<sup>st</sup> April, 2019.

#### **Perquisites and Other benefits:**

1. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of earned leave at the end of the tenure.
4. Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable to him shall always be subject to the overall ceilings laid down in Section 196 and 197 and other applicable provision of the Act.

#### **Minimum Remuneration**

Where in any Financial Year, the Company incurs a loss or its profits are inadequate, the Company shall pay the above remuneration by way of salary, commission, incentives, bonus, perquisites and other allowance as a minimum remuneration subject to the limits specified under Section II & III of Part II of Schedule V to the Act (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may prescribed by the Central Government from time to time as minimum remuneration.

Details for variation of terms of remuneration of Director as specified in SS-2 is provided in **Annexure** to the notice.



## GODAWARI POWER & ISPAT LIMITED

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Bajrang Lal Agrawal himself, Mr. Siddharth Agrawal and Mr. Abhishek Agrawal being relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

### Item No. 9:

Mr. Abhishek Agrawal, was re-appointed as Whole-Time Director of the Company w.e.f. 28<sup>th</sup> May, 2016 for a period of 5 (five) years.

The Board of Directors approved the proposal as recommended by the Nomination and Remuneration Committee to revise his remuneration pursuant to the provisions of Section 196, 197, 203, Schedule V (including any statutory modifications, amendments or re-enactments thereto for the time being in force) and all other applicable provisions of the Act and subject to approval of the shareholders of the Company by way of Special Resolution as under:

**Salary:** In the scale of ₹ 18,00,000/- to ₹ 30,00,000/- per month with retrospective effect from 01<sup>st</sup> April, 2019.

### Perquisites and Other benefits:

1. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of earned leave at the end of the tenure.
4. Children Education Allowance; In case of children studying in or outside India, an allowance limited to a maximum of ₹ 12000 per month per child or actual expenses incurred, whichever is less. Such allowance is admissible upto a maximum of two children.
5. Holiday passage for children studying outside India or family staying abroad; Return holiday passage once in a year by economy class or once in two years by first class to children and to the member of the family from the place of their study or stay abroad to India, if they are not residing in India, with the managerial person.
6. Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable to him shall always be subject to the overall ceilings laid down in Section 196 and 197 and other applicable provision of the Act.

### Minimum Remuneration

Where in any Financial Year, the Company incurs a loss or its profits are inadequate, the Company shall pay the above remuneration by way of salary, commission, incentives, bonus, perquisites and other allowance as a minimum remuneration subject to the limits specified under Section II & III of Part II of Schedule V to the Act (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may prescribed by the Central Government from time to time as minimum remuneration.

Details for variation of terms of remuneration of Director as specified in SS-2 is provided in **Annexure** to the notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Abhishek Agrawal himself, Mr. Bajrang Lal Agrawal and Mr. Siddharth Agrawal being relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 9.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

**Item No. 10:**

Mr. Dinesh Agrawal, was re-appointed as Whole Time Director of the Company w.e.f. 11<sup>th</sup> August, 2017 for a period of 5 (five) years.

The Board of Directors approved the proposal as recommended by the Nomination and Remuneration Committee to revise his remuneration pursuant to the provisions of Section 196, 197, 203, Schedule V (including any statutory modifications, amendments or re-enactments thereto for the time being in force) and all other applicable provisions of the Act and subject to approval of the Shareholders of the Company by way of Special Resolution as under:

**Salary:** In the scale of ₹ 18,00,000/- to ₹ 30,00,000/- per month with retrospective effect from 01<sup>st</sup> April, 2019.

**Perquisites and Other benefits:**

1. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of earned leave at the end of the tenure.
4. Children Education Allowance; In case of children studying in or outside India, an allowance limited to a maximum of ₹ 12000 per month per child or actual expenses incurred, whichever is less. Such allowance is admissible upto a maximum of two children.
5. Holiday passage for children studying outside India or family staying abroad; Return holiday passage once in a year by economy class or once in two years by first class to children and to the member of the family from the place of their study or stay abroad to India, if they are not residing in India, with the managerial person.
6. Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable to him shall always be subject to the overall ceilings laid down in Section 196 and 197 and other applicable provision of the Act.

**Minimum Remuneration**

Where in any Financial Year, the Company incurs a loss or its profits are inadequate, the Company shall pay the above remuneration by way of salary, commission, incentives, bonus, perquisites and other allowance as a minimum remuneration subject to the limits specified under Section II & III of Part II of Schedule V to the Act (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may prescribed by the Central Government from time to time as minimum remuneration.

Details for variation of terms of remuneration of Director as specified in SS-2 is provided in Annexure to the notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Dinesh Agrawal himself, is concerned or interested, financial or otherwise, in the resolution set out at Item No.10.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval by the members.

**Item No. 11:**

Mr. Vinod Pillai, was re-appointed as Whole Time Director of the Company w.e.f. 01<sup>st</sup> June, 2016 for a period of 5 (five) years.

The Board of Directors approved the proposal as recommended by the Nomination and Remuneration Committee to revise his remuneration pursuant to the provisions of Section 196, 197, 203, Schedule V (including any statutory modifications, amendments or re-enactments thereto for the time being in force) and all other applicable provisions of the Act and subject to approval of the Shareholders of the Company by way of Special Resolution as under:

**Salary:** In the scale of ₹ 1,90,000/- to ₹ 2,50,000/- per month with retrospective effect from 01<sup>st</sup> April, 2019.

## Perquisites and Other benefits:

1. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
2. Encashment of earned leave at the end of the tenure.
3. Leave travel concession: Return passage for self and family in accordance with the rules specified by the Company where it is proposed that the leave be spent in home country instead of anywhere in India.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable to Mr. Vinod Pillai, shall always be subject to the overall ceilings laid down in Section 196 and 197 and other applicable provision of the Act.

## Minimum Remuneration

Where in any Financial Year, the Company incurs a loss or its profits are inadequate, the Company shall pay the above remuneration by way of salary, commission, incentives, bonus, perquisites and other allowance as a minimum remuneration subject to the limits specified under Section II & III of Part II of Schedule V to the Act (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may prescribed by the Central Government from time to time as minimum remuneration.

Details for variation of terms of remuneration of Director as specified in SS-2 is provided in **Annexure** to the notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Mr. Vinod Pillai himself, is concerned or interested, financial or otherwise, in the resolution set out at Item No.11.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the members.

## Item No. 12:

By the valued contribution made by the Non Executive Directors and Independent Directors through their active participation in the meetings of the Board and its Committees, the Company has been progressing over the years. These Directors are required to devote considerable time to provide and lay down the policies and guidelines to carry on the business competitively.

The Non Executive Directors and Independent Directors of the Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as marketing, technology, corporate strategy, information systems and finance and in business, management and administration, which has led to sound decisions.

In accordance with the provisions of Section 197 (1) (ii) (A) of the Act and Listing Regulations, remuneration by way of commission upto 1% of the net profits may be paid to the Non Executive Directors and Independent Directors, subject to the approval of shareholders.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No.12 of the Notice for approval of commission payable to the Non Executive and Independent Directors.

Mr. Siddharth Agrawal and Mr. Dinesh Gandhi Non-Executive Directors and Mr. Biswajit Choudhuri, Mr. Bhriugu Nath Ojha, Mr. Shashi Kumar, Mr. Harishankar Khandelwal and Ms. Bhavna Govindbhai Desai, Independent Directors of the Company, are concerned or interested financially in the resolution.

Except, Mr. Bajrang Lal Agrawal and Mr. Abhishek Agrawal, being relatives of Mr. Siddharth Agrawal, no other Directors or KMP of the Company or their relatives are, in any way, concerned with or interested in, financially or otherwise, in the resolution set out at Item No. 12.

The Board recommends the Special Resolution set out at Item No. 12 of the Notice for approval by the members.

**Item No.13:**

The Board, on the recommendation of the Audit Committee, has approved the reappointment and remuneration of M/s Sanat Joshi & Associates, Cost Auditors having Firm Registration No. 000506 to conduct the audit of the cost records of the Company for the Financial Year ending 31<sup>st</sup> March, 2020 at a remuneration of ₹ 75,000/-.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be determined by the Shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 13 of the Notice for determination of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2020.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 13.

The Board recommends the Ordinary Resolution set out at Item No. 13 of the Notice for approval by the members.

**Item No. 14:**

As per the provisions of Section 20 of the Act a document may be served on any member by sending it to him by Post/ Registered Post/ Speed Post/ Courier or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the Company in its Annual General Meeting.

Further, listed companies are required to send financial statements:

- (a) by electronic mode to such members whose shareholding is in Demat form and whose E-mail IDs are registered with Depository for communication purposes;
- (b) where Shareholding is held otherwise than by Demat form, to such members who have positively consented in writing for receiving by electronic mode; and
- (c) by dispatch of physical copies through any recognized mode of delivery as specified under Section 20 of the Act, in all other cases.

Therefore, to enable the members to avail this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document including financial statement, in a particular mode, as mentioned in the resolution.

Since the Act requires the fees to be determined in the Annual General Meeting, the Directors accordingly recommends the Ordinary Resolution at Item No. 14 of the accompanying notice, for the approval of the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 14 of the accompanying Notice.

By Order of the Board

Place: Raipur  
Date: 01.07.2019

**Y.C. Rao**  
Company Secretary

**Particulars of Directors seeking appointment / reappointment/ Retiring by Rotation at the ensuing Annual General Meeting (In Pursuance of Regulation 36(3) of Listing Regulations and SS-2:**

<b>A</b>	<b>NAME</b>	<b>MR. BISWAJIT CHOUDHURI</b>	<b>MR. BHRIGU NATH OJHA</b>	<b>MR. SHASHI KUMAR</b>
<b>B</b>	<b>Brief resume</b>			
	i) Age	77	75	72
	ii) Qualification	B.Tech (Hons), Fellow Member of ICWAI	Bachelor of Electrical Engineering	B.Sc. (Hons.) graduated in Mining Engineering
	iii) Experience in specific functional area	Engineering, Banking and Finance, Management	Power Sector	Mining and Power sector
	iv) Date of Appointment on the Board of the Company	25.09.2007	14.06.2008	25.09.2007
<b>C</b>	Terms and conditions of appointment or re-appointment	As per the resolution at Item No. 3 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 4 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 5 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto
<b>D</b>	Remuneration last drawn (including sitting fees for FY 2018-19, if any) (per annum)	₹ 10.60 Lakhs	₹ 9.75 Lakhs	₹ 9.20 lakhs
<b>E</b>	Remuneration proposed to be paid	Sitting Fees & Commission shall be paid within the prescribed limits laid under the Act	Sitting Fees & Commission shall be paid within the prescribed limits laid under the Act	Sitting Fees & Commission shall be paid within the prescribed limits laid under the Act
<b>F</b>	Nature of expertise in specific functional areas	More than five decades of experience in Engineering, Banking, Finance and Management	Over four decades of experience in Power sector.	Over four decades of rich experience in mining sector.
<b>G</b>	Name(s) of other Listed entities in which the person holds the Directorship	Ludlow Jute & Specialities Limited	NIL	NIL
<b>H</b>	*Chairman/Member of the Committee of the Board of Directors of the Company	<ol style="list-style-type: none"> <li>1. Audit Committee*</li> <li>2. Risk Management Committee*</li> <li>3. Nomination and Remuneration Committee</li> <li>4. Stakeholders Relationship committee</li> </ol>	<ol style="list-style-type: none"> <li>1. Stakeholders Relationship Committee*</li> <li>2. Audit Committee</li> <li>3. Risk Management Committee</li> <li>4. Nomination and Remuneration Committee</li> </ol>	<ol style="list-style-type: none"> <li>1. Nomination and Remuneration Committee*</li> <li>2. Corporate Social Responsibility Committee*</li> <li>3. Risk Management Committee</li> </ol>

A	NAME	MR. BISWAJIT CHOUDHURI	MR. BHRIGU NATH OJHA	MR. SHASHI KUMAR
I	*Chairman/ Member of the Committee of the Board of Directors of other Companies in which he is a Director.	<b>Audit Committee</b> <ol style="list-style-type: none"> <li>Ludlow Jute &amp; Specialities Ltd.*</li> <li>Hindusthan Engineering &amp; Industries Limited*</li> <li>Hira Ferro Alloys Limited*</li> </ol> <b>Stakeholders Relationship Committee</b> <ol style="list-style-type: none"> <li>Hira Ferro Alloys Limited</li> <li>Hindusthan Engineering &amp; Industries Limited*</li> </ol> <b>CSR Committee</b> <ol style="list-style-type: none"> <li>Hira Ferro Alloys Limited*</li> <li>Hindusthan Engineering &amp; Industries Limited</li> </ol> <b>Nomination And Remuneration Committee</b> <ol style="list-style-type: none"> <li>Ludlow Jute and Specialties Limited*</li> <li>Hira Ferro Alloys Limited*</li> <li>Hindustan Engineering &amp; Industries Limited*</li> </ol>	<b>Audit Committee</b> <ol style="list-style-type: none"> <li>Hira Ferro Alloys Limited</li> <li>Godawari Green Energy Limited</li> <li>Ardent Steel Limited*</li> </ol> <b>Stakeholders Relationship Committee</b> <ol style="list-style-type: none"> <li>Hira Ferro Alloys Limited</li> </ol> <b>CSR Committee</b> <ol style="list-style-type: none"> <li>Ardent Steel Limited</li> <li>Godawari Green Energy Limited*</li> </ol> <b>Nomination and Remuneration Committee</b> <ol style="list-style-type: none"> <li>Ardent Steel Limited*</li> <li>Godawari Green Energy Limited*</li> <li>Hira Ferro Alloys Limited*</li> </ol>	NIL
J	No. of Shares of ₹ 10/- each held by the Directors	NIL	NIL	NIL
K	Relationship with Directors inter-se (As per Section 2(77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014	None	None	None
L	No. of Board Meetings held/ attended during the year	4/4	4/3	4/4

## GODAWARI POWER & ISPAT LIMITED

A	NAME	MR. HARISHANKAR KHANDELWAL	MS. BHAVNA GOVINDBHAI DESAI	MR. SIDDHARTH AGRAWAL
B	Brief resume			
	i) Age	55	56	38
	ii) Qualification	Chartered Accountant	Bachelor in Commerce	B.Com and MBA
	iii) Experience in specific functional area	Accounts, finance and project planning	Shares and Security market activities	Project implementation, procurement of raw material, Plant maintenance, Production activities and marketing
	iv) Date of Appointment on the Board of the Company	11.08.2012	09.08.2014	27.02.2018
C	Terms and conditions of appointment or re-appointment	As per the resolution at Item No. 6 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 7 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	Since he is a Non-Executive Director, no terms of appointment were fixed.
D	Remuneration last drawn (including sitting fees for FY 2018-19, if any) (per annum)	₹ 9.55 Lakhs	₹ 9.10 Lakhs	NIL
E	Remuneration proposed to be paid	Sitting Fees & Commission shall be paid within the prescribed limits laid under the Act	Sitting Fees & Commission shall be paid within the prescribed limits laid under the Act	NIL
F	Nature of expertise in specific functional areas	Over 25 years of experience in the field of Corporate Planning and Strategy, Financial Analysis, Accounts & Auditing, Taxation, Costing /Budgeting, Finance, Business Development and Administration	Over two decades of experience in shares and security market activities. She was associated as a partner with a firm M/s G. B. Desai which is engaged in the business of dealing with securities.	Under his able leadership, 50 MW Solar Thermal Power Project of Godawari Green Energy Limited (Subsidiary Company) was setup. In the past, he has looked after the project implementation, procurement of raw material, Plant maintenance, Production activities and marketing of finished goods of the Company.
G	Name(s) of other Listed entities in which the person holds the Directorship	NIL	NIL	NIL

A	NAME	MR. HARISHANKAR KHANDELWAL	MS. BHAVNA GOVINDBHAI DESAI	MR. SIDDHARTH AGRAWAL
H	*Chairman/Member of the Committee of the Board of Directors of the Company	1. Audit Committee	1. Audit Committee 2. Stakeholders Relationship Committee	NIL
I	*Chairman/ Member of the Committee of the Board of Directors of other Companies in which he is a Director.	NIL	<b>Audit Committee</b> 1. Chettinad Cement Corporation Private Limited 2. Godawari Green Energy Limited 3. Ardent Steel Limited	<b>Corporate Social Responsibility Committee</b> 1. Godawari Green Energy Limited <b>Nomination and Remuneration Committee</b> 1. Hira Infra Tek Limited
J	No. of Shares of ₹ 10/- each held by the Directors	1,500	2,50,000	94,000
K	Relationship with Directors inter-se (As per Section 2(77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014	None	None	Son of Mr. Bajrang Lal Agrawal, Managing Director and Brother of Mr. Abhishek Agrawal, Whole Time Director of the Company and not related to any other Director/ KMP
L	No. of Board Meetings held/ attended during the year	4/4	4/4	4/3



## GODAWARI POWER & ISPAT LIMITED

### Particulars of Directors seeking variation in terms of remuneration In Pursuance of SS-2 :

A	NAME	MR. BAJRANG LAL AGRAWAL	MR. ABHISHEK AGRAWAL	MR. DINESH KUMAR AGRAWAL	MR. VINOD PILLAI
B	Brief resume				
	i) Age	65	35	48	51
	ii) Qualification	Electronic Engineer	Masters Degree in International Business from Leeds University, U.K.	Electronic Engineer	Commerce graduate
	iii) Experience in specific functional area	Strategic Planning, Project Planning, Production activities.	Operations and General Management Raw Material Procurement	Production and Marketing activities	Sales, Administration, Liaisoning and Logistics
	iv) Date of Appointment on the Board of the Company	17.08.2002	09.11.2016	21.09.1999	28.07.2009
C	Terms and conditions of appointment or re-appointment	As per the resolution at Item No. 8 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 9 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 10 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto	As per the resolution at Item No. 11 of the Notice convening Annual General Meeting dated 01.07.2019 read with explanatory statement thereto
D	Remuneration last drawn (including sitting fees, if any) (per annum)	₹ 216.00 Lakhs	₹ 180.00 Lakhs	₹ 180.00 Lakhs	₹ 21.60 Lakhs
E	Remuneration / Sitting Fees proposed to be paid per month	In the slab of ₹ 20,00,000 to ₹ 40,00,000 along with other perquisites. Sitting Fee will not be paid.	In the slab of ₹ 18,00,000 to ₹ 30,00,000 along with other perquisites. Sitting Fee will not be paid.	In the slab of ₹ 18,00,000 to ₹ 30,00,000 along with other perquisites. Sitting Fee will not be paid.	In the slab of ₹ 1,90,000 to ₹ 2,50,000 along with other perquisites. Sitting Fee will not be paid.
F	Nature of expertise in specific functional areas	Over four decades of experience in Production activities	Over a decade of experience in Operations and General Management and in procuring of Raw Material	Over 25 years of experience and has been associated with the company's Ferro alloys and steel rolling units in the past	Over 25 years of experience and plays a vital role in commissioning of new projects of Hira Group of Industries
G	Name(s) of other Listed entities in which the person holds the Directorship	NIL	NIL	NIL	NIL

A	NAME	MR. BAJRANG LAL AGRAWAL	MR. ABHISHEK AGRAWAL	MR. DINESH KUMAR AGRAWAL	MR. VINOD PILLAI
H	*Chairman/Member of the Committee of the Board of Directors of the Company	1. Risk Management Committee	1. Corporate Social Responsibility Committee 2. Risk Management Committee	NIL	1. Corporate Social Responsibility Committee
I	*Chairman/ Member of the Committee of the Board of Directors of other Companies in which he is a Director.	NIL	NIL	NIL	<b>Audit Committee</b> 1. Godawari Energy Limited 2. Hira Infra-Tek Limited  <b>Nomination and Remuneration Committee</b> 1. Hira Infra-Tek Limited
J	No. of Shares of ₹ 10/- each held by the Directors	17,31,398	85,000	18,46,347	NIL
K	Relationship with Directors inter-se (As per Section 2(77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014	Father of Mr. Abhishek Agrawal, Whole Time Director of the Company and Mr. Siddharth Agrawal, Director and not related to any other Director/ KMP	Son of Mr. Bajrang Lal Agrawal, Managing Director and Brother of Mr. Siddharth Agrawal, Director of the Company and not related to any other Director/ KMP	None	None
L	No. of Board Meetings held/ attended during the year	4/4	4/4	4/3	4/4

**GODAWARI POWER AND ISPAT LIMITED**

Registered Office & Works: Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur – 493111, Chhattisgarh  
Corporate office: Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492004, Chhattisgarh  
Web Site: www.godawaripowerispat.com, Email Id: yarra.rao@hiragroup.com  
CIN: L27106CT1999PLC013756 Contact No.: 0771-4082000 Fax: 0771-4057601

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and  
Rule 19(3) of the Companies (Management and Administration) Rules, 2014 – Form No. MGT-11]

Name of the member(s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID:

I/We, being the member(s) holding ..... shares of the above named company, hereby appoint:

- (1) Name ..... Address .....  
Email Id: ..... Signature ..... or failing him/her;
- (2) Name ..... Address .....  
Email Id: ..... Signature ..... or failing him/her;
- (3) Name ..... Address .....  
Email Id: ..... Signature .....

And whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Saturday, the 10th Day of August, 2019 at 11:30 AM at Corporate Office of the Company situated at 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh - 492004 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Sl. No.	Resolutions	Optional*	
		For	Against
1.	Consider and adopt: Audited Standalone and Consolidated Financial Statements, Reports of the Board of Directors and Auditors thereon		
2.	Re-appointment of Mr. Siddharth Agrawal (DIN: 02180571), who retires by rotation		
3.	Re-appointment of Mr. Biswajit Choudhuri (DIN: 00149018) as an Independent Non-Executive Director		
4.	Re-appointment of Mr. Bhrigu Nath Ojha (DIN: 02282594) as an Independent Non-Executive Director		
5.	Re-appointment of Mr. Shashi Kumar (DIN: 00116600) as an Independent Non-Executive Director		
6.	Re-appointment of Mr. Harishankar Khandelwal (DIN: 00330891) as an Independent Non-Executive Director		
7.	Re-appointment of Ms. Bhavna Govindbhai Desai (DIN: 06893242) as an Independent Women Non-Executive Director		
8.	Revision in remuneration of Mr. Bajrang Lal Agrawal (DIN: 00479747) Managing Director		

Sl. No.	Resolutions	Optional*	
		For	Against
9.	Revision in remuneration of Mr. Abhishek Agrawal (DIN: 02434507) Whole - Time Director		
10.	Revision in remuneration of Mr. Dinesh Kumar Agrawal (DIN: 00479936) Whole - Time Director		
11.	Revision in remuneration of Mr. Vinod Pillai (DIN: 00497620) Whole - Time Director		
12.	Approval of the commission payable to Non-Executive Directors and Independent Directors of the Company		
13.	Approval of Remuneration of the Cost auditors		
14.	Consider and determine the fees for delivery of any document through a particular mode of delivery to a member		

Signed this .....day of ..... 2019

Signature of shareholder .....

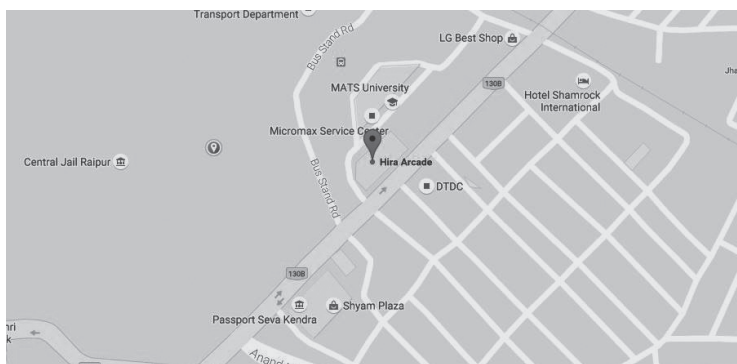
Signature of Proxy holder(s) .....

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. \*This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**Venue of the Meeting**

Second Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur,  
Chhattisgarh-492004





**GODAWARI POWER AND ISPAT LIMITED**

Registered Office & Works: Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur – 493111

Corporate Office: Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492004

Web Site: [www.godawaripowerispat.com](http://www.godawaripowerispat.com), Email Id: [yarra.rao@hiragroup.com](mailto:yarra.rao@hiragroup.com)

CIN: L27106CT1999PLC013756 Contact No.: 0771-4082000 Fax: 0771-4057601

## Attendance Slip

**Registered Folio / DP ID & Client ID**

**Name and address of the Shareholder**

1. I, hereby record my presence at the 20th Annual General Meeting of the Company held on Saturday, the 10th August, 2019 at 11:30 AM at the Corporate Office of the Company at 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh – 492004.
2. Signature of Shareholder/Proxy Present:.....
3. Shareholder/ Proxy holder wishing to attend the meeting must bring the duly signed Attendance Slip to the meeting.
4. Shareholder/Proxy holder attending the meeting is requested to bring his/her copy of the Annual Report.

**PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING**

-----

### ELECTRONIC VOTING PARTICULARS

Event Number	USER ID	Default PAN/Sequence Number
<b>190103</b>		

**Note:** Please read the instructions given in the Notes to the Notice of 20th Annual General Meeting dated 01.07.2019. The E-voting period starts from 09:00 AM on Wednesday, the 07th day of August, 2019 and ends at 05:00PM on Friday, the 09th day of August, 2019. The e-voting module shall be disabled by LIPL for voting thereafter.