

HIRA
GODAWARI POWER & ISPAT

REF: GPIL/NSE & BSE/2016/2923

Date: 28.09.2016

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 st Floor, Rotunda Building,
Dalal Street, MUMBAI – 400 001
BSE Security Code: 532734 |
|--|---|

Dear Sir,

Sub: Submission of Annual Report for the Financial Year 2015-16 under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, we are enclosing herewith the Annual Report of the Company for the Financial Year 2015-16 duly approved and adopted by the shareholders of the Company in their 17th Annual General Meeting held on 20th September, 2016 as per the provisions of Companies Act, 2013.

You are kindly requested to take the same on record.

Thanking you,

Yours faithfully,

For **GODAWARI POWER AND ISPAT LIMITED**



Y.C. RAO
COMPANY SECRETARY

Encl: As above



Godawari Power & Ispat Limited

An ISO 9001:2008, ISO 14001:2004 & OHSAS 18001:2007 certified company

Registered Office and Works : Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur - 493111, Chhattisgarh, India
P: +91 771 4082333, F: +91 771 4082334

Corporate address : Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492001, Chhattisgarh, India
P: +91 771 4082000, F: +91 771 4057601

www.gpilindia.com, www.hiragroupindia.com

CIN No.-
L27106CT1999PLC013756

HIRA

GODAWARI POWER & ISPAT



ANNUAL REPORT
2015-16

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.

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Company Information

BOARD OF DIRECTORS

Mr. B. Choudhuri	Chairman (Independent Director)
Mr. B.L. 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. Shashi Kumar	Independent Director
Mr. B. N. Ojha	Independent Director
Mr. Harishankar Khandelwal	Independent Director
Ms. Bhavna G. Desai	Independent Woman Director

CFO

Mr. Sanjay Bothra	Chief Financial Officer
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COMPANY SECRETARY

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

M/s. O.P. Singhania & 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
Lakshmi Vilas Bank Ltd.	IFCI Ltd.

SECURITY /DEBENTURE TRUSTEE:

Axis Trustee 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 - 492 001, Chhattisgarh, India
Tel.: +91 - 771 - 4082000 Fax: 4082732 / 4057601
Email: co.secretary@hiragroup.com

MUMBAI OFFICE

A-401, Lotus Corporate Park (Graham Firth Company),
Jay Coach Signal, Off Western Express Highway,
Goregaon (East), Mumbai - 400 063, India.
Tel: +91 - 22 - 40767466 / 40767474 / 40767433
Fax: +91 - 22 - 40767440

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 17th Annual Report on the business & operations of the Company together with the Standalone and Consolidated Audited Statement of Financial Accounts for the year ended 31st March 2016.

1. HIGHLIGHTS OF PERFORMANCE

- Consolidated income for the year decreased by 25.84% to ₹1820.78 Crore as compared to ₹ 2455.20 Crore in F.Y 2014-15;
- Consolidated net sales for the year decreased by 24.57% to ₹1803.48 Crore as compared to ₹2394.98 Crore in F.Y 2014-15,;
- Consolidated loss after tax for the year was ₹ 103.54 Crore as compared to net profit after tax of ₹70.73 Crore in F.Y.2014-15.

2. FINANCIAL RESULTS

₹ in Crores

Particulars	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Gross Sales	1725.55	2166.61	2011.63	2665.38
Less: Excise duty/Sales tax/VAT	186.66	231.56	208.15	270.40
Net Sales Turnover	1538.89	1935.05	1803.48	2394.98
Other Income.....	12.27	16.49	17.30	60.22
Total Revenue	1551.16	1951.54	1820.78	2455.20
Operating expenses	1399.88	1671.72	1601.39	2036.77
Profit before Interest, Depreciation, Tax and Amortization (EBIDTA)	151.26	279.82	219.39	418.43
Finance Costs.....	164.49	144.88	246.82	223.65
Depreciation and amortization expenses	70.99	65.82	115.73	118.18
Profit Before Taxation (PBT)	(84.22)	69.12	(143.16)	76.60
Taxation (including Deferred Tax).....	(20.83)	7.01	39.62	5.87
Profit after Taxation (PAT)	(63.39)	62.11	(103.54)	70.73
Less: Minority Interest	--	--	(10.97)	4.47
Less: Share of Loss of associate company	--	--	4.31	0.05
Profit brought forward from previous year	414.47	358.53	433.25	377.54
Amount available for Appropriations	351.08	420.64	336.37	443.75
Appropriations				
Proposed Final Dividend on Equity Shares.....	--	3.28	--	4.45
Interim Equity Dividend.....	--	--	--	--
Corporate Dividend Tax.....	--	0.54	--	0.92
Transfer to General Reserves	--	--	--	1.50
Adjustments for Fixed Assets where useful life as per Schedule-II (Net of taxes)	--	2.35	--	--
Depreciation of those assets whose useful life is Nil (Net of taxes)	--	--	--	3.63
Deduction on loss of control of subsidiary.....	--	--	15.15	--
Total	NIL	6.17	15.15	10.49
Net Surplus	351.08	414.47	321.22	433.25

GODAWARI POWER & ISPAT LIMITED

3. REVIEW OF PERFORMANCE

The financial year 2015-16 was yet another challenging year for the Indian & global economy. Although the India's GDP growth was better as compared to other Asian economies, the domestic infrastructure, capital goods and manufacturing sectors continued to suffer resulting into lower demand for commodities like steel. The steel industry in general suffered during the year under review on account of lower demand, excess supply from domestic and global players. The domestic capacity utilization of companies in sector was around 70-75% and pressure from cheaper imports from China & other countries compounded the problems of the steel industry. The supply of raw material also surpassed the demand in view of excess capacity in domestic & global markets leading to fall in cost of input like iron ore & coal. The supply of iron ore (key input in steel making) in domestic market increased substantially during the year after amendments in MMRD Act leading to opening of closed iron ore mines, resulting into supply of iron ore much in excess of demand, resulting into fall in prices of iron ore pellets (the main product of the Company contributing to more-than 31% of sales in value terms) leading to substantial drop in operating margins. The finished steel prices saw fall of more-than 30-% during the year resulting into compression in operating margins. In the given scenario, your Company's consolidated performance also suffered resulting into fall in operating margins from 17.47% in FY15 to 12.16% FY16.

Stand-alone Operations:

The performance of your Company during the year under review remained sluggish under the prevailing circumstances and overall slowdown in demand growth. The highlights of the financial performance for the year are as under:

- a) Net Sales Revenue decreased by 20.47% to ₹1538.89 crores from ₹1935.05 crores recorded in previous year. The top line has contracted mainly on account of fall in prices of finished goods despite highest ever production achieved by the Company in couple of divisions.
- b) Operating Profit decreased to 9.83% from 14.46% achieved in previous year.
- c) The Company registered Net Loss of ₹ 63.39 crores as against net profit after tax of ₹ 62.11 crores during the previous year.

Consolidated Operations:

- a) Net sales revenue during the FY 2015-16 decreased by 24.70% to ₹ 1803.35 crores from ₹ 2394.98 crores recorded in previous year.
- b) EBITDA Margins decreased by 47.57 % to ₹219.40 crores from ₹ 418.43 crores during previous year.

- c) The Company registered Loss before tax of ₹143.17 crores as against PBT of ₹76.60 crores during the previous year.

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

4. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2016 was ₹ 32.756 Crores. During the year under review, the Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2016, none of the Directors of the Company hold convertible instruments of the Company.

5. 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.

6. TRANSFER TO RESERVES

Your Company did not transfer any amount to the General Reserves Account during the Financial Year 2015-16 since company has incurred losses.

Consequent upon redemption of Debentures to the tune of ₹ 14.40 crores during the financial year 2015-16, an amount of ₹3.60 crores had been withdrawn from Debenture Redemption Reserve Account and transferred to General Reserve Account leaving a balance of ₹20.15 crores which is equivalent to 25% of the outstanding Debentures of ₹ 80.42 crores as on 31.03.2016 as prescribed under Section 71 of the Companies Act, 2013 read with Rule 7 of the Companies (Share Capital and Debenture) Rules 2014.

7. DIVIDEND

In view of the significant drop in operating performance & in order to conserve the resources, the Board of Directors of the Company have not recommended payment of any dividend.

8. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of Section 125 of the Companies Act, 2013, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

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 as on September 19, 2015 (date of last Annual

General Meeting) on the Company's website (www.godawaripowerispat.com), as also on the Ministry of Corporate Affairs' website.

9. EXPANSION/NEW PROJECTS:

The Company has during year under review decided to postpone the capex for setting up the rolling mill in the Siltara. However, since the work on modernization cum balancing plan in steel melting shop (SMS) had started in last fiscal, the management of the Company decided to continue the work. The work in SMS division is going on and expected to be completed in H2FY17. The capacity of iron ore mining in Ari Dongri mines has been expanded to 1.4 million ton.

10. CHANGES IN NATURE OF BUSINESS:

The Company has been engaged in the business of manufacturing the trading of Iron Ore Pellets, Sponge Iron, Steel Billets, HB Wires and generation of Power. There is no change in the nature of Business of the Company during the Financial Year 2015-16.

11. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION:

There are no materials changes and commitments affecting the financial position of the company occurred between the 01.04.2016 to the date of this report, except continued slowdown in steel demand and falling prices of finished products on account of pressure from cheaper imports impacting cash-flow of the Company.

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

Your company has sold 5,50,000 equity shares of ₹ 10/- each being 2.81% of total paid-up capital of Hira Ferro Alloys Limited (HFAL) at a price of ₹32/- per share to a promoter group Company on 31.03.2016. Consequently, the Company's shareholding in HFAL has reduced from 51.26% to 48.45% and HFAL ceased to be a subsidiary of Company.

None of the other companies has either become Subsidiary / Associate of the Company other than the existing Subsidiaries / Associates or has ceased to be Subsidiary / Associate of the Company during the Financial Year 2015-16.

Your Company has also not entered into any new Joint Venture nor terminated any existing Joint Venture during the Financial Year 2015-16.

13. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARY AND JOINT VENTURE COMPANIES:

During the year under review, M/s Hira Ferro Alloys Limited ceased to be the subsidiary of your Company and became an Associate of the Company.

The performance and financial position of the company's

subsidiaries namely, Ardent Steels Limited, Godawari Green Energy Limited, Godawari Energy Limited, Godawari Clinkers and Cement Limited, Krishna Global Minerals Limited and Godawari Integrated Steels (India) Limited, Associate Companies namely Jagdamba Power & Alloys Limited and Hira Ferro Alloys Limited and Joint Venture Companies namely Raipur Infrastructure Company Limited for the Financial Year 2015-16 are given in ANNEXURE 01. The other Associate Company namely Chhattisgarh Captive Coal Mining Limited has not yet started their operations.

14. 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 02. 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 2015-16 except Shri B.L Agrawal (Managing Director), whose details are given below:

Particulars	Details
Name	Shri Bajrang Lal Agrawal
Designation	Managing Director
Remuneration Received	₹ 60,00,000 Per Annum
Nature of employment, Whether contractual or otherwise	Permanent
Qualifications and Experience of the employee	B.E (Electronic) and had a experience of more than 30 years
Date of commencement of employment	17.8.2002
The age of such employee	62
The last employment held by such employee before joining the company	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:5.29% Spouse Holding: 4.05% Total holding along with spouse: 9.34%
Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Shri Abhishek Agrawal

GODAWARI POWER & ISPAT LIMITED

15. CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONS:

None of the Directors or Key Managerial Persons has been appointed or resigned during the Financial Year 2015-16.

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

16. CONSTITUTION OF CSR COMMITTEE, CSR POLICY AND INITIATIVES:

The CSR Committee consists of three directors including one Independent Director. 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. The said policy has been approved and adopted by the Board of directors of the Company, the contents of which have been displayed on the company's website and also given in the Annual Report on CSR activities. (Web link: www.godawaripowerispat.com)

The Annual Report on CSR activities initiated and undertaken by the Company during the Financial Year 2015-16 is annexed herewith as an ANNEXURE-03.

17. AUDIT COMMITTEE COMPOSITION:

The Audit Committee consists of four directors including three Independent Directors and one Non-Executive Director all having financial literacy.

18. 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.
- 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.

19. 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 criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 16(1) (b) of the Listing Agreement.

20. NUMBER OF MEETINGS OF BOARD:

During the year four Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report.

21. AUDITORS:

Statutory Auditors

M/s O.P. Singhania and Co., Chartered Accountants, Auditors of the Company, hold office until the conclusion of the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 141 (3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment and also satisfies the criteria as mentioned under Section 141 and they have obtained peer review certificate as required under SEBI Guidelines for appointment of Statutory Auditors of listed companies.

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 2015-16.

Internal Auditors

M/s. JDS & Co, Chartered Accountants were appointed as Internal Auditors for the FY 2015-16.

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. The Report of the Secretarial Audit Report is annexed herewith as "ANNEXURE 04".

22. 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 2015-16 and hence does not require any explanations or comments.

- **Secretarial Audit**

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 for the financial year 2015-16 and hence does not require any explanations or comments.

23. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into by the Company during the financial year 2015-16 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.

24. 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. Note 13 & 14). The company has not given any corporate guarantees to any other party.

25. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "ANNEXURE 05".

26. 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.

27. 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 operation were observed.

28. 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 06".

29. 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 Clause-22 of the Listing Agreement.

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 shall be informed about the Vigil Policy by the Personnel Department at the time of their joining.

30. 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 Charter 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.

31. 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.

GODAWARI POWER & ISPAT LIMITED

32. NOMINATION AND REMUNERATION 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 07.

33. 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.

34. 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 has been received during the year 2015-16.

35. CORPORATE GOVERNANCE

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 forming an integral part of this Report is given as ANNEXURE 08.

36. ACKNOWLEDGEMENTS

The Board expresses its sincere gratitude to the shareholders, bankers, 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: 28.05.2016

CHAIRMAN

ANNEXURE-01

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

(₹ in Lacs)

Sr. No.	Particulars	Subsidiary						Associate			Joint Venture	
		Godawari Green Energy Ltd.	Ardent Steel Ltd.	Krishna Global Minerals Limited	Godawari Integrated Steels (India) Limited	Godawari Clinkers and Cement Limited	Godawari Energy Limited	Hira Ferro Alloys Ltd.	Jagdamba Power and Alloys Ltd.	Godawari Natural Resources Limited	Rajpur Infrastructure Company Ltd.	
		31.03.2016 Audited	31.03.2016 Audited	31.03.2016 Audited	31.03.2016 Audited	31.03.2016 Audited	31.03.2016 Audited	31.03.2016 Audited	31.03.2016 Audited	31.03.2016 Audited	31.03.2016 Audited	
1	(a) Net Sales/Income from Operations	10387.68	15891.20	0.00	0.00	0.00	0.00	18592.44	0.00	0.00	0.00	703.31
	(b) Other Operating Income	0.00	0.00	0.00	0.00	0.00	0.00	15.02	0.00	0.00	0.00	0.00
	Total	10387.68	15891.20	0.00	0.00	0.00	0.00	18607.46	0.00	0.00	0.00	703.31
2	Expenditure											
	a) (increase)/decrease in stock in trade and work in progress	0.00	2599.70	0.00	0.00	0.00	0.00	289.72	0.00	0.00	0.00	0.00
	b) Cost of raw material and component consumed	121.26	9083.32	0.00	0.00	0.00	0.00	14527.81	0.00	0.00	0.00	0.00
	c) Manufacturing Expenses	92.64	3886.97	0.00	0.00	0.00	0.00	1957.98	0.00	0.00	0.00	0.00
	d) Purchase of Traded Goods	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	e) Employees Benefit Expenses	521.36	889.33	0.00	0.00	0.00	7.45	828.80	23.12	0.00	0.00	16.31
	f) Depreciation & Amortisation Expenses	3004.75	1437.05	0.00	0.00	0.00	0.00	799.99	225.42	0.00	0.00	94.52
	g) Other Expenditure	351.08	2560.57	1.23	0.09	0.10	2.94	424.97	244.71	0.20	0.20	205.59
	Total	4091.09	20456.94	1.23	0.09	0.10	10.39	18829.27	493.25	0.20	0.20	316.42
3	Profit from operations before Other incomes & exceptional items (1-2)	6296.59	(4565.74)	(1.23)	(0.09)	(0.10)	(10.39)	(221.81)	(493.25)	(0.20)	(0.20)	386.89
4	Other Income	321.89	152.01	0.35	0.00	0.34	0.00	194.42	574.89	0.47	0.47	39.22
5	Profit before Finance Cost & Exceptional items (3+4)	6618.48	(4413.73)	(0.88)	(0.09)	0.24	(10.39)	(27.39)	81.64	0.27	0.27	426.11
6	Finance Cost	6290.25	1962.97	0.00	0.00	0.00	0.00	640.46	52.66	0.00	0.00	0.01
7	Profit after Finance Cost but before Exceptional items (5-6)	328.23	(6376.70)	(0.88)	(0.09)	0.24	(10.39)	(667.85)	28.98	0.27	0.27	426.10
8	Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	34.12
9	Profit/Loss from Operating activities before tax (7-8)	328.23	(6376.70)	(0.88)	(0.09)	0.24	(10.39)	(667.85)	28.98	0.27	0.27	391.98
10	Tax Expenses	66.92	(1989.96)	0.00	0.00	0.08	(10.39)	(178.08)	45.92	0.08	0.08	129.90

ANNEXURE-01

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED ON 31ST MARCH, 2016

Sr. No.	Particulars	(₹ in Lacs)											
		Subsidiary				Associate				Joint Venture			
		Godawari Green Energy Ltd.	Ardent Steel Ltd.	Krishna Global Minerals Limited	Godawari Integrated Steels (India) Limited	Godawari Clinkers and Cement Limited	Godawari Energy Limited	Hira Ferro Alloys Ltd.	Jagdamba Power and Alloys Ltd.	Godawari Natural Resources Limited	Rajpur Infrastructure Company Ltd.	Audited	Audited
11	Net Profit(+)/Loss(-) ordinary Activities after tax (9-10)	31.03.2016 Audited 261.31	31.03.2016 Audited (4386.74)	31.03.2016 Audited (0.88)	31.03.2016 Audited (0.09)	31.03.2016 Audited 0.16	31.03.2016 Audited (0.00)	31.03.2016 Audited (489.77)	31.03.2016 Audited (16.94)	31.03.2016 Audited 0.19	31.03.2016 Audited 262.08		
12	Extraordinary items (net of tax expenses ₹)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
13	Net Profit (+)/Loss(-) for the period (11-12)	261.31	(4386.74)	(0.88)	(0.09)	0.16	(0.00)	(489.77)	(16.94)	0.19	262.08		
14	Paid up equity share capital (face value of shares of ₹ 10/- each)	1474.70	1000.00	5.00	5.00	5.00	2300.00	1958.85	999.57	5.00	39.24		
15	Reserves excluding Revaluation reserves as per Balance Sheet of previous accounting year	12314.06	4683.72	(2.77)	(0.89)	(0.79)	546.33	11704.26	9147.71	0.68	1781.51		
16	Earning Per Share												
	(a) Basic & Diluted EPS before Extra Ordinary Items	1.77	(43.87)	(1.77)	(0.19)	0.32	(0.05)	(2.50)	(0.17)	0.38	66.79		
	(b) Basic & Diluted EPS after Extra Ordinary Items	1.77	(43.87)	(1.77)	(0.19)	0.32	(0.05)	(2.50)	(0.17)	0.38	66.79		

ANNEXURE-02 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 2015-16:

Name of Director	Designation	Remuneration	Median Remuneration	Ratio
		₹		
Mr. Biswajit Choudhuri	Independent Director	520000	201432	4.14:1
Mr. Shashi Kumar	Independent Director	400000	201432	3.27:1
Mr. B. N. Ojha	Independent Director	495000	201432	4.39:1
Mr. Harishankar Khandelwal	Independent Director	455000	201432	3.22:1
Ms. Bhavna G. Desai	Independent Director	380000	201432	2.81:1
Mr. B. L. Agrawal	Managing Director	6000000	201432	32.70:1
Mr. Abhishek Agrawal	Executive Director	1800000	201432	14.30:1
Mr. Dinesh Agrawal	Executive Director	1800000	201432	14.30:1
Mr. Vinod Pillai	Executive Director	1080000	201432	5.52:1

2. The percentage increase in remuneration of each Director, CFO, CEO, Company Secretary for the financial year 2015-16 as compared to 2014-15:

Name of Director	Designation	Remuneration	Remuneration	% increase
		2015-16	2014-15	
		₹	₹	
Mr. Biswajit Choudhuri	Independent Director	520000	810000	-35.80
Mr. Shashi Kumar	Independent Director	400000	640000	-37.50
Mr. B. N. Ojha	Independent Director	495000	860000	-42.44
Mr. Harishankar Khandelwal	Independent Director	455000	630000	-27.78
Ms. Bhavna G. Desai	Independent Director	380000	550000	-30.91
Mr. B. L. Agrawal	Managing Director	6000000	6400000	-6.25
Mr. Abhishek Agrawal	Executive Director	1800000	2800000	-35.71
Mr. Dinesh Agrawal	Executive Director	1800000	2800000	-35.71
Mr. Vinod Pillai	Executive Director	1080000	1080000	0.00
Mr. Sanjay Bothra	CFO	4522937	2845797	58.93
Mr. Y.C.Rao	CS	2397536	2412536	-0.62

3. The percentage increase in the median remuneration of the employees for the financial year 2015-16 as compared to 2014-15 is 2.79%.
4. No. Of permanent employees on rolls of the company as on 31.03.2016 is 2007.
5. Explanation on the relationship between average increase in remuneration and the company's performance: No increment has been given to any of the Directors and Key Managerial Personnel.
6. Comparison of remuneration of the Key Managerial Personnel against the company's performance: The remuneration of the Managing Director and Executive Directors has been reduced in view of the prevailing market conditions. The increment has not been given to CFO and CS in view of adverse economic conditions in steel sector.

GODAWARI POWER & ISPAT LIMITED

7. Variation in the market capitalisation of the Company, price earning ratio as on 31.03.2016 and 31.03.2015 and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	as on 31.03.2016	as on 31.03.2015	Variation
Market Capitalisation as on 31.03.2016 (₹in Crores)	174.92	316.10	(141.18)
P/E. Ratio	(2.76)	5.09	(7.85)
Last Public Offer price (per share).....	81	81	
Market Price per share	53.40	96.50	(43.10)
percentage increase in market price (per share).....		(44.66)	

8. Average percentile increase already made in the salaries of the employees other than KMPs in the FY 2015-16 and its comparison with 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: Not applicable since no increments have been given to any employees including managerial personnel.
9. Comparison of the remuneration each of the Key Managerial Personnel against the performance of the Company. Already mentioned in para 6.
10. The key parameters for any variable component of remuneration availed by the directors; N.A.
11. The ratio of the remuneration of the highest paid director to that of the employee who are not directors but receive remuneration in excess of the highest paid director during FY 2015-16:N.A
12. Affirmation:

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

ANNEXURE-03 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 www.godawaripowerispat.com and the weblink has been given in the Corporate Governance Report.
2.	The Composition of the CSR Committee.	The composition of CSR Committee has been given in the Corporate Governance Report.
3.	Average net profit of the company for last three financial years (Amount in lacs)	₹1822.12
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) (Amount in lacs)	₹ 36.44
5.	Details of CSR spent during the financial year.	
	1. Total amount to be spent for the F.Y. 2015-16 (₹ In lacs)	₹387.13
	2. Amount unspent , if any;	NIL
	3. Manner in which the amount spent during the financial year :	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 the 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 Boards 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 Corporate Governance 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
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Please refer Annexure-I

Sd/-
B.L.Agrawal
 (Managing director)

Sd/-
Shashi Kumar
 (Chairman of CSR Committee)

ANNEXURE-I TO DIRECTORS' REPORT
CSR EXPENSES FOR FY: 2015-16

(Amount ₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
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 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	Operating First Aid Health Centre	Health Care	Peripheral villages of Kachhe Ari Dongri Mines	50.00	49.72		Red to Green Health services
2	Operational cost on E-Sanskar (Free) Computer Training Center, Kachhe (DCA Certificate)	Education	For tribal students of Peripheral village Kachhe Parekodo Tekadhora etc.	5.50	5.75		Through Nice Tec Education
3	Expenses on Water Tankers for providing Safe Drinking Water	Drinking Water	In the Nearby Villages of Mines during Summer	8.00	7.90		Direct
4	Expenses on Water Tankers engaged for maintenance of plantation	Environment	In the Nearby Villages of Mines	10.00	9.55		Direct
5	Expenses on Water Tankers engaged for dust suppression	Environment	In the Nearby Villages of Mines	8.00	7.80		Direct
6	Expenses on manpower engaged in maintenance of Horticulture & Plantation	Environment	Peripheral villages of Kachhe Ari Dongri Mines	27.00	27.35		Direct
7	Deepening & cleaning of ponds in peripheral villages of Kachhe Ari Dongri Mines	Environment	Village Dafaipara, Parrekodo etc.	7.00	6.48		Direct
8	Installation of double sided wall mounted clock (Tower Watch) at Kanker Chowk	Infrastructural Development	Kanker District	1.00	0.85		Direct

(Amount ₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
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 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	Maintenance School Ground in peripheral villages of Kachhe Ari Dongri Mines	Infrastructural Development	Kachhe & Parrekodo	0.80	0.82		Direct
10	Construction of Smart Class Room in Kanker District	Education	Kanker District	10.00	10.00		Direct
11	Payment to Gram Panchayat Kachhe for Infrastructural Development against dispatch of Raw Material	Infrastructural Development	Peripheral villages of Kachhe Ari Dongri Mines	3.50	3.53		Through Gram Panchayat Kachhe
12	Installation of Street Lights at Kachhe & Parrekodo Village	Infrastructural Development	Village Kachhe & Parrekodo	1.00	0.63		Direct
13	Monthly Salary of Teachers appointed in the schools	Education	Govt. schools of Kachhe & Parrekodo Gram Panchayat	7.00	7.08		Direct
14	Establishment & operational cost of Stitching & Tailoring Center at Kachhe & Parrekodo	Women Empowerment	Gram Panchayat Kachhe & Parrekodo	1.50	1.22		Direct
15	Operational cost of Piyau Ghar & manpower engaged in piyau Ghar	Drinking Water	Village Kachhe	0.50	0.36		Direct
16	Bore Well repair at village Bhursapara for drinking water	Drinking Water	Village Tekadhora	1.50	1.35		Direct
17	Educational Trip for the students of Govt. School Kachhe & Parrekodo	Education	Kachhe & Parrekodo	0.50	0.55		Direct

(Amount ₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
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 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
18	Misc. (Maint. of road, cleaning of overhead water tank) Infrastructure work in Nearby villages of Mines	Infrastructural Development	Gram Panchayat Kachhe & Parrekodo	0.50	0.36		Direct
19	Teachers Day Celebration by Facilitating Teachers in nearby schools of Mines	Community Welfare	Nearby Schools of Mines	0.50	0.47		Direct
20	Piyau hut & drinking water in Siltara, Tada & Mandhar in summer for 3 months & Manpower Engaged in Piyau Hut	Drinking Water	Village Tada, Siltara & Mandhar	4.00	4.03		Direct
21	Grant-In-Aid For Smooth Functioning Of Aakanksha (A school for mentally handicapped) School Aid For FY: 2015-2016	Education	Raipur City	7.00	6.61		Direct
22	Providing salary of 01 night guard & 02 teachers of Govt. Primary & Middle School of village Mandhar & Siltara	Education	Village Siltara & Mandhar	1.00	0.74		Direct

(Amount ₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
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 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
23	Expenses incurred in manpower engaged for maintenance of Plantation & Garden in Janpad Office Dharsiwan & Dharsiwan Police Station under CSR	Environment Conservation	Dhasiwan Block	0.30	0.33		Horticulture Dept of GPIL
24	Construction Of Rangmanch (Stage) at village Siltara	Infrastructure Development	Village-Siltara	0.80	0.97		Direct
25	Repairing of road in Siltara Village	Infrastructure Development	Village-Siltara	0.50	0.44		Direct
26	Tuition fee for the meritorious students of village Siltara	Educational Support	Village-Siltara	0.25	0.25		Direct
27	JCB Charges (Filling Work) for Plantation Work at Siltara Chowk Industrial Area under CSR	Environment Conservation	Peripheral villages of GPIL	2.25	2.28		Horticulture Dept of GPIL
28	Expenses on Plantation Work at Siltara Chowk Industrial Area under CSR	Environment Conservation	Peripheral villages of GPIL	5.00	5.22		Horticulture Dept of GPIL
29	Manpower engaged in plantation work under CSR for Siltara Chowk, Industrial Area	Environment Conservation	Peripheral villages of GPIL	1.50	1.49		Horticulture Dept of GPIL
30	Expenses on fertilizers & manures for plantation at Siltara Chowk Industrial Area under CSR	Environment Conservation	Peripheral villages of GPIL	0.50	0.52		Horticulture Dept of GPIL

GODAWARI POWER & ISPAT LIMITED

(Amount ₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
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 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
31	Expenses incurred for Online Air Quality Monitoring System installed in NIT, Raipur under CSR	Environment Conservation	Raipur City	0.10	0.11		Environment Dept of GPIL
32	Construction of Toilets in Dharsiwa under Clean India Mission (Swachh Bharat Abhiyan)	Sanitation/ Education	Dharsiwa	3.50	3.50		Direct
33	Expenses for Binding Wires & Walves for Plantation at Siltara Chowk Industrial Area under CSR	Environment Conservation	Peripheral villages of GPIL	2.25	2.17		Horticulture Dept of GPIL
34	Workshop for Stitching & tailoring center	Women Empowerment/ Skill Development	Nearby villages of Gidhali	0.30	0.30		Direct
35	Water Tanker engaged for plantation	Environment Conservation	Peripheral villages of Gidhali	2.50	2.51		Direct
36	Establishment & Operational cost of First Aid Health Center, Dorba (furniture)	Health Care	Village Dorba	50.00	49.02		Red to Green Health services
37	32 Community Teachers engaged in Govt. Primary, Middle & High schools of Nearby Villages of Boria Tibu Mines for the session 2014	Educational Support	Peripheral villages of Boria Mines	15.00	15.64		Direct

(Amount ₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
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 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
38	Establishment & Operational Cost of Stitching & Tailoring Center	Women Empowerment/ Skill Development	Village Dorba	0.10	0.10		Direct
39	Scholarship for higher studies to student of village Dorba	Educational Support	Village Dorba	0.80	0.71		Direct
40	Reconstruction of RCC Bridge between village Jakke to Boria	Infrastructural Development	Village Jackke	7.50	7.50		Direct
41	Repairing work of Tehsil Office, Mohala	Community Welfare	Mohala	1.00	0.75		Direct
42	Installation of Water Pipeline in Tehsil Office, Mohala for visitors & villagers	Community Welfare	Mohala	0.30	0.29		Direct
43	Expenses incurred Murum Filling & labour engaged from Link Road & Connecting Nearby Roads of villages (near about 18km)	Infrastructural Development	Kuthrel, Pahadi Road, Navatola, Dorba, Tado, Adjaal, Kosmi, Pusewada & Dulki	3.00	3.33		Direct
44	Murum filling & labour engaged in road from Tado to Navatola Pathar Road	Infrastructural Development	Village Navataola, Tado	1.00	0.86		Direct
45	CC TV installation Rajnandgaon city	Community Welfare	Rajnandgaon City	3.50	3.41		

GODAWARI POWER & ISPAT LIMITED

(Amount ₹ in Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
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 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
46	Development of Garden & Fountain in Telibandha (Manpower, Land escaping, Plantation etc.)	Environment	Telibandha Pond, Raipur	22.50	22.69		By Horticulture dept of GPIL
47	Maintenance & other expenses on garden & Plantation at RKC Compound, Collectorate , CSEB office & other locations of Raipur City, Expenses on Landscape Work at Dharampura Road & Garden	Environment	Raipur City	13.00	12.97		By Horticulture dept of GPIL
48	Expenses on Maintenance of Garden & Plantation at Swami Vivekanada International Airport, Raipur	Environment	Raipur City	1.00	0.88		By Horticulture dept of GPIL
49	Expenses on Garden & Plantation of Tatibandh Chowk		Tatibandh Chowk, Raipur	85.00	93.67		By Horticulture dept of GPIL
		TOTAL		379.25	385.06		

ANNEXURE-04 TO DIRECTORS' REPORT SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

[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 Godawari Power & Ispat Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of Godawari Power & Ispat Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes 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, 2016 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 (Issue and Listing of Debt Securities) Regulations, 2008
 - e. Listing Agreement.
 - f. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. The following Act, are specially applicable to the Company
 - a. Mines Act, 1952
 - b. Mines & Minerals (Development & Regulation) Act, 1957
 - c. Iron Ore Mines, Manganese Ore Mines & Chrome Ore Mines Labour Welfare Cess Act, 1976
 - d. Iron Ore Mines, Manganese Ore Mines & Chrome Ore Mines Labour Welfare Fund Act, 1976

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 (Issue of Capital and Disclosure Requirements) Regulations, 2009,
- b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- c. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- d. The Securities and Exchange Board of India (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999;

GODAWARI POWER & ISPAT LIMITED

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 and

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

Tanveer Kaur Tuteja

(Partner)

Practicing Company Secretary

M. No.:7704

C. P. No.:8512

Place: Raipur

Date: 20.05.2016

ANNEXURE-05 TO DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2016

[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:	COMPANY LIMITED BY SHARES
Address of the Registered office and contact details:	Plot No. 428/2, Phase I, Industrial Area, Siltara, Dist. Raipur Chhattisgarh, Phone +91-771-4082333 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-13, Pannalal Silk Mills Compound, L.B.S Marg Bhandup (West), Mumbai, 400078. Ph. No. 022-25963838 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	31.33%
2	Sponge Iron	27120	23.57%
3	Steel Billets	27141	15.72%
4	H.B. Wires	27181	14.45%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name and address of the company	CIN/GLN	Holding/ subsidiary / associate	% of shares held	Applicable Section
1.	Godawari Green Energy Limited	U40102CT2009PLC021285	SUBSIDIARY	100.00%	2(87)
2.	Godawari Clinkers & Cement Limited	U26940CT2008PLC020925	SUBSIDIARY	100.00%	2(87)
3.	Krishna Global & Mineral Limited	U13200CT2008PLC020673	SUBSIDIARY	100.00%	2(87)
4.	Godawari Integrated Steel (India) Limited	U27100CT2010PLC022146	SUBSIDIARY	100.00%	2(87)
5.	Ardent Steel Limited	U27310MH2007PLC194166	SUBSIDIARY	75.00%	2(87)
6.	Godawari Energy limited	U40100CT2008PLC020552	SUBSIDIARY	51.30%	2(87)
7.	Hira Ferro Alloys Limited	U27101CT1984PLC005837	ASSOCIATE	48.45%	2(6)
8.	Chhattisgarh Ispat Bhumi Limited	U45303CT2004PLC017186	ASSOCIATE	35.36%	2(6)
9.	Jagdamba Power & Alloys Limited	U27104CT1999PLC013744	ASSOCIATE	26.06%	2(6)

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S.No.	Name and address of the company	CIN/GLN	Holding/ subsidiary / associate	% of shares held	Applicable Section
10.	Raipur Infrastructure Company Limited	U45203CT2004PLC016321	JOINT VENTURE	33.3%	2(6)
11.	Chhattisgarh Captive Coal Mining Limited	U01410CT2005PLC018224	JOINT VENTURE	25.95%	2(6)
12.	Godawari Natural Resources Limited	U14200CT2008PLC020926	JOINT VENTURE	33.88%	2(6)

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	17925684	0	17925684	54.73	18125684	0	18125684	55.34	0.61
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	2205169	0	2205169	6.73	2005169	0	2005169	6.12	(0.61)
e) Banks / FI	0	0	0	0	0	0	0	0	0
f)Any Other/PAC	1125000	0	1125000	3.43	1125000	0	1125000	3.43	0
Sub-total (A) (1)	21255853	0	21255853	64.89	21255853	0	21255853	64.89	0
2. Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A) (2)	21255853	0	21255853	64.89	21255853	0	21255853	64.89	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1865927	0	1865927	5.70	1649994	0	1649994	5.04	(0.66)
b) Banks / FI	220416	0	220416	0.67	213590	0	213590	0.65	(0.02)
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	1532	0	1532	0.00	1532	0	1532	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	2087875	0	2087875	6.37	1865116	0	1865116	5.69	(0.68)
2. Non-Institutions									
a) Bodies Corp									
i) Indian	1635519	0	1635519	4.99	1433249	0	1433249	4.38	(0.62)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individual									
i) Individual shareholders holding nominal share capital in upto ₹1 lakh	4778220	687	4778907	14.59	4761262	687	4761949	14.54	(0.05)
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	2042615	0	2042615	6.24	1604943	0	1604943	4.90	(1.34)
c) Others									
i) Clearing Member	75668	0	75668	0.23	86925	0	86925	0.27	0.04
ii) Trust	100	0	100	0.00	100	0	100	0	0
iii) NRI (Rebate)	206753	0	206753	0.63	194624	0	194624	0.59	(0.04)
iv) NRI (Non Rebate)	58057	0	58057	0.18	53567	0	53567	0.16	(0.02)
v) Other Director	614900	0	614900	1.88	578900	0	578900	1.77	(0.11)
vi) HUF	0	0	0	0	921021	0	921021	2.81	2.81
Sub-total (B)(2)	9411832	687	9412519	28.74	9634591	687	9635278	29.42	(0.68)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	11499707	687	11500394	35.10	11499707	687	11500394	35.10	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	32755560	687	32756247	100	32755560	687	32756247	100	0.00

i) Category-wise Share Holding

(B) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% 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	
1	Dinesh Agrawal	1846347	5.64	732500	1846347	5.64	1846347	0
2	Hira Infra-Tek Limited	1790652	5.47	0	1790652	5.47	0	0

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S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% 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	
3	Bajranglal Agrawal	1731398	5.29	625000	1731398	5.29	1731398	0
4	Sarita Devi Agrawal	1325729	4.05	0	1525729	4.66	1430000	0.61
5	Hanuman Prasad Agrawal	1255000	3.83	625000	1255000	3.83	1255000	0
6	Bajrang Lal Agrawal HUF	1183347	3.61	0	1183347	3.61	0	0
7	Dinesh Kumar Gandhi (GPIL Beneficiary Trust)	1125000	3.43	0	1125000	3.43	0	0
8	Kumar Agrawal	1038398	3.17	0	1038398	3.17	1000000	0
9	Reena Agrawal	1028750	3.14	0	1028750	3.14	0	0
10	Madhu Agrawal	940000	2.87	0	940000	2.87	0	0
11	Jagdish Prasad Agrawal (R.R. Agrawal HUF)	879996	2.69	0	879996	2.69	0	0
12	Abhishek Agrawal	817466	2.50	0	817466	2.50	0	0
13	Kanika Agrawal	796771	2.43	0	796771	2.43	0	0
14	N P Agrawal	769346	2.35	747500	769346	2.35	747500	0
15	Rashmi Agrawal	689059	2.10	0	689059	2.10	0	0
16	Late Suresh Agrawal (Under process of transmission in the name of his legal heirs)	625000	1.91	0	625000	1.91	0	0
17	Siddharth Agrawal	597119	1.82	0	597119	1.82	0	0
18	Late Godawari Agrawal (Under process of transmission in the name of her legal heirs)	596958	1.82	0	596958	1.82	0	0
19	Vinay Agrawal	500000	1.53	0	500000	1.53	0	0
20	Narayan Prasad Agrawal HUF	475000	1.45	0	475000	1.45	0	0
21	Hira Cement Limited	414517	1.26	0	214517	0.65	0	(0.61)
22	Pranay Agrawal	250000	0.76	0	250000	0.76	0	0
23	Prakhar Agrawal	232500	0.71	0	232500	0.71	0	0
24	Dinesh Agrawal HUF	150000	0.46	0	150000	0.46	0	0
25	Nancy Agrawal	100000	0.31	0	100000	0.31	0	0
26	Suresh Kumar Agrawal HUF	97500	0.30	0	97500	0.30	0	0
	Total	21255853	64.89	2730000	21255853	64.89	8010245	0

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

S. NO.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
I	Sarita Devi Agrawal				
1	At the beginning of the year	1325729	4.05	1325729	4.05
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Inter se transfer of shares on 16.10.2015	200000	0.61	200000	0.61
3	At the End of the year	1525729	4.66	1525729	4.66

S. NO.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
II	M/s. Hira Cement Limited				
1	At the beginning of the year	414517	1.26	414517	1.26
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Inter se transfer of shares on 16.10.2015	(200000)	(0.61)	(200000)	(0.61)
3	At the End of the year	214517	0.65	214517	0.65

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	ICICI PRUDENTIAL VALUE DISCOVERY FUND					
A	At the beginning of the year					
	As on 01.04.2015	1865927	5.696	1865927	5.696	
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	29.05.2015	Transfer	(1469)	(0.004)	1864458	5.691
	25.12.2015	Transfer	(41437)	(0.127)	1823021	5.565
	31.12.2015	Transfer	(42103)	(0.129)	1780918	5.436
	01.01.2016	Transfer	(355)	(0.001)	1780563	5.435
	08.01.2016	Transfer	(130569)	(0.399)	1649994	5.037
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2016	1649994	5.037	1649994	5.037	

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Sl. No	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	DEENBANDHU JALAN					
A	At the beginning of the year					
	As on 01.04.2015		435996	1.331	435996	1.331
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	12.06.2015	Transfer	609	0.002	436605	1.333
	19.06.2015	Transfer	400	0.001	437005	1.334
	26.06.2015	Transfer	944	0.003	437949	1.337
	30.06.2015	Transfer	638	0.002	438587	1.339
	03.07.2015	Transfer	204	0.001	438791	1.340
	10.07.2015	Transfer	281	0.001	439072	1.340
	07.08.2015	Transfer	400	0.001	439472	1.342
	11.09.2015	Transfer	225	0.001	439697	1.342
	18.09.2015	Transfer	300	0.001	439997	1.343
	25.09.2015	Transfer	439997	1.343	879994	2.686
	30.09.2015	Transfer	(439997)	1.343	439997	1.343
	16.10.2015	Transfer	763	0.002	440760	1.345
	18.12.2015	Transfer	5	0.000	440765	1.345
	25.12.2015	Transfer	200	0.001	440965	1.346
	31.12.2015	Transfer	500	0.002	441465	1.348
	08.01.2016	Transfer	4700	0.014	446165	1.362
	15.01.2016	Transfer	100	0.000	446265	1.362
	22.01.2016	Transfer	100	0.000	446365	1.363
	29.01.2016	Transfer	500	0.002	446865	1.364
	19.02.2016	Transfer	107	0.000	446972	1.365
	11.03.2016	Transfer	860	0.003	447832	1.367
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2016		447832	1.367	447832	1.367

Sl. No	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	VIMAL KUMAR CHAUDHARY HUF					
A	At the beginning of the year					
	As on 01.04.2015		0	0	0	0
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	11.03.2016	transfer	349185	1.066	349185	1.066
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2016		349185	1.066	349185	1.066

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	RAPID ESTATES PVT LTD				
A	At the beginning of the year				
	As on 01.04.2015	303500	0.926	303500	0.926
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	0	N.A.	0	0	0
C	At the end of the year (or on the date of separation, if separated during the year)				
	As on 31.03.2016	303500	0.926	303500	0.926

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	ALLAHABAD BANK				
A	At the beginning of the year				
	As on 01.04.2015	213590	0.652	213590	0.652
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	0	N.A.	0	0	0
C	At the end of the year (or on the date of separation, if separated during the year)				
	As on 31.03.2016	213590	0.652	213590	0.652

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	SANATAN FINANCIAL ADVISORY SERVICES PRIVATE LIMITED				
A	At the beginning of the year				
	As on 01.04.2015	0	0	0	0
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	19.02.2016	transfer	160000	0.488	160000
C	At the end of the year (or on the date of separation, if separated during the year)				
	As on 31.03.2016	160000	0.488	160000	0.488

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Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
7	MADHUSUDAN KELA					
A	At the beginning of the year					
	As on 01.04.2015	135473	0.413	135473	0.413	
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	25.09.2015	transfer	135473	0.414	270946	0.827
	30.09.2015	transfer	(135473)	(0.414)	135473	0.414
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2016	135473	0.414	135473	0.414	

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
8	TARUN JAIN					
A	At the beginning of the year					
	As on 01.04.2015	0	0	0	0	
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	26.02.2016	transfer	133900	0.409	133900	0.409
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2016	133900	0.409	133900	0.409	

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
9	NIRMAL BANG SECURITIES PRIVATE LIMITED					
A	At the beginning of the year					
	As on 01.04.2015	26447	0.081	26447	0.081	
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	10.04.2015	transfer	271	0.001	26718	0.082
	17.04.2015	transfer	(1376)	0.004	25342	0.077
	24.04.2015	transfer	10525	0.032	35867	0.109
	01.05.2015	transfer	(701)	(0.002)	35166	0.107
	08.05.2015	transfer	272	0.001	35438	0.108
	15.05.2015	Transfer	34	0.000	35472	0.108
	22.05.2015	transfer	(1654)	(0.005)	33818	0.103
	29.05.2015	transfer	1496	0.005	35314	0.108
	05.06.2015	transfer	235	0.001	35549	0.109

Sl. No	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year			
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company		
9	NIRMAL BANG SECURITIES PRIVATE LIMITED							
			12.06.2015	transfer	(5046)	(0.015)	30503	0.093
			19.06.2015	transfer	3971	0.012	34474	0.105
			26.06.2015	transfer	1288	0.004	35762	0.109
			30.06.2015	transfer	(2824)	(0.009)	32938	0.101
			03.07.2015	transfer	(624)	(0.002)	32314	0.099
			10.07.2015	transfer	(99)	0.000	32215	0.098
			17.07.2015	transfer	(39)	0.000	32176	0.098
			24.07.2015	transfer	1133	0.003	33309	0.102
			31.07.2015	transfer	(956)	(0.003)	32353	0.099
			07.08.2015	transfer	9732	0.030	42085	0.128
			14.08.2015	transfer	783	0.002	42868	0.131
			21.08.2015	transfer	3841	0.012	46709	0.143
			28.08.2015	transfer	(3242)	(0.010)	43467	0.133
			04.09.2015	transfer	2100	0.006	45567	0.139
			11.09.2015	transfer	(1942)	(0.006)	43625	0.133
			18.09.2015	transfer	(110)	0.000	43515	0.133
			25.09.2015	transfer	1735	0.005	45250	0.138
			30.09.2015	transfer	4955	0.015	50205	0.153
			09.10.2015	transfer	(765)	(0.002)	49440	0.151
			16.10.2015	transfer	(666)	(0.002)	48774	0.149
			23.10.2015	transfer	(386)	(0.001)	48388	0.148
			30.10.2015	transfer	430	0.001	48818	0.149
			06.10.2015	transfer	(610)	(0.002)	48208	0.147
			13.10.2015	transfer	10	0.000	48218	0.147
			20.10.2015	transfer	7650	0.023	55868	0.171
			27.10.2015	transfer	170	0.001	56038	0.171
			04.12.2015	transfer	1632	0.005	57670	0.176
			11.12.2015	transfer	(2638)	(0.008)	55032	0.168
			18.12.2015	transfer	345	0.001	55377	0.169
25.12.2015	transfer	(216)	(0.001)	55161	0.168			
31.12.2015	transfer	1799	0.005	56960	0.174			
01.01.2016	transfer	(1700)	(0.005)	55260	0.169			
08.01.2016	transfer	(1130)	(0.003)	54130	0.165			
15.01.2016	transfer	84	0.000	54214	0.166			
22.01.2016	transfer	323	0.001	54537	0.166			
29.01.2016	transfer	77479	0.237	132016	0.403			

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Sl. No	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	NIRMAL BANG SECURITIES PRIVATE LIMITED					
	05.02.2016	transfer	(855)	(0.003)	131161	0.400
	12.02.2016	transfer	165	0.001	131326	0.400
	19.02.2016	transfer	(449)	(0.001)	130877	0.400
	26.02.2016	transfer	(87)	0.000	130790	0.399
	04.03.2016	transfer	(405)	(0.001)	130385	0.398
	11.03.2016	transfer	(1154)	(0.004)	129231	0.395
	18.03.2016	transfer	(30)	0.000	129201	0.394
	25.03.2016	transfer	(1100)	(0.003)	128101	0.391
	31.03.2016	transfer	(65)	0.000	128036	0.391
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2016		128036	0.391	128036	0.391

Sl. No	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	SECURITIES HOLDING INDIA PRIVATE LIMITED					
A	At the beginning of the year					
	As on 01.04.2015		159929	0.488	159929	0.488
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	18.09.2015	transfer	(159929)	(0.488)	0.00	0.00
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2016		0.00	0.00	0.00	0.00

Sl. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11	RAJINI TARUN JAIN					
A	At the beginning of the year					
	As on 01.04.2015		133850	0.409	133850	0.409
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):					
	25.09.2015	transfer	133850	0.00	267700	0.817
	30.09.2015	transfer	(133850)	(0.409)	133850	0.409
	26.02.2016	transfer	(133850)	(0.409)	0	0
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2016		0.00	0.00	0.00	0.00

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
12	VIMLA S JAJOO				
A	At the beginning of the year				
	As on 01.04.2015	118199	0.361	118199	0.361
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	25.09.2015	transfer	118199	0.361	236398
	30.09.2015	transfer	(118199)	(0.361)	118199
	18.12.2015	transfer	(118199)	(0.361)	0
C	At the end of the year (or on the date of separation, if separated during the year)				
	As on 31.03.2016	0.00	0.00	0.00	0.00

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
13	ANKIT JAJOO				
A	At the beginning of the year				
	As on 01.04.2015	116407	0.355	116407	0.355
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	25.09.2015	transfer	116407	0.355	232814
	30.09.2015	transfer	(116407)	(0.355)	116407
	18.12.2015	transfer	(116407)	(0.355)	0
C	At the end of the year (or on the date of separation, if separated during the year)				
	As on 31.03.2016	0.00	0.00	0.00	0.00

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
14	SURESH K JAJOO				
A	At the beginning of the year				
	As on 01.04.2015	114579	0.3498	114579	0.3498
B	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	18.12.2015	transfer	(114579)	0.3498	0.00
C	At the end of the year (or on the date of separation, if separated during the year)				
	As on 31.03.2016	0.00	0.00	0.00	0.00

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E. Shareholding of Directors and Key Managerial Personnel:

SI No.	Name of Director/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
A	BAJRANG LAL AGRAWAL – MANAGING DIRECTOR - KMP				
1	At the beginning of the year	1731398	5.29	1731398	5.29
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
3	At the End of the year	1731398	5.29	1731398	5.29
B.	SHRI ABHISHEK AGRAWAL – DIRECTOR				
1	At the beginning of the year	817466	2.50	817466	2.50
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
3	At the End of the year	817466	2.50	817466	2.50
C	SHRI DINESH AGRAWAL – WHOLE TIME DIRECTOR- KMP				
1	At the beginning of the year	1846347	5.64	1846347	5.64
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
3	At the End of the year	1846347	5.64	1846347	5.64
D	MS. BHAVNA GOVINDBHAI DESAI- INDEPENDENT DIRECTOR				
1	At the beginning of the year	477900	1.45	477900	1.45
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
3	At the End of the year	477900	1.45	477900	1.45
E	SHRI DINESH KUMAR GANDHI				
1	At the beginning of the year	36000	0.109	36000	0.109
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Transfer of 36000 shares on 02.03.2016	(36000)	(0.109)	(36000)	(0.109)
3	At the End of the year	0.00	0.00	0.00	0.00
F	SHRI HARI SHANKAR KHANDELWAL-INDEPENDENT DIRECTOR				
1	At the beginning of the year	1000	0.00	1000	0.00
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
3	At the End of the year	1000	0.00	1000	0.00
G	SHRI Y.C. RAO-- CS – KMP				
1	At the beginning of the year	17668	0.05	17668	0.05
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
3	At the End of the year	17668	0.05	17668	0.05

Note: The other Directors and Key Managerial Personnel 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.

V. INDEBTEDNESS

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

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	9279064915			9279064915
ii) Interest due but not paid	17764855			17764855
iii) Interest accrued but not due	62187948			62187948
Total (i+ii+iii)	9359017718			9359017718
Change in Indebtedness during the financial year				
• Addition (including interest)	2615219735	232200000		2847419735
• Reduction	1587575218			1587575218
Net Change	1027644517	232200000		1259844517
Indebtedness at the end of the financial year				
i) Principal Amount	10306709432	232200000		10538909432
ii) Interest due but not paid	11898433			11898433
iii) Interest accrued but not due	60595316	660960		61256276
Total (i+ii+iii)	10379203181	232860960		10612064141

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 (In ₹)
		B.L. 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	6000000	1800000	1800000	1080000	10680000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961					
2	Stock Option	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	-	-	-	-	-
	Total (A)	6000000	1800000	1800000	1080000	10680000
	Ceiling limit as per the Act	₹ 6000000/- per managerial person as per the provisions of Sec. 197 read with Schedule V of the Companies Act, 2013.				

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B. Remuneration to other directors:

(₹ in Lacs)

Sl. no.	Particulars of Remuneration	Name of Director					Dinesh Gandhi	Total Amount
		Biswajit Choudhuri	B.N. Ojha	Shashi Kumar	Bhavna G Desai	Hari Shankar Khandelwal		
1.	Independent Directors							
	• Fee for attending board / committee meetings	270000	245000	150000	130000	205000	0	1000000
	• Commission	250000	250000	250000	250000	250000	0	1250000
	• Others, please specify							
	Total (1)	520000	495000	400000	380000	455000	0	2250000
	Other Non-Executive Directors							
	• Fee for attending board / committee meetings	0.00	0.00	0.00	0.00	0.00	0	0.00
	• Commission							
	• Others, please specify							
	Total (2)	0.00	0.00	0.00	0.00	0.00	0	0.00
	Total (B)=(1+2)	520000	495000	400000	380000	455000	0	2250000
	Total Managerial Remuneration Overall Ceiling as per the Act	1% of Net Profit calculated as per the provisions of Sec. 197 & 198 of the Companies Act, 2013						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Name of KMP		Total
		Y.C. Rao (Company Secretary)	Sanjay Bothra (CFO)	
1.	Gross salary	2397536	4522937	6920473
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961			
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission – as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify	NA	NA	NA
	Total	2397536	4522937	6920473

VI. 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)
A. COMPANY					
PENALTY					
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

ANNEXURE-06 TO THE DIRECTOR'S REPORT

(A) CONSERVATION OF ENERGY-

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

Steps Taken:

1. Installation of AC Drive 110 KVA for root blower in Kiln 1 (01 Nos.)
2. Installation of AC Drive 110 KVA for Cooler Main Drive in Kiln 1 (01 Nos.)
3. Hot well tank of Kiln 3 & 4 has been merged which helped in elimination of Kiln 4 Hot well pump system.
4. Installation of Bag filter dust injection system in all kiln's
5. Installation of backflow wet-scrapper in Kiln 3
6. Removal of Kiln feed conveyor no 3 by increasing the length of PH feed conv. No 2
7. Installation of indigenously built Cooling tower (2 nos.) in SID Phase 2 cold well tank
8. Construction/Erection of Cooler water trough in Kiln 3 & 4
9. Replacement of whole Air Nozzle of AFBC -1 so that we have power saving in FD and PA fans due to reduction in the fan RPM for the same FD air flow
10. Using charging box for raw material (Scrap and Alloys) charging instead of numerous magnet charging.
11. 1.5 MTPA - CCR-Installation of fluffer in RC-02 discharge
12. 0.6MTPA – GCR - Installation Of VFD (45 Amp) For Pressure Control With PID Loop in gland sealing pump
13. 0.6MTPA – GCR - Installation Of VFD (59 Amp) For Pressure Control With PID Loop in flush water pump
14. 1.2MTPA – CCR - Pump Impeller Trimming As Per System Pressure & Flow Requirement with respect to Pump Data Curve in AC cooling water pump 1 & 2
15. 1.5MTPA – CCR – BC-12 conveyor motor rating reduced from 18.5 KW to 15 KW motor.
16. 1.5MTPA – CCR – Q2 conveyor motor rating reduced from 30 KW to 18.5 KW motor.

The impact of above measures:-

- 1) Installation of AC drive in root blower leads to saving in power consumption.
- 2) Installation of AC drive in Cooler main drive leads to saving in power consumption.
- 3) By eliminating hot well pump power saving is done.
- 4) By installation of the system of BFD injection potential improvement in Steam generation is observed by around 2TPH.
- 5) Backflow wet scrapper installation helps in controlling pollution and conservation of coal.
- 6) By eliminating Kiln feed conv. No 3 saving of power is done.
- 7) Installation of cooling tower in cold well tank helped in maintaining the water temperature for better cooling, able to increase feed rate and output from kiln.
- 8) Modification in cooler water trough helped in saving significant amount of water approx 20%.
- 9) Power saving in FD and PA fans due to reduction in the fan RPM.
- 10) (a) Instead of Numerous magnets charging, restricts single box charging of Raw Mix in the Sintering heat of Induction Furnace to maintain the EOT crane movements, resulting in power savings as well as reduces breakdown, Lower the spare cost
 (b) The use of charging box for raw material feeding enables us to quantify the charge mix quantity into the induction furnace to maintain the quantity of Liquid Metal also controls the stock inventory level.
- 11) Installation of fluffer lead to reduction of recycling material and improved productivity with less number of balling disc run hours. One disc is completely kept on stand-by to achieve the desired production resulting in decreased power consumption.
- 12) Installation of VFD in Gland water pump facilitated saving in energy
- 13) Installation of VFD in Flush water pump facilitated saving in energy
- 14) Resizing of impeller facilitated saving in energy
- 15) BC-12 conveyor motor rating reduced from 18.5 KW to 15 KW motor.
- 16) Q2 conveyor motor rating reduced from 30 KW to 18.5 KW motor.

(ii) the steps taken by the company for utilising alternate sources of energy;	None.
(iii) the capital investment on energy conservation equipments;	₹ In lacs.
1. Installation of AC Drive 110 KVA for root blower in Kiln 1 (01 Nos.)	4.50
2. Installation of AC Drive 110 KVA for Cooler Main Drive in Kiln 1 (01 Nos.)	5.10
3. Installation of APFC Panel in SID Phase 1 & 2	4.40
4. Installation of Bag filter dust injection system in all kiln's	28.22
5. VFD (45 Amp)	0.55
6. VFD (59 Amp)	0.63
(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;	NA
(b) the year of import;	NA
(c) whether the technology been fully absorbed;	NA
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA
(iv) the expenditure incurred on Research and Development.	NA
(C) FOREIGN EXCHANGE EARNINGS AND OUTGO-	₹ In lacs
The Foreign Exchange earned in terms of actual inflows during the year	Nil
Foreign Exchange outgo during the year in terms of actual outflows.	24161.33

**ANNEXURE-07 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 means 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-08 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, 2015).

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Code of Corporate Governance is the means of achieving Corporate Objectives. 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.

BOARD OF DIRECTORS:

The Board of Directors has a combination of Executive and Non-Executive Directors. The Board comprises of four Executive Directors (the Managing Director and three Executive Directors) and six Non-Executive Directors including a Woman Director. The Chairman of the Board is an Independent Director and more than 50% of the Directors are Independent Directors including a Woman Director. Accordingly, the composition of the Board is in conformity with SEBI LODR, 2015 and the provisions of the Companies Act, 2013.

Except the Independent Directors and the Managing Director, all other Directors are liable to retire by rotation as per the provisions of the Companies Act, 2013.

The names and categories of the Directors on the Board and also the number of Directorships and Committee Memberships held by them during 2015-16 in other Companies are as under:

Name of the Directors	Category of Directors	No. of other Directorship held	No. of Board Meetings attended	Last AGM attended	No. of other Board committees Member *	No. of other Board committees Chairman*
Mr. B. Choudhuri	Chairman, Non-Executive, Independent	04	04	Present	02	05
Mr. B.L. Agrawal	Managing Director - Executive (Promoter)	07	04	Absent	Nil	Nil
Mr. Dinesh Agrawal	Executive (Promoter)	09	02	Absent	Nil	Nil
Mr. Abhishek Agrawal	Executive (Promoter)	03	03	Absent	Nil	Nil
Mr. Vinod Pillai	Executive	08	04	Present	Nil	Nil
Mr. Dinesh Gandhi	Non-Executive	05	04	Absent	03	Nil
Mr. Shashi Kumar	Non-Executive, Independent	03	03	Absent	Nil	Nil
Mr. B. N. Ojha	Non-Executive, Independent	05	03	Present	04	02
Mr. Harishankar Khandelwal	Non-Executive, Independent	05	04	Absent	01	Nil
Ms. Bhavna G. Desai	Non-Executive, Independent	03	03	Present	04	Nil

* includes membership/Chairmanship of Audit Committee & Stakeholders Relationship Committees only.

Changes in the composition of Directors during the year:

There is no change in the directorship of the Company during the period under review.

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Number of Board Meetings held:

During the year 2015-16, 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	No. of Directors Present
1	16.05.2015	08
2	11.08.2015	09
3	07.11.2015	10
4	13.02.2016	07

RELATIONSHIP BETWEEN DIRECTORS INTER-SE:

Shri Bajrang Lal Agrawal, Managing Director is father of Shri Abhishek Agrawal, Executive Director. Except as disclosed, no Director of the Company is related to any other Director on the Board in terms of the meaning of the term 'Relative' given under the Companies Act, 2013.

AUDIT COMMITTEE:

The Audit Committee consists of one Non-executive Director and three Independent Directors. The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18(1) of SEBI LODR, 2015. The Audit Committee comprises of following Directors:

S. No.	Name	Designation
1	Mr. Biswajit Choudhuri	Chairman (Independent Director)
2.	Mr. B. N. Ojha	Member (Independent Director)
3.	Mr. Dinesh Gandhi	Member (Non-Executive Director)
4.	Mr. Harishankar Khandelwal	Member (Independent Director)

During the year under review Shri Harishankar Khandelwal, Independent Director on the Board of the Company was appointed as a member of Audit Committee with effect from 16th May, 2015.

The committee met four times during the year 2015-16 and the attendance of the members at these meetings was as follows:

Name of the Chairman/ Member	Category	Attendance at the Audit Committees held on			
		15.05.2015	10.08.2015	06.11.2015	12.02.2016
Mr. Biswajit Choudhuri	Chairman (Independent Director)	Present	Present	Present	Present
Mr. Bhrigu Nath Ojha	Member (Independent Director)	Present	Absent	Present	Present
Mr. Dinesh Gandhi	Member (Non-Executive Director)	Present	Present	Present	Present
Mr. Harishankar Khandelwal	Member (Independent Director)	Not Applicable	Present	Present	Present

All the members of the Audit Committee are financially literate as required by Regulation 18 of SEBI LODR, 2015.

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, 2015 as are in force/ applicable from time to time. The brief description of terms and reference of Audit Committee are as follows:

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- recommendation for appointment, remuneration and terms of 68 appointment of auditors of the listed entity

- 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;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee consists of one Non-executive Director and two Independent Directors. The Committee's composition meets with requirements of Section 178 of the Companies Act, 2013 and Regulation of 19 of SEBI LODR, 2015. The Audit Committee comprises of following Directors:

Name	Designation
Mr. Shashi Kumar	Chairman (Independent Director)
Mr. B. N. Ojha	Member (Independent Director)
Mr. Dinesh Gandhi	Member (Non-Executive Director)

The committee met once during the year 2015-16 and the attendance of the members at these meetings was as follows:

Name of the Chairman/ Member	Category	Attendance at the Audit Committees held on 15.05.2015
Mr. Shashi Kumar	Chairman (Independent Director)	Present
Mr. B. N. Ojha	Member (Independent Director)	Present
Mr. Dinesh Gandhi	Member (Non-Executive Director)	Present

The brief description of terms and reference of Nomination and Remuneration Committee is as follows:

- 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.

GODAWARI POWER & ISPAT LIMITED

- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- 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.
- 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.

REMUNERATION POLICY:

The Company follows a policy on remuneration of Directors, Key Managerial Personnel and Senior Management employees.

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.

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.

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.
- 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.

Details of Remuneration of Directors for the financial year ended 31st March, 2016:

The Non-Executive Directors are paid sitting fees within the limit prescribed under Companies Act, 2013 for attending the Board meetings, Audit Committee meetings and other committee meetings of ₹ 30000/- per meeting for attending the Board meetings, ₹ 25000/- per meeting for attending the Audit Committee meetings and ₹10000/- per meeting for attending other committee meetings.

In addition to the sitting fees, the Company also pays commission to the Non-Executive Directors for their overall engagement and contribution to the Company's business.

The details of remuneration, sitting fees and commission paid to each of the Directors during the year ended 31st March, 2016 are given below:

(₹ in Lacs)

S. No.	Name of the Director	Remuneration	Sitting Fees	Commission	No. of Shares held
1.	Mr. Biswajit Choudhuri	Nil	02.70	02.50	Nil
2.	Mr. Shashi Kumar	Nil	01.50	02.50	Nil
3.	Mr. B. N. Ojha	Nil	02.45	02.50	Nil
4.	Mr. Harishankar Khandelwal	Nil	02.05	02.50	1000
5.	Ms. Bhavna G. Desai	Nil	01.30	02.50	577900*
6.	Mr. B. L. Agrawal	60.00	Nil	Nil	1731398
7.	Mr. Abhishek Agrawal	18.00	Nil	Nil	817466
8.	Mr. Dinesh Agrawal	18.00	Nil	Nil	1846347
9.	Mr. Vinod Pillai	10.80	Nil	Nil	Nil
10.	Mr. Dinesh Gandhi	Nil	Nil	Nil	Nil

*Includes 1,00,000 shares held jointly as second name

EVALUATION CRITERIA:

Pursuant to the provisions of the companies Act, 2013 and SEBI LODR, 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.

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

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee consists of two Independent Directors and one Non-executive Director. The detailed composition of the members of the Stakeholders Relationship Committee at present is given below:

Name	Designation
Mr. B. N. Ojha	Chairman (Independent Director)
Ms. Bhavna G. Desai	Member (Independent Director)
Mr. Dinesh Gandhi	Member (Non-Executive Director)

The committee met four times during the year 2015-16 and the attendance of the members at these meetings was as follows:

Name of the Chairman/ Member	Category	Attendance at the Stakeholder Relationship Committees held on			
		15.05.2015	10.08.2015	06.11.2015	12.02.2016
Mr. B. N. Ojha	Chairman (Independent Director)	Present	Absent	Present	Present
Ms. Bhavna G Desai*	Member (Independent Director)	Absent	Present	Present	Present
Mr. Dinesh Gandhi	Member (Non-Executive Director)	Present	Present	Present	Present

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Compliance Officer

Mr. Y. C. Rao, Company Secretary also functions as the Compliance Officer of the Company. During the year under review 06 complaints were received from the shareholders and all the complaints have been duly resolved. As on 31st March, 2016, no investor grievance is pending.

Investor Grievance Redressal

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of Complaints	No. of complaints
Non-Receipt of Dividend Warrants	06
Total	06

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee consists of One Independent Director and Two Executive Directors. The detailed composition of the members of the Corporate Social Responsibility Committee at present is given below:

Name	Designation
Mr. Shashi Kumar	Chairman (Independent Director)
Mr. Abhishek Agrawal	Member (Executive Director)
Mr. Vinod Pillai	Member (Executive Director)

The committee met two times during the year 2015-16 and the attendance of the members at these meetings was as follows:

Name of the Chairman/ Member	Category	Attendance at the Corporate Social Responsibility Committees held on	
		15.05.2015	07.11.2015
Mr. Shashi Kumar	Chairman (Independent Director)	Present	Present
Mr. Abhishek Agrawal	Member (Executive Director)	Present	Present
Mr. Vinod Pillai	Member (Executive Director)	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.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee consists of three Independent Directors and one Executive Director. The detailed composition of the members of the Risk Management Committee at present is given below:

Name	Designation
Mr. Biswajit Choudhuri	Chairman (Independent Director)
Mr. B.L. Agrawal	Member (Managing Director)
Mr. B. N. Ojha	Member (Independent Director)
Mr. Shashi Kumar	Member (Independent Director)

The committee met four times during the year 2015-16 and the attendance of the members at these meetings was as follows:

Name of the Chairman/ Member	Category	Attendance at the Stakeholder Relationship Committees held on			
		15.05.2015	11.08.2015	07.11.2015	13.02.2016
Mr. Biswajit Choudhuri	Chairman (Independent Director)	Present	Present	Present	Present
Mr. B.L. Agrawal	Member (Executive Director)	Present	Present	Present	Present
Mr. B. N. Ojha	Member (Independent Director)	Present	Absent	Present	Present
Mr. Shashi Kumar	Member (Independent Director)	Present	Present	Present	Absent

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.

INDEPENDENT DIRECTORS' MEETING:

During the year under review, the Independent Directors met on February 13, 2016, *inter alia*, to discuss:

- Review the performance of independent directors;
- Review the performance of the non-independent Directors 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.

All the Independent Directors except Mr. Shashi Kumar were present at the meeting.

Familiarisation Programme for Independent directors:

In order to familiarize the Independent Directors with the operations of the company a plant visit was organised the details of which are posted on Company's website <http://godawaripowerispat.com/investors-information/policies/>

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 posted on the Company website have been posted accordingly the weblink of which is- <http://godawaripowerispat.com/investors-information/policies/>

SUBSIDIARY COMPANIES

Pursuant to the provisions contained in SEBI LODR, 2015, the Company has identified M/s Godawari Green Energy Limited (GGEL) as a material subsidiary Company since the investment of the Company in GGEL exceeds twenty per cent of its consolidated net worth as per the audited balance sheet of the previous financial year and accordingly the Board of Directors of the Company have adopted a policy for determining material subsidiaries, the weblink of which is <http://godawaripowerispat.com/investors-information/policies/>

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The Company has appointed Shri B. N. Ojha as Independent Director on the Board of GGEL pursuant to Regulation 24(1) of SEBI LODR, 2015.

The Unaudited Quarterly Financial Statement and Audited Annual Financial Statements of all the Subsidiary Companies are tabled at the Audit Committee and Board Meetings.

Copies of the minutes of the Board meetings of all the subsidiary companies are individually given to all the Directors and are tabled at the subsequent board meetings.

INSIDER TRADING DISCLOSURE:

The Company has adopted a Code of Conduct for Prevention of Insider Trading 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.

CODE OF CONDUCT:

Pursuant to the Regulation 17(5) of SEBI LODR, 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.

A declaration to this effect signed by the Managing Director is published in this Report.

DISCLOSURES:

Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI, LODR, 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 Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's, the weblink which is <http://godawaripowerispat.com/investors-information/policies/>

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

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.

Proceeds from public issues, right issues, preferential issues etc

Your Company has not made any public issue, right issue, preferential issue etc. of equity shares during the financial year 2015-16.

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 and no 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.

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, 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 victimisation of employees and directors who avail of 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.Y.C.RAO.

Company Secretary & Compliance Officer,
Godawari Power & Ispat Limited
Corporate Office: First Floor, Hira Arcade,
Pandri, Raipur, Chhattisgarh 492 001.

Tel: 0771 4082735,
Email: yarra.rao@hiragroup.com
Fax Number:0771 4057601

The said policy has been properly communicated to all the directors and employees of the Company through the respective departmental heads.

COMMUNICATION WITH THE SHAREHOLDERS:

The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the SEBI LODR, 2015 with the Stock Exchanges.

The aforesaid financial results are sent to BSE 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. The audited financial statements form a part of the Annual Report which is sent to the Members well in advance of the Annual General Meeting.

The Company also informs by way of intimation to BSE and NSE all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.

The Annual Report of the Company, the quarterly / half yearly and the annual results and of the Company are also placed on the Company's website: www.godawaripowerispat.com and can be downloaded.

In compliance with SEBI LODR, 2015, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically on NSE & BSE's on-line portal.

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.

PARTICULARS OF DIRECTORS SEEKING REAPPOINTMENT:

Details of the Director seeking appointment / re-appointment in the Annual General Meeting to be held on 20th September, 2016 [in pursuance to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings are given as under:

A	Name	Shri Vinod Pillai	Shri Abhishek Agrawal	Shri Dinesh Agrawal
B	Brief resume			
	i) Age	46 years	32 years	44 years
	ii) Qualification	B. Com	B.E. (Electronics) & MBA	B.E. (Electrical)
	iii) Experience in specific functional area	More than 20 years	More than 5 years	More than 15 years
	iv) Date of Appointment on the Board of the company	28.07.2009	09.11.2011	21.09.1999
C	Nature of expertise in specific functional areas	He has vast experience in purchase, sales, liasioning, administration and logistics management.	He is the Whole time Director of the Company and has been looking after all the production and project operations of the company.	He is a whole time Director on the Board of the Company and has been associated with the company's Ferro alloys and steel rolling units.
D	Name(s) of other Listed entities in which the person holds the directorship	N.A	N.A	N.A
E	Chairman/Member of the Committee of the Board of Directors of the Company	Member of the CSR Committee	Member of the CSR Committee	NIL

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A	Name	Shri Vinod Pillai	Shri Abhishek Agrawal	Shri Dinesh Agrawal
F	No. of Shares of ₹ 10/- each held by the Directors	NIL	817466	1846347
G	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	No relationship with other Directors	Related to Shri B.L. Agrawal	No Relationship with Directors

OTHER INFORMATION TO SHAREHOLDERS:

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

YEAR	DATE	TIME	VENUE
2012-2013	28.09.2013	12.30 p.m.	2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)
2013-2014	27.09.2014	12.30 p.m.	2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)
2014-2015	19.09.2015	12.30 p.m.	2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)

SPECIAL RESOLUTION PASSED IN PREVIOUS THREE ANNUAL GENERAL MEETINGS:

- i) At the Annual General Meeting of the Company held on 27th September, 2014, the following Special Resolutions were passed:
 - a) Approval for payment of a sum not exceeding 1% p.a. of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, to be paid and distributed amongst the non-executive directors other than the managing director or whole time directors and such payments to be made in respect of profits of the Company for each financial year, for a period of 5 years from the financial year commencing from April 1, 2014.
 - b) Approval of adoption of new set of Articles of Association of the Company pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014.
 - c) Approval for providing authority to the Board to borrow any sum or sums of money from time to time exceeding the aggregate of paid up capital and free reserves of the Company upto the limit of ₹ 2000 crores pursuant to the provisions of Section 180 (1) (c) and any other applicable provisions of the Companies Act, 2013.
 - d) Approval to enter into leave and license agreement with M/s Raipur Complex for taking on rent the office premises at Hira Arcade, Pandri, Raipur, Chhattisgarh, on the terms and conditions as mentioned in the said resolution, pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013.
- ii) During the year under review, no special resolution has been passed through the exercise of postal ballot and no special resolution is proposed to be conducted through postal ballot.

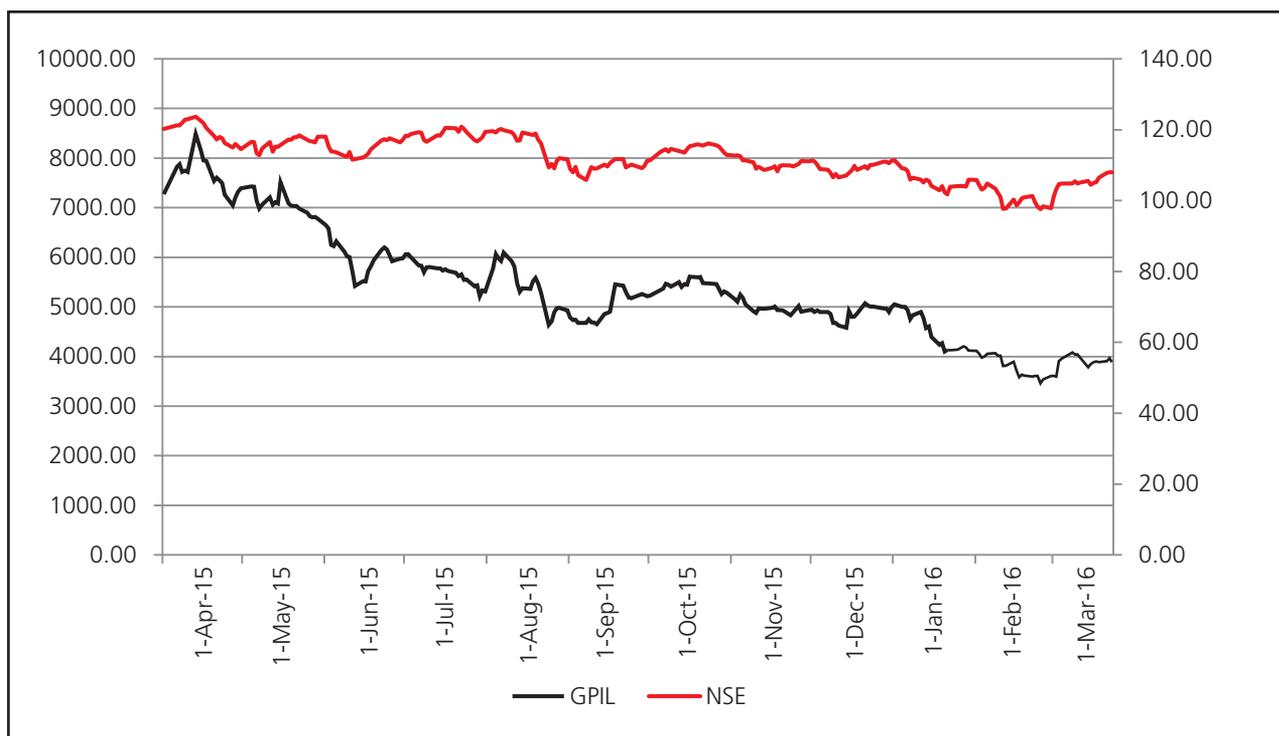
GENERAL INFORMATION:

1. Annual General Meeting:

Date	September, 2016
Time	12.30 P.M.
Venue	2 nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)

2. Financial Calendar (2016-2017) (tentative) :

- Board Meeting (for Financial Result)-
- Quarter ending on 30th June 2016 : On or before August 14, 2016
- Half-year ending on 30th September 2016 : On or before November 14, 2016
- Quarter ending on 31st December 2016 : On or before February 14, 2017
- Year ending on 31st March 2017 : On or before May 30, 2017
3. Date of Book Closure : 13.09.2016 to 20.09.2016
4. Listing on Stock Exchange and address : The shares of the company are
Listed with National Stock
Exchange India Limited Exchange Plaza, Bandra Kurla Complex, Bandra
(E), Mumbai – 400051 MH and BSE Limited, Rotunda Building, Dalal Street,
Mumbai – 400 001- MH
5. Stock Code (Equity) : NSE : GPIL
BSE : 532734
ISIN : INE177H01013
6. Stock Code (Non-Convertible Debenture) : Listed with BSE Limited
BSE : 947060 ISIN : INE177H07010
BSE : 947961 ISIN : INE177H07044
BSE : 947618 ISIN : INE177H07028
7. Market Price Data:



GPIL VS NSE NIFTY

GODAWARI POWER & ISPAT LIMITED

8. The monthly high and low quotations of shares traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited are as follows:

Month	NSE		BSE	
	High Price	Low Price	High Price	Low Price
Apr-15	126.90	97.15	128.00	95.00
May-15	106.20	94.05	106.80	93.80
Jun-15	95.85	74.50	94.90	74.50
Jul-15	87.70	72.00	87.85	72.60
Aug-15	87.00	60.25	86.95	62.60
Sep-15	81.50	62.80	80.75	62.20
Oct-15	80.70	71.05	80.90	72.00
Nov-15	75.90	65.00	75.00	67.40
Dec-15	72.70	62.75	73.00	63.55
Jan-16	71.00	55.75	71.00	55.35
Feb-16	59.30	48.00	58.90	48.00
Mar-16	59.60	49.05	58.50	50.00

9. Name of the debenture trustees with full contact details :-

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

- 10 Registrar and Transfer Agent: M/s. Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
 L.B.S. Marg,
 Bhandup, Mumbai 400 078
 Ph: 022-25963838 Fax: 022-25946969
 Email: rnt.helpdesk@linkintime.co.in
 Website: www.linkintime.co.in

11. Share transfer system:

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. Therefore, the investors/shareholders are requested to kindly note that physical documents, viz. Demat Request Forms (DRF) and Share Certificates, etc. should be sent by their Depository Participants (DPs) directly to the Share Transfer Agents. Any delay on the part of the DPs to send the DRF and the Share Certificates beyond 15 days from the date of generation of DRN by the DP will be rejected/cancelled. This is being done to ensure that no demat requests remain pending with the Share transfer Agents beyond a period of 21 days. Investors/shareholders should therefore, ensure that their DPs do not delay in sending the DRF and Share Certificates to the Share Transfer Agent after generating the DRN.

12. Distribution of Shareholding as on 31.03.2016:

Shareholding of Nominal Value (₹)	Shareholders		Shares Held	
	Number	% to Total	Number	% to Total
Up to 5000	18662	89.8334	2143931	6.5451
5001 – 10000	1022	4.9196	816896	2.4939
10001- 20000	513	2.4694	776814	2.3715
20001 – 30000	177	0.8520	460767	1.4067
30001 – 40000	95	0.4573	338520	1.0335
40001 – 50000	82	0.3947	384348	1.1734
50001 – 100000	115	0.5536	810318	2.4738
100001 and above	108	0.5199	27024653	82.5023
TOTAL	20774	100.00	32756247	100.00

Shareholding Pattern as on 31st March 2016:

Sl. No.	Category	No. of Shares held	Percentage
1	Promoters and Promoter Group	21255853	64.89
2	Institutional Investors i.e. MFs, FIs, banks etc	1865116	5.70
3	Bodies Corporate	1433249	4.38
4	NRIs	248191	0.75
5	General Public	7866913	24.01
6	Clearing Member / Trust	86925	0.27
	TOTAL	32756247	100.00

Equity Shares in the Suspense Account

As per Schedule V of Part F of SEBI LODR Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account which were issued pursuant to the public issue.

Sl. No.	Particulars (for the Financial Year 2015-16)	No. of Cases	No. of Equity Shares
1	Aggregate number of shareholders and the outstanding equity shares in the suspense account lying at the beginning of the year	7	1491
2	Number of shareholders who approached issuer for transfer of equity shares from suspense account during the year	--	--
3	Number of shareholders to whom equity shares were transferred from suspense account during the year	--	--
4	Aggregate number of shareholders and the outstanding equity shares in the suspense account lying at the end of the year*	7	1491

*The voting rights on the equity shares shall be frozen till the rightful owner claims such shares

Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund

During the year under review, the Company has credited ₹1,84,030.00 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.

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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 as on September 19, 2015 (date of last Annual General Meeting) on the Company's website (www.godawaripowerispat.com) and on the website of the Ministry of Corporate Affairs.

13. Dematerialization of Shares: The Company has entered into agreement with National Securities Depository Ltd. and Central Depository Services (India) Ltd. for dematerialization of its Shares.

14. Investors communication

Mr.Y.C.RAO
Company Secretary & Compliance Officer,
Godawari Power & Ispat Limited
Corporate Office: First Floor, Hira Arcade, Pandri,
Raipur, Chhattisgarh 492 001.
Tel: 0771 4082735,
E-mail: yarra.rao@hiragroup.com
Fax Number: 0771 4057601

Investors are requested to please send dividend, annual report related query/grievances etc to our Registrar's office at M/s Link Intime India Private Limited (Registrar and Transfer Agent) at Mumbai.

15. Location of Plant, Registered Office and Corporate Office:

Plant & Registered Office

428/2, Phase-I, Industrial Area, Siltara - 493111,
Dist. Raipur, Chhattisgarh, India.
Tel: +91-771-4082333; Fax: +91-771-4082234
Website: www.godawaripowerispat.com

Corporate Office

First Floor, Hira Arcade, New Bus Stand, Pandri, Raipur –
492001, Chhattisgarh, India.
Tel: +91-771-4082000; Fax: +91-771-4082732,
4057601 email: corporate@hiragroup.com

Investors Relation Centre:

Godawari Power and Ispat Limited,
A-401, Lotus Corporate Park (Graham Firth Company),
Jay Coach Signal, Off Western Express Highway,
Goregaon (East), Mumbai – 400 063, India.
Tel: +91 – 22 – 40767466 / 40767474 / 40767433;
Fax: +91 – 22 – 40767440

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 49 of the listing agreement and the said certificate is contained in this annual report.

REPORT ON CORPORATE GOVERNANCE

This chapter, read together with the information given in the chapter titled Management Discussion and Analysis constitute compliance report on Corporate Governance during 2015-16.

For and on behalf of the Board of Directors

Chairman

Place: Raipur
Date: 28.05.2016

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

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 M/s 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 2015-16 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 their 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

B.L. Agrawal
Managing Director

Sanjay Bothra
Chief Financial Officer

Place: Raipur
Dated: 28.05.2016

DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management Personnel have affirmed compliance during the financial year 2015-16 with the provisions of Code of Conduct as adopted by the Company.

B. L. Agrawal
Managing Director

Place: Raipur
Dated: 28.05.2016

AUDITORS' CERTIFICATE

(ON CORPORATE GOVERNANCE)

To
The Members of
Godawari Power and Ispat Limited
Raipur - Chhattisgarh

We have examined the compliance of conditions of Corporate Governance by M/s. Godawari Power and Ispat Limited for the year ended 31st March, 2016 as stipulated in SEBI LODR, 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 Listing Agreement.

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 **O.P. SINGHANIA & CO.**
Chartered Accountants

Place: Raipur
Date: 28.05.2016

Sanjay Singhania
Partner
(Membership No.076961)

MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY

The global economic growth remained largely subdued at 3.1% in CY15 as against the 3.4% in CY14. However, the growth in emerging economies continued to decline for 5th consecutive year.

While the United States of America (USA) witnessed a mixed year, the Euro-zone witnessed its highest growth (1.7%) since 2010. Growth in USA fell to 1.4% due to weak exports, lower domestic demand and decline in the non-residential investments. Growth in Japan fell significantly due to sharp drop in private consumption. Brazil, Middle-East and sub-Saharan Africa too fell short of expectations due to sharp fall in oil prices, decline in other commodity prices (especially metals) and geo-political/domestic conflicts. Fall in oil prices and geo-political disturbances have also affected Russia, which is already under recession. Global industrial production, particularly of capital goods, remained subdued in 2015 due to continuous depressed investment activity world-wide, primarily in energy and mining, coupled with the decline in China's manufacturing activity.

INDIAN ECONOMY

India's GDP grew by 7.6% in FY 2015-16, making it one of the world's fastest growing major economies. Interestingly, the GDP grew at 7.9% in the fourth quarter, a stellar performance. According to the data released by the Central Statistics Office, the growth in manufacturing and farm sectors during the fourth quarter accelerated to 9.3% and 2.3%, respectively. The policy initiatives of the government, low interest rates, declining fiscal deficit and moderating inflation have helped the Indian economy stay on a sustainable growth path. The growth rate is expected to touch 8% in FY 2016-17 on the back of a favourable monsoon.

GDP Growth % in various sectors:

Sectors	2013-14	2014-15	2015-16
Agriculture, forestry & fishing	3.7	1.1	1.1
Industry	4.5	5.9	6.1
Services	9.1	10.6	10.9
GDP at market prices	6.9	7.4	7.6

(Source: Advance CSO estimates)

The Indian economy, however, also faced major challenges during the year in the form of slow agricultural growth due to poor monsoons, disappointing manufacturing output due to low commodity prices and weak demand, growing NPA's and stressed assets and sharp contraction in exports due to weak global demand and low commodity prices.

India's trade deficit declined to US\$ 5.1 billion in March 2016. This was the result of fall in net imports by 21.6%. Stability in the political environment and the Government's pre-reform approach continues to strengthen the confidence of investors and entrepreneurs. Higher infrastructure spending, increased fiscal devolution to States and the focus on enhancing the ease of doing business resulted into improved investor sentiment and business outlook.

The Government's Make in India initiative has also encouraged domestic entrepreneurs to match global best practices and also attracted FDI. The Make in India initiative is expected to help the country emerge as a hub for global manufacturing bellwethers. This, together with expansion in services is expected to stimulate employment, as well as higher consumer spending.

STEEL INDUSTRY SCENARIO

GLOBAL SCENARIO

In the year 2015, global crude steel production reached 1622.8 million tonnes for the year 2015, down by 2.8% as compared to 2014.

Global steel industry continued to be impacted by large overcapacity especially in China, Japan, Korea and CIS. Though the steel production decreased in all regions except Oceania during the year, the decline in production was slower than the drop in demand. Exports from the steel surplus countries flooded the global steel markets leading to a severe pressure on supply and demand balance and steel prices. Consequently, the negatively impacted countries intensified trade remedial actions to check the surge in imports from steel surplus countries. Meanwhile, the oversupplied iron ore and coking coal market also followed the trend of the falling steel prices.

In this scenario, steel companies are likely to reduce debt, manage costs and implement operational improvements to counter the turbulence ahead. However, steel will never lose its relevance; and will remain the cornerstone for industrial and infrastructure growth.

TOP TEN STEEL PRODUCING COUNTRIES

Rank	Country	2015 (MnT)	2014 (MnT)	%2015/2014
1	China	803.8	822.8	-2.3
2	Japan	105.2	110.7	-5
3	India	89.6	87.3	2.6
4	United States	78.9	88.2	-10.5
5	Russia	71.1	71.5	-0.5
6	South Korea	69.7	71.5	-2.6
7	Germany	42.7	42.9	-0.6
8	Brazil	33.2	33.9	-1.9
9	Turkey	31.5	34.0	-7.4
10	Ukraine	22.9	27.2	-16.6

(Source: World Steel Association)

DOMESTIC SCENARIO

During 2015-16, India emerged as the world's third-largest producer of crude steel, up from eighth position in 2003. The industry growth is driven by an availability of raw materials such as iron ore and cost-effective labour.

India produced 89.6 MT crude steel in FY 2015-16, a increase of 7.7% since last year. In FY 2015-16, the country consumed 109.9 million tonnes (MT) of crude steel. The country witnessed an unprecedented inflow of cheap imports, which saw a significant increase in the last fiscal.

However, some countries including China are dumping their products in India at cheaper rates and adversely impacting the health of domestic producers. The reasons for increase in imports of steel products from China are that there is huge overcapacity in China, due to which they are exporting surplus steel even at below cost of production to growing markets like India.

In order to provide level playing field to domestic steel sector, Government has taken various measures which are as under: -

- (i) In February, 2016, Government imposed Minimum Import Price (MIP) on 173 steel products.
- (ii) In June 2015, an Anti-Dumping Duty was levied for five years on imports of certain variety of hot-rolled flat products of stainless steel.
- (iii) In September, 2015, a provisional safeguard duty of 20% was imposed on certain hot-rolled flat steel products.
- (iv) Government hiked import duty on various finished and semi-finished steel products.

The steel sector in India contributes nearly two per cent of the country's gross domestic product (GDP) and employs over 600,000 people. The per capita consumption of total finished

steel in the country rose from 51 kg in 2009-10 to about 59 kg in 2014-15. India's steel consumption for FY 2015-16 is estimated to increase by 7%, higher than 2% growth last year, due to improving economic activity.

Steel demand in India is showing signs of a rebound, after the slowdown of the last two years. Cyclicity might be at work, but key demand trends are looking encouraging as Automotive sales growth has rebounded strongly in 2015-16, the Inflation has moderated, leading to more interest rate cuts and the industrial production is improving and GDP growth rate is among the best in the world.

GOVERNMENT INITIATIVES

In order to achieve the growth target of production of 300 Million Tonnes of Steel by 2025 from the current levels, some of the recent Government initiatives are as follows:

- The Ministry of Steel is facilitating the setting up of an industry driven Steel Research and Technology Mission of India (SRTMI); in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of ₹ 200 crore.
- The Government of India plans to auction eight coal blocks with reserves of 1,143 Million Tonnes to steel and cement firms in January 2016.
- The Government has planned Special Purpose Vehicles (SPVs) with four iron ore rich states i.e., Karnataka, Jharkhand, Orissa and Chhattisgarh to set up plants having capacity between 3 and 6 MTPA.
- A Project Monitoring Group (PMG) has been constituted under the Cabinet Secretariat to fast-track various clearances/resolution of issues, related to investments of ₹ 1,000 crore (US\$ 152 million) or more.

- To increase domestic value addition and improve iron ore availability for domestic steel industry, duty on export of iron ore has been increased to 30%.
- In the Union Budget 2016-17, the Government of India has proposed to spend ₹ 2,18,000 crore on roads and railways, enhancing the demand for steel and construction materials.

PRODUCTION, CONSUMPTION AND GROWTH OF STEEL

The table below shows the trend in production for sale, import, export and real consumption of total finished steel (alloy + non-alloy) in the country for the last five years and April-December 2015-16:

Year	Total Finished Steel (alloy + non-alloy) (Million tones or mt)			
	Production for sale	Import	Export	Real Consumption
2010-11	68.62	6.66	3.64	66.42
2011-12	75.70	6.86	4.59	71.02
2012-13	81.68	7.93	5.37	73.48
2013-14	87.67	5.45	5.98	74.09
2014-15	92.16	9.32	5.59	76.99
April-December 2015-16*	67.71	8.39	2.91	58.94

Source: Joint Parliamentary Committee; *provisional

Crude steel production has shown a sustained rise since 2010-11 along with capacity. Data on crude steel production, capacity and capacity utilization during the last five years and April-December 2015-16 is given in the table below:

Year	Crude Steel		
	Capacity (mt)	Production (mt)	Capacity utilization (%)
2010-11	80.36	70.67	88
2011-12	90.87	74.29	82
2012-13	97.02	78.42	81
2013-14	102.26	81.69	80
2014-15	109.85	88.98	81
April-December 2015-16*	116.74^	67.08	77#

Source: Joint Parliamentary Committee; *provisional, ^full-year figure, #pro-rata, based on annual capacity data

- Crude steel production grew at a cumulative average growth rate (CAGR) of 6.2 % during the last five completed years ending 2014-15. This growth in production was driven by capacity expansion from 80.36 Million Tonnes in 2010-11 to 109.85 Million Tonnes in 2014-15, a growth of 8 per cent (on a CAGR basis).
- Production for sale of total finished steel stood at 92.16 Million Tonnes during 2014-15 as against 68.62 million Tonnes in 2010-11 growing at average annual growth rate of 8.7% in CAGR terms during this five-year period while real consumption at 76.99 Million Tonnes during 2014-15 grew by 5.3 per cent on CAGR basis during this period.
- India has been a net importer of total finished steel every year since 2007-08 except 2013-14. Exports grew by 11 per cent while imports by 5 per cent during the last five year period, both on a CAGR basis.

India is also a leading producer of sponge iron with a large number of coal based units, located in the mineral-rich States of the country. Over the years, the coal based route has emerged as a key contributor and accounted for 90% of total sponge iron production in the country in 2014-15 as well as during April-December 2015-16 (prov.). Capacity in the sponge iron industry has also increased over the years and stood at 46.23 Million Tonnes in 2014-15. India has been the world's largest sponge iron producer every year since 2003. The table below shows the total production of sponge iron in the country, indicating the break-up of the share of coal and gas based route of production for the last five years and April-December 2015-16:

Production of Sponge Iron (unit: Million Tonnes)						
	2010-11	2011-12	2012-13	2013-14	2014-15	April-December 2015-16*
Coal based	19.27	19.80	19.07	20.19	21.89	14.66
Gas based	6.07	5.17	3.94	2.68	2.35	1.59
Total	25.34	24.97	23.01	22.87	24.24	16.25

Source: Joint Parliamentary Committee; *provisional

India is also an important producer of pig iron. Post-liberalisation, with setting up several units in the private sector, not only imports have drastically reduced but also India has turned out to be a net exporter of pig iron. The private sector accounted for 91 per cent of total production for sale of pig iron in the country in 2014-15. The domestic availability situation of pig iron is given in the table below for the last five years and April-December 2015-16:

Pig Iron Domestic Availability Scenario ('000 Tonnes)						
	2010-11	2011-12	2012-13	2013-14	2014-15	April-December 2015-16*
Production for sale	5683	5371	6870	7950	9694	7202
Import	9	8	21	34	23	18
Export	358	491	414	943	540	216
Consumption	5296	4975	6501	7110	9057	7127

Source: Joint Parliamentary Committee; *provisional

OUTLOOK

India is expected to become the world's second largest producer of crude steel in the next few years, moving up from the third position. The country's steel industry has a significant scope for growth. The consumption of steel per capita in India is around 65 kg per year, much lower compared to the global average (235 kg), leaving significant headroom for growth. Growing investments for infrastructure, rapid growth in the industrial sector, increase in urban population, and strengthening of rural steel market can raise the country's per capita steel consumption considerably.

POWER SECTOR SCENARIO

Indian power system ranks third in electricity production globally. However, its per capita power consumption at ~1,000 units is way below world's average of ~3,000 units. One-fourth of the households in the country still have no access to electricity. The Government has realised the need to fight this energy poverty and thus FY 2015-16 saw a series of reforms including the Ujwal DISCOM Assurance Yojana (UDAY), private participation in coal mining, incentives / relaxations for the gas sector, programmes to expand share of renewable energy and comprehensive amendments to the National Tariff Policy. Though the efforts are in the right direction, realisation of gains is dependent upon speed and efficiency of action.

GENERATION OF POWER

Power generation in India grew by 5.60% during FY 2015-16. The country generated 1,107.385 billion units in FY 2015-16 as compared to 1,048.672 billion units generated in FY 2014-15. A healthy performance by thermal power stations helped the country in reporting more than 5% growth in total power

generation. Thermal power generation grew by 7.41% year-on-year (y-o-y), generating 943.407 billion units in FY 2015-16.

Type	FY 2015-16 (BU)	FY 2014-15 (BU)	% Change
Thermal	943.407	878.320	7.41
Hydro	121.341	129.244	-6.11
Nuclear	37.392	36.101	3.58
Bhutan Import	5.245	5.007	4.75
All India	1107.385	1048.672	5.60

Source: Central Electricity Authority (CEA)

GOVERNMENT INITIATIVES

The Union Cabinet has given its approval to a new scheme Ujwal Discom Assurance Yojana (UDAY) moved by the Ministry of Power. UDAY provides for the financial turnaround and revival of Power Distribution Companies (DISCOMs), and importantly also ensures a sustainable permanent solution to the problem. It envisages reducing interest burden, cost of power and AT&C losses in its endeavour to make the DISCOMs viable to supply adequate and reliable power.

KEY HIGHLIGHTS

- Improving efficiency through infrastructure development, smart metering and tracking of losses.
- Reduced losses through public participation programmes.
- Demand Side Management to reduce bills and save the environment.
- Transmission Capacity Addition for reliable power supply.

Benefits

- 24X7 Power for all.
- Electrification of all villages.
- Enable Energy Security.
- Revive investments in Power sector to create jobs.
- Almost all DISCOMs to be profitable in 2-3 years.
- Substantial savings due to efficiency improvement

NATIONAL SMART GRID MISSION

The Government of India has approved the National Smart Grid Mission (NSGM). The mission is an institutional mechanism for planning, monitoring and implementation of policies and programmes related to Smart Grid activities. The main aim is to bring efficiency in power supply network and facilitate reduction in losses and outages. The total outlay for NSGM activities for 12th Plan is ₹ 980 crore with a budgetary support of ₹ 338 crore. The major activities envisioned under NSGM are development of smart grid, development of micro grids, consumer engagements as well as training and capacity building.

INTEGRATED POWER DEVELOPMENT SCHEME (IPDS)

In a bid to facilitate State utilities to ensure quality and reliable 24X7 Power supply in urban areas, Government approved the IPDS with a total outlay of ₹ 32,612 crore including budgetary support of ₹ 25,354 crore. The main component of the scheme

is establishment of sub-transmission and distribution networks in urban areas, metering of distribution transformers/ feeders of consumers in urban areas and IT enablement of distribution sector.

DEENDAYAL UPADHYAYA GRAM JYOTI YOJANA (DUGJY)

The Ministry of Power has planned to provide electricity to 18,500 villages in three years under the Deendayal Upadhyaya Gram Jyoti Yojana (DUGJY). Out of these, 3,500 villages would receive electricity through off-grid or renewable energy solutions.

ANALYSIS AND DISCUSSIONS ON FINANCIAL PERFORMANCE

REVIEW OF OPERATING & FINANCIAL PERFORMANCE – STANDALONE

The performance of your Company during the year under review was not satisfactory due to adverse circumstances and overall slowdown in demand growth coupled with reduced realizations across the product line. The operating & financial performance of the Company during the year under review is discussed below:

Production and sales

Production

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

Products/ Division	Production in FY2016 (In MT)	Production in FY2015 (In MT)	Year-on-year growth
Iron ore mining	657328	446241	47.30 %
Iron ore pellets	1580850	1532200	3.18 %
Sponge iron	491652	381059	29.02%
Steel billets	227581	177970	27.88%
MS rounds	78213	76539	2.19%
HB wire	77873	78125	(0.32%)
Ferro alloys	13700	11403	20.14 %
Power (Units in crore)	47.73	43.42	9.93%

Iron Ore Mining:

The iron ore mining increased during the year under review by 47.30 % consequent upon commencement of mining in at Boria Tibu mines during the year. The expansion of Ari Dongri mines from capacity of 0.7 million tons to 1.4 million tons has been completed in FY16 and the expanded capacity has commenced operation in April, 2016. The Company aims to be self-sufficient in meeting iron ore requirement from captive mines.

Iron Ore Pelletisation:

The production of Iron ore pellets increased marginally during the year by 3.18%. Although we have achieved highest ever production in the combined capacity of 1.8 million tones, the capacity utilization would have been much better but owing to demand constraints & difficult market conditions, the production was cut down.

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Sponge Iron

The Company has during the year under review achieved highest ever production in the sponge iron division. The Company operated the sponge iron plant at full capacity and achieved the production volumes of 491652 MT. The production increased by 29.02% on yoy basis.

Finished Steel & Rolled Products

The production of Steel Billets increased by 27.88% on yoy basis. The utilization level in the steel billets division is expected to improve in the coming years as the Company undertaken the modernization cum balancing plan in SMS. The production in rolling mill & wire drawing divisions maintained at the same level of operations due to demand constraints. However, there is scope for improvement in capacity utilization, as & when demand conditions improve.

Ferro Alloys:

The Company is making silico manganese, used in steel making. The production of ferro alloys increased marginally by 20.14% yoy.

Captive Power:

The Company is operating 73MW 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 increased by 10% as compared to previous year.

Net sales/income from operations:

Product	FY 2016			FY 2015		
	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	948111	480.39	5067	990097	772.05	7798
Sponge iron	271627	361.53	13310	216308	409.56	18934
Steel billets	111688	251.41	22510	86333	254.62	29493
MS rounds	16853	45.56	27034	19090	65.20	34153
HB wire	78894	221.54	28081	78518	283.91	36159
Ferro alloys	10370	44.73	43139	8907	47.53	53365
Power (Units in crore)	3.42	4.97	1.45	4.09	5.41	1.32
Others		128.76			96.79	
TOTAL		1538.89			1935.05	

In fiscal 2015-16, the Company recorded net revenue of ₹ 1538.89 crores against ₹ 1935.05 crores for FY 2014-15, registering decline of 20.47% on year on year basis. The decrease in net revenues was primarily on account of the substantial fall in the realization of all the products despite significant jump in the capacity utilization levels in various division. The realization of Iron Ore Pellets, Sponge Iron, Steel Billets, MS Rounds, HB Wires and Ferro Alloys have been decreased by 35%, 30%, 24%, 21%, 22% and 19% respectively as compared to previous year without corresponding decrease in the input cost which resulted in the overall impact on the operating profitability of the Company. The trend in falling sales realization continues during the year under review due to increase in cheap imports from China, Russia etc. Looking at flood in import of finished & semi-finished steel, the Government of India imposed Minimum Import Prices (MIP) on 173 steel products for a period of 6 months up-to August, 2016, which has resulted into arresting the fall in finished steel prices. Post imposition of MIP, the finished steel prices has stabilized and in certain products, the prices have increased.

ii) Raw material consumption

The raw material cost during the year decreased to ₹ 1056.98 crores in FY16 as compared to ₹ 1271.19 Crores FY15. Although the input cost during the year gone down on account of fall in prices of major input like iron ore. The coal prices in international markets have gone down, however there was price reduction in domestic linkage coal. The open market & auction prices were down to some extent. The overall raw material cost stood at 69% of net sales as against 66% in in previous year.

iii) Operating and other expenses

The Company's operating and other expenses decreased to ₹ 231.78 crore as against ₹ 341.85 crore mainly due to reduction in fuel cost after commissioning of coal gasifier in iron ore pellet plant/ During the last fiscal i.e. FY15, the Company has incurred significant capex expenditure in palletisation division to reduce the fuel cost by installation of coal fired gasifier. The strategy has paid off well & power & fuel cost has come down from ₹ 136.38 crore in FY15 to ₹ 79.13 crore in FY16. However the operating expenses as percentage of net sales decreased by 1.70%.

iv) Employee cost

The employee cost during the year increased marginally by 1.51% to ₹ 68.45 crore compared to ₹ 67.42 crore in the previous year. The overall employee cost increased to 4.45 % of the net sales compared to 3.48% during the previous year due to reduction in the sales turnover consequent upon fall in prices.

v) Operating margins (EBIDTA)

The earning before interest, depreciation and taxes decreased to 9.83% compared to 14.46 % of net sales during the previous year due to decrease in sales turnover and reduction in realisation of various products and overall impact of fall in value of inventory consequent upon fall in steel prices.

vi) Interest and financial charges

Total expenses towards interest and bank charges increased from ₹ 144.88 crore in 2014-15 to ₹ 164.49 crore in 2015-16. The higher interest cost in FY16 was on account of additional debt raised in previous year and full utilisation of working capital limit during FY16.

vii) Depreciation

The depreciation during the year has been provided as per Revised Schedule – II under the Companies Act, 2013. Depreciation on fixed assets is almost same with a slight increase due to impact of full depreciation charge on cost of 1.2 million pellet plant.

viii) Profit before Tax (PBT)

The Company has incurred a net loss before tax and extraordinary items of ₹ 84.22 crore, as against net profit before tax (PBT) of ₹ 69.12 crore during the previous year.

ix) Provision for taxation

No provision for taxation was required to be made during the year under review.

x) Profit After Tax (PAT)

The Company registered net loss after tax of ₹ 63.39 crores as against net profit after tax of ₹ 62.11 crores during previous year.

xi) Appropriation

The Company has during the year transferred ₹3.60 crores (previous year ₹15.00 crores) from Debenture Redemption Reserve to General Reserve, consequent upon redemption of Debentures (A series & C series) to the tune of ₹ 14.58 crores during the year under review. The Company did not transfer any amount to the general reserve (Previous Year: ₹ NIL) out of surplus Profit and Loss Account.

xii) Provision for dividend and dividend tax

The Board of Directors of your Company could not recommend dividend for the year ended March 31, 2016, since the Company has registered net loss.

xiii) Fixed assets

₹ in crores

Particulars	FY16	FY15	Change	Change %
Gross block	1811.93	1736.45	75.48	4.35
Less depreciation	463.98	396.97	67.01	16.88
Net block	1347.95	1339.48	8.47	0.63
Capital WIP and pre-op expenses	165.71	108.76	56.95	52.36
Net fixed assets	1513.66	1448.24	65.42	4.52

The gross block and depreciation has increased due to capitalisation of new Gasifier plant and other items of normal capital expenditure.

xiv) Inventories

The overall value of inventory of raw materials including stock in transit increased to ₹170.59 crore as on March 31, 2016 as compared to ₹139.49 crore as on March 31, 2015. The average level of holding of raw material stood at 59 days of consumption as compared to a level of 40 days during the previous year. Raw Material inventory increased due to increase in production of Iron ore pellet consequently resulting in higher consumption of iron ore fines and fall in value of inventory on account of fall in inventory prices.

GODAWARI POWER & ISPAT LIMITED

xv) Sundry debtors

The debtors outstanding as on 31st March, 2016 were 15 days of sales as compared to 7 days in FY 15.

xvi) Short-term loans and advances

Loans and advances as on 31st March 2016 stood at ₹ 256.76 crores as against ₹ 289.10 crores on 31st March 2015, which was mainly due to advances paid for raw materials and MAT credit entitlement. Details of loans and advances were as follows:

₹ Crores		
Particulars	FY 16	FY 15
Loans and advances to subsidiary companies	56.78	11.63
Advances for RM and others	66.61	151.77
Balance with statutory authorities	58.83	51.93
MAT credit entitlement	67.46	68.92
Prepaid expenses	3.97	4.85
Advance Tax	3.11	NIL
Total	256.76	289.10

xvii) Other current liabilities

Overall current liabilities increased from ₹ 600.58 crore to ₹ 686.57 crore mainly due to an increase in trade creditors and buyer's credit for imported raw materials and increase in liability for term loan repayable during next one year. Details of current liabilities were as follows:

₹ crore		
Particulars	FY 16	FY 15
Trade payables including acceptances and buyers credit	431.46	419.80
Advances from customers	8.29	5.36
Creditors for capital goods	1.24	2.32
Current maturities of long-term borrowings	213.84	154.60
Others	31.74	18.50
Total	686.57	600.58

xviii) Secured and unsecured loans

At the end of the year, secured term loans (including non-convertible debentures) totaled ₹ 1031.89 crores as against ₹ 929.68 crore in FY 2015. The increase is owing to incremental borrowing done in year under review

mainly for modernization cum expansion in SMS facility as well as iron ore mines and partly for augmenting long term working capital of the Company.

xix) Deferred tax liabilities

The deferred tax liability as on March 31, 2016 decreased to ₹ 41.42 crores as against ₹ 63.34 crores during the previous year.

xx) Key financial indicators:

The key financial ratios of the Company are given below:

Particulars	FY16	FY15
EBITDA to net sales (%)	9.83	14.46
Profit/(Loss) after tax to sales (%)	(4.12)	3.21
Earning per share (Basic)	(19.35)	18.96
Earnings per share (Diluted)	(19.35)	18.96
Net worth per share	231.06	250.41
Current ratio	0.85:1	0.88:1
Debt-equity ratio	1.46:1	1.22:1

CONSOLIDATED FINANCIAL STATEMENTS

Financial performance

The consolidated financial results of the Company included results from the operations of subsidiary companies i.e. Ardent Steel Ltd, Hira Ferro Alloys Ltd, Godawari Green Energy Limited and other subsidiaries. The Company achieved net sales of ₹ 1803.48 crore during the year under review as compared to ₹ 2,394.98 crore during the previous year and EBITDA of ₹ 219.38 crore as compared to ₹ 418.43 crore during previous year. The EBITDA Margins decreased to 12.16% as compared to 17.47% during previous year on account of fall in realization. The Company has incurred a consolidated net loss after minority interest of ₹ 96.88 crore as compared net profit of ₹ 66.21 crore in the previous year. The operations of major subsidiary Companies are discussed below:

Godawari Green Energy Ltd (GGEL):

GGEL is operating 50MW Solar Thermal Power plant in Rajasthan. During the year under review the Company has achieved PLF of 22.19% and recorded power generation of 97.47 million units as compared to 98.78 million units in FY15. The Company has achieved net sales of ₹103.88 Crores during the year as compared to net sales of ₹ 103.19 crores recorded in previous year. The Company achieved net profit after tax of ₹ 2.61 crores as against ₹ 3.05 crores in previous year. The Company has entered into long term PPA for 25 years with NTPC Vidyut Vypar Ltd (NVVN) under JNNSM for sale of entire power at a fixed price of ₹ 12.20 per unit.

The operation of power plant is fully settled and operations are running satisfactorily as per available DNI. However the actual DNI at plant location is lower as compared to originally estimated DNI at the time of bidding for the project resulting into lower PLF. This has impacted overall revenue of the Company. In view of lower generation the Company has filed a petition before CERC for revision in tariff and the petition has been accepted by CERC. However the final hearing and disposal of petition is pending.

Hira Ferro Alloys Ltd (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 operations of HFAL remained subdued due to overall deceleration in demand for ferro alloys in the domestic and the international markets. The Company achieved net sales of ₹ 186.07 crores during the year as compared to net sales of ₹ 174.62 crores in previous year. However the Company's operations resulted into net loss of ₹ 4.90 crores on account of depressed market condition and fall in value of inventory as compared to net profit of ₹ 11.67 crores during previous year.

Ardent Steel Ltd

The Company has set up 0.6 million ton pellet plant in Orissa. The Company has achieved net sales of ₹ 158.91 crores during the year as compared to ₹ 192.85 crores in previous year. The Company recorded a net loss of ₹ 43.87 crores as compared to net loss of ₹ 6.44 crores in previous year due to fall in realization of iron ore pellets. The operations of the Company have been closed with effect from December 2015 and likely to be restarted once the market conditions for iron ore pellets improves. The Company has not been able to make payment of dues to lenders and in view of the given scenario the lenders of the Company are considering implementation of SDR scheme under the extant guidelines of RBI. The final decision is however awaited.

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.

GODAWARI POWER & ISPAT LIMITED

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.

This is the Company's project management track record: The Company has successfully commissioned its 1.20 MTPA iron ore Pelletisation plant 7 months ahead of scheduled date of commencement of commercial operations. The Company's 50 MW solar thermal power plant also achieved distinction of being the first company in India within record time much ahead of 6 other similar projects awarded by the government.

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 Chattisgarh 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 Kenjhor Dist, 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.

CSR commitment

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

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

Education initiatives

1. The Company runs a school (Akansha) for specially-abled students.
2. Conducted E-Sanskar Computer Training for tribal students.
3. Provided salary to night guard & teachers of Government Primary and Middle School of village Mandhar & Mandhar and Jharantola.
4. The Company organised education trip for the students of Govt. School Kachhe & Parrekodo.
5. Salary given to teachers of Govt. School Boria Tibbu, Kachhe & Parrekodo.

6. Construction of Smart Class Room in Kanker District
7. Tuition fee for the meritorious students of village Siltara.
8. Scholarship for higher studies to student of village Dorba.

Health initiatives

1. Operating First Aid Health Centre in the mining area.
2. Creating awareness of health, safety and environment.

Drinking water projects

1. Undertook safe drinking water projects for villages near its plants and mines.
2. Established submersible water pumps in government primary and middle schools in villages.
3. Water tankers were engaged in Piyau Hut and villages during summer season
4. Deepening and cleaning of Ponds in villages.
5. Repairing of Borewell at village Bhursapara.

Infrastructure development

1. Development of Garden & Fountain in various places in Raipur.
2. Construction and Maintenance of School Building;
3. Constructed Stage for Cultural Programmes;
4. Construction and cleaning of drains and Roads in village Kachhe and Tada;
5. Murum filling (near about 18km), Leveling & Excavation work at village Kuthrel, Pahadi Road, Navatola, Dorba, Tado, Adjaal, Kosmi, Pusewada & Dulki.
6. Maintenance of School ground in peripheral villages of Kachhe.
7. Installation of double sided wall mounted clock (Tower Watch) at Kanker Chowk

8. Installation of Street Lights at Kachhe & Parrekodo Village.
9. Reconstruction of RCC Bridge between village Jakke to Boria.

Environment

1. Expenditure incurred for maintenance of plantation, dust suppression and Horticulture & plantation.
2. Planted 5475 saplings in its project area, 1600 saplings on roadsides (covering 3 km) and 20,000 saplings planted at Siltara sub-station area, CSIDC land during 2015-16.
3. Expenditure incurred for Online Air Quality Monitoring System installed in NIT, Raipur.

Sports & other community development activities:

1. Promoted sports activities;
2. Teachers Day Celebration by Facilitating Teachers in nearby schools of Mines.
3. Repairing work and Installation of Water Pipeline in Tehsil Office, Mohala for visitors & villagers.
4. CC TV installation Rajnandgaon city.

Sanitation

1. Construction of Toilets in Dharsiwa under Clean India Mission (Swachh Bharat Abhiyan)
2. Clean India Campaign in schools & village in Kachhe & Parekodo

Women Empowerment

1. Establishment and operational Cost of Stitching and Tailoring centre.

For and on behalf of Board of Directors

Place: Raipur
Date: 28.05.2016

Chairman

GODAWARI POWER & ISPAT LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of Godawari Power & Ispat Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Godawari Power & Ispat Limited ("the Company") which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give

a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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,

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2016;
- (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

Note no. 34 which describes the uncertainty related to investments in Joint Venture Company where the allotted coal block has also been cancelled. No impairment loss has been booked in anticipation that the realizable value of the assets of the JV shall be more than the value of investment of the company. Impact is presently not ascertainable and as such cannot be commented upon by us.

Our opinion is not qualified in respect of these matters.

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 Act, we give in the Annexure – B, a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 - A.
- 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 positions in its financial statements – Refer Note no. 27 of the financial statements.
 - (ii) In our opinion and according to the explanation given to us, the Company has not entered into any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, OPSinghania & Co.
(ICAI Firm Regn.No.002172C)
Chartered Accountants

Sanjay Singhania
Partner
Membership No.076961
Raipur, 28th May, 2016

ANNEXURE - A

Re: Godawari Power & Ispat Limited

Referred to in para 2(f) of Report on Other Legal and Regulatory Requirements of our report of even date,

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls over financial reporting of Godawari Power & Ispat Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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. 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 judgement, including the assessment of the risks of material misstatement of the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 March 31, 2016, 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, OPSinghania & Co.
(ICAI Firm Regn.No.002172C)
Chartered Accountants

Sanjay Singhania
Partner
Membership No.076961
Raipur, 28th May, 2016

ANNEXURE - B

Re: Godawari Power & Ispat Limited

Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date,

- (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 11 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 loan 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 generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added 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 31st March 2016 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, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of dues	Period	Amount (₹ in lacs)	Forum where dispute is pending
Central Excise Act, 1944	Duty on Iron Ore Fines & Coal Fines	2008-09 to 2009-10	83.32	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Central Excise Act, 1944	Disallowance of Duty on Structural items	2008-09 to 2009-10	129.43	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Central Excise Act, 1944	Demand on account of Cenvat credit	2007-08	11.12	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Central Excise Act, 1944	Demand of Duty on account of Related Party transaction	2007-08 to 2008-09	63.81	Customs, Excise and Service Tax Appellate Tribunal, New Delhi
Central Excise Act, 1944	Demand of Duty on account of Related Party transaction	2006-07 to 2007-08	47.72	Customs, Excise and Service Tax Appellate Tribunal, New Delhi

Name of the Statute	Nature of dues	Period	Amount (₹ in lacs)	Forum where dispute is pending
Central Excise Act, 1944	Demand of Excise duty on clearance of Billets alleged to have manufactured from Sponge Iron alleged to have clandestinely removed by other company.	2012-13	28.12	The Commissioner (Appeals) Central Excise, Customs & Service Tax Raipur
Central Excise Act, 1944	Disallowance of Service tax credit on Security Services	2010-11 to 2011-12	7.6	The Commissioner (Appeals) Central Excise, Customs & Service Tax, Raipur
Central Excise Act, 1944	Disallowance of Service tax credit availed on Rent-a- Cab and Outdoor catering Services	2009-10 to 2013-14	8.87	The Commissioner (Appeals) Central Excise, Customs & Service Tax, Raipur
Central Excise Act, 1944	Disallowance of Service tax credit on Carbon Advisory Services	2014-15	0.79	The Commissioner (Appeals) Central Excise, Customs & Service Tax, Raipur
Central Excise Act, 1944	Disallowance of Cenvat credit on Authorized Service Station Service.	2011-12 to 2012-13	2.45	The Commissioner (Appeals) Central Excise, Customs & Service Tax, Raipur
Central Excise Act, 1944	Disallowance of Cenvat credit on Welding Electrodes	2013-14	1.24	The Commissioner (Appeals) Central Excise, Customs & Service Tax, Raipur
Central Excise Act, 1944	Disallowance of Service tax credit on Carbon Advisory Services	2009-10 to 2013-14	4.72	The Commissioner (Appeals) Central Excise, Customs & Service Tax, Raipur
Central Sales Tax	Non receipt of sales tax declaration form	2010-11	3.05	Addl. Commissioner (Appl), Commercial Taxes, Raipur
Income Tax Act, 1961	Income Tax demand in respect of disallowance made	A.Y. 2012-13	390.86	Commissioner of Income Tax (Appeals), Raipur
Income Tax Act, 1961	Disallowance made in respect of erstwhile R.R. Ispat Limited	A.Y. 2008-09	3.24	Commissioner of Income Tax (Appeals), Raipur
Income Tax Act, 1961	Penalty in respect of erstwhile Hira Industries Limited	A.Y. 2008-09	0.10	Commissioner of Income Tax (Appeals), Raipur
C.G. Commercial Tax	Commercial Tax	2002-03	1.46	Deputy Commissioner, (Appl) Commercial Taxes, Raipur
Central Sales Tax	Tax demand during extension of sales tax exemption not allowed	2007-08	14.07	Addl. Commissioner (Appl), Commercial Taxes, Raipur
C.G. Commercial Tax	Tax demand during extension of sales tax exemption not allowed	2007-08	334.38	Addl. Commissioner (Appl), Commercial Taxes, Raipur
C.G. Commercial Tax	Tax demand during extension of sales tax exemption not allowed	2006-07	65.58	Addl. Commissioner (Appl), Commercial Taxes, Raipur
Chhatisgarh 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, 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). According to the information and explanations given to us, and in our opinion, the term loans have been applied progressively for the purpose for which the loans were obtained.
- (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) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (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, OPSinghania & Co.
(ICAI Firm Regn.No.002172C)
Chartered Accountants

Sanjay Singhania
Partner
Membership No.076961
Raipur, 28th May, 2016

GODAWARI POWER & ISPAT LIMITED

BALANCE SHEET AS AT 31st MARCH 2016

Particulars	Note No.	(₹ in lacs)	
		2016	2015
EQUITY AND LIABILITIES			
Shareholders' Funds.....			
Share capital.....	3	3,275.62	3,275.62
Reserves and surplus.....	4	72,411.75	78,750.64
		75,687.38	82,026.26
Non-current liabilities			
Long-term borrowings.....	5	84,123.91	77,508.41
Deferred tax liabilities (net).....	6	4,141.58	6,333.98
Other long-term liabilities.....	7	236.64	297.84
Long-term provisions.....	8	383.46	289.21
		88,885.59	84,429.45
Current liabilities			
Short-term borrowings.....	9	27,699.28	25,882.32
Trade payables.....	10	43,146.23	41,979.53
Other current liabilities.....	10	25,511.30	18,078.02
Short-term provisions.....	8	22.78	580.18
		96,379.59	86,520.04
TOTAL.....		260,952.56	252,975.75
ASSETS			
Non-current assets			
Fixed Assets.....			
Tangible assets.....	11	126,120.68	129,684.93
Intangible assets.....	12	8,674.83	4,263.20
Capital work-in-progress.....		15,755.51	10,875.59
Intangible assets under development.....		815.28	508.40
Non-current investments.....	13	27,353.01	29,417.63
Long-term loans and advances.....	14	344.27	450.56
Other non-current assets.....	15.2	-	1,565.67
		179,063.57	176,765.97
Current assets			
Inventories.....	16	40,012.23	31,753.76
Trade receivables.....	15.1	8,989.05	11,641.76
Cash & bank balances.....	17	7,210.81	3,904.26
Short-term loans and advances.....	14	25,676.90	28,910.00
		81,888.99	76,209.78
TOTAL.....		260,952.56	252,975.75
Summary of significant accounting policies.....	2.1		

The accompanying notes are integral part of the financial statements
As per our report of even date
For **OPSinghania & CO.**
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per **Sanjay Singhania**
Partner
Membership No.076961

Place : Raipur
Date : 28.05.2016

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

B. L. Agrawal
Managing Director

Dinesh Gandhi
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2016

Particulars	Note No.	(₹ in lacs)	
		2016	2015
INCOME			
Revenue from operations (gross)	18	172,554.75	216,661.33
Less: Excise duty.....		18,666.10	23,156.13
Revenue from operations (net)		153,888.65	193,505.19
Other Income.....	19	1,226.68	1,648.88
TOTAL REVENUE (I)		155,115.33	195,154.07
EXPENDITURE			
Cost of raw material and component consumed	20	105,698.16	127,119.39
Purchase of Traded Goods.....	21	6,016.90	4,611.94
(Increase)/decrease in inventories of finished goods work-in-progress and traded goods.....	21	(1,748.59)	(5,486.93)
Employees benefits expenses	22	6,844.50	6,742.39
Other Expenses	23	23,177.55	34,185.47
Depreciation and amortization expenses	24	7,099.42	6,582.24
Finance costs	25	16,449.26	14,487.70
TOTAL EXPENDITURE (II).....		163,537.21	188,242.19
Profit/(loss) before tax		(8,421.87)	6,911.87
Tax expenses			
Current tax		- .00	1,365.00
Wealth tax		- .00	3.00
Deferred Tax		(2,192.41)	685.61
Mat Credit Entitlement		- .00	(1,356.80)
Income tax related to earlier year		109.42	3.66
Total tax expenses		(2,082.98)	700.47
Profit/(loss) for the year from continuing operations.....		(6,338.89)	6,211.41
Earnings per equity share [nominal value of share @ ₹ 10/- (31st March, 2015" ₹ 10)			
Basic	26	(19.35)	18.96
Diluted		(19.35)	18.96
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the financial statement
As per our report of even date
For **OPSinghania & CO.**
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per **Sanjay Singhania**
Partner
Membership No.076961

Place : Raipur
Date : 28.05.2016

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

B. L. Agrawal
Managing Director

Dinesh Gandhi
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

Particulars	(₹ in lacs)	
	2016	2015
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax.....	(8,421.87)	6,911.87
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization	7,099.42	6,582.24
Loss/(profit) on sale of fixed assets	(0.09)	(71.62)
Loss/(profit) on sale of non-current investments	(11.42)	(73.78)
Provision for gratuity	91.69	102.54
Interest Expenses	16,449.26	14,487.70
Interest Income	(1,139.60)	(1,022.81)
Dividend Income	(60.25)	(438.73)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES.....	14,007.15	26,477.41
Movements in working capital :		
Increase/(decrease) in trade payables.....	1,166.71	22,869.56
Increase/(decrease) in other long-term liabilities.....	(61.20)	(23.12)
Increase/(decrease) in other current liabilities	1,509.00	(941.45)
Decrease/(increase) in trade receivables	2,652.72	(3,934.82)
Decrease/(increase) in inventories	(8,258.47)	(3,339.44)
Decrease/(increase) in long-term loans and advances.....	106.29	(1.84)
Decrease/(increase) in short-term loans and advances.....	3,543.63	(2,685.64)
Decrease/(increase) in other non-current assets	1,565.67	(679.67)
Cash generated from/(used in) operations.....	16,231.49	37,741.00
Direct taxes paid (net of refunds).....	(647.24)	(1,198.80)
Net Cash flow from/(used in) operating activities	15,584.25	36,542.20
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including intangible assets and CWIP	(13,697.46)	(20,972.38)
Proceeds from sale of fixed assets	563.96	87.80
Proceeds from sale of non-current investments	2,098.74	133.34
Increase in non-current investments	(22.70)	(588.59)
Investments in bank deposits (having original maturity of more than three months)	(2,116.07)	(2,028.75)
Interest received.....	1,139.60	1,022.81
Dividends received	60.25	438.73
NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES	(11,973.69)	(21,907.05)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

Particulars	(₹ in lacs)	
	2016	2015
CASH FLOWS FROM FINANCING ACTIVITIES		
Redemption of debenture	(1,458.33)	(7,455.00)
Proceeds from long-term borrowings	28,474.20	22,656.74
Repayment of long-term borrowings	(14,476.08)	(11,598.41)
Proceeds from short-term borrowings	1,816.96	-
Repayment of short-term borrowings	-	(2,987.21)
Interest paid	(16,449.26)	(14,487.70)
Dividends paid on equity shares	(327.56)	(327.56)
Net cash flow from/(used in) financing activities	C (2,420.08)	(14,199.15)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	1,190.48	436.00
Cash and Cash Equivalents at the beginning of the year	1,402.88	966.88
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	2,593.36	1,402.88
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash in hand	32.78	16.43
With banks- on current account	2,544.02	823.66
- on deposit account	-	545.06
- on unpaid dividend account*	16.56	17.73
	2,593.36	1,402.88

Notes :

- Interest charges excludes interest capitalised ₹1591.14 lacs (previous year ₹ 997.91 lacs).
- *The company can utilize these balances only toward settlement of the respective unpaid dividend.

As per our report of even date
For **OPSinghania & CO.**
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per **Sanjay Singhania**
Partner
Membership No.076961

Place : Raipur
Date : 28.05.2016

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

B. L. Agrawal
Managing Director

Dinesh Gandhi
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

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. It's shares are listed on two stock exchanges in India. The company is mainly engaged in generation of electricity, Iron ore mining and manufacturing of Iron Ore Pellets, Sponge Iron, Steel Billets, Wire Rods, H.B. Wire and Ferro Alloys.

2. Basis of preparation

- i) The financial statements are prepared in accordance with the generally accepted accounting principles under the historical cost convention, on going concern concept and in compliance with the accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and guidelines issued by the Securities and Exchange Board of India (SEBI).
- ii) The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- iii) The accounting policies have been consistently applied by the Company are consistent with those used in the previous year.

2.1 Summary of significant accounting policies

a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

b) Tangible Fixed Assets

Tangible Fixed Assets are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight, installation and other direct or allocated expenses upto the date of commencement of commercial production and are net of CENVAT credit.

From accounting periods commencing on or after 7 December, 2006, the company adjusts exchange differences arising on translation/settlement of long term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The various expenditure incurred during the construction stage and upto the date of commencement of commercial production for setting-up the relevant project-assets are grouped under the head "Pre-operative Expenditure" and allocated to related fixed assets on pro-rata basis upon completion of project and put to use.

Expenditure incurred on obtaining the mining lease and initial removal of over burden have been capitalised under Iron Ore Mines account.

c) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period items and Changes in Accounting Policies.

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 recognized in the statement of profit and loss when the asset is derecognized.

d) Depreciation on tangible fixed assets and amortization of intangible assets

- i) Depreciation 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

- ii) Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis.
- iii) Free-hold land and site & land development cost are not depreciated. Leasehold land is amortised annually on the basis of tenure of lease period.
- iv) Expenditure incurred on iron ore mining are amortised over useful life of the mines or lease period whichever is shorter.
- v) Intangible assets are amortized over technically useful life of the assets.
- e) Investments :
 - i) Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such is other than temporary, in the opinion of the management.
 - ii) Current Investments are stated at lower of cost/quoted fair value, computed categorywise.
- f) Inventories :
 - i) Inventories are valued at lower of cost and net realizable value, after providing for obsolesces, if any.
 - ii) Cost of Raw Materials and stores & spares, Finished Goods & Goods in Process are computed on Moving Weighted average basis.
 - iii) Cost of Finished Goods and Goods in Process includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.
 - iv) Proceeds in respect of sales/disposal of raw materials is credited to the raw material purchases.
- g) Excise Duty
 - i) The Excise Duty in respect of closing inventory of finished goods is provided in books of account and included as part of inventory.
 - ii) CENVAT Credit relating to raw materials/components are debited under current assets for availing credit against CENVAT and credited to respective materials/component account.
- 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.

 - i) Sale of Products

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty and sales tax/VAT deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arising during the year.
 - ii) Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
 - iii) Dividends

Dividend income is recognised when the company's right to receive payment is established by the reporting date.
 - iv) Carbon Credits

Revenue is recognised when the company received certification of quantity of CERs/VERs from CDM Board.
 - v) Renewable Energy Certificates

Revenue is recognised when the company received certification of quantity of Renewable Energy Certificates and on the basis of eligible claims made by the company.
- i) Borrowing Cost

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of fixed assets are capitalized only with respect to qualifying fixed assets i.e. those which take substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.
- j) Contingent Liabilities

Liabilities which are material and whose future outcome cannot be reasonably ascertained are treated as contingent and not provided for and disclosed by way of notes to the accounts.
- k) Taxes on Income

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

l) Foreign Currency Transactions

- i) Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate prevailing as on the date of transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. Non-monetary items which are carried in terms of historical cost denominating in a foreign currency are reported using the exchange rate at the date of transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values are determined.

iii) Exchange differences

The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

- 1 Exchange differences arising on a monetary item that, in substance, forms part of the company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognised as income or as expenses in the same period in which the gain or loss on disposal is recognized.
- 2 Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset. For this purpose, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.
- 3 Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
- 4 All other exchange differences are recognized as income or as expenses in the period in which they arise.

For the purpose of 2 and 3 above, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated 09 August 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

- iv) All loans and deferred credits repayable in foreign currency and outstanding at the close of the year are expressed in Indian currency at the appropriate rates of exchange prevailing as on the date of the balance sheet, except in cases where these borrowings are covered by forward exchange contracts. Any increase or reduction in these liabilities are booked to revenue.
- v) In respect of transactions covered by Forward Foreign Exchange Contracts, the difference between the forward rate and exchange rate at the inception of contract is recognized as income or expenses over the life of the contract.

m) Derivatives Transactions

The company uses derivative financial instruments, such as, foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. It also uses interest rate swaps to hedge interest rate risk arising from variable rate loans. The company designates these forward contracts and interest rate swaps in a hedging relationship by applying the hedge accounting principles of AS 30 Financial Instruments: Recognition and Measurement.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

- n) Retirement and other Employee Benefits
- i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.
 - ii) Gratuity Liability is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
 - iii) Value of encashable leave are encashed during the year and charged to the statement of Profit & Loss.
 - iv) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.
- o) Provisions
- Provisions are recognised, where the company has any legal or constructive obligation or where reliable estimate can be made for the amount of the obligation and as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- p) Impairment of Tangible and Intangible Assets
- The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to statement of profit & loss. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.
- q) Treatment of Share Issue Expenses
- Share issue expenses is charged, first against available balance in securities premium account and balance, if any, charged to revenue.
- r) Cash and Cash equivalents
- Cash and Cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.
- s) Segment Reporting Policies
- Identification of segments :
- The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.
- 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.
- t) 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.

GODAWARI POWER & ISPAT LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

3. SHARE CAPITAL

Particulars	(₹ in lacs)	
	2016	2015
Authorised		
49,800,000 (49,800,000) equity shares of ₹ 10/- each	4,980.00	4,980.00
3,200,000 (3,200,000) preference shares of ₹ 10/- each	320.00	320.00
	5,300.00	5,300.00
Issued, subscribed and fully paid-up		
32,756,247 (32,756,247) equity shares of ₹10/- each fully paid-up	3,275.62	3,275.62

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

Particulars	2016		2015	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period.....	32756247	3,275.62	32756247	3,275.62
Issued during the period	-	-	-	-
Outstanding at the end of the period.....	32756247	3,275.62	32756247	3,275.62

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.

During the year ended 31st March, 2016, the amount of per share dividend recognized as distributions to equity shareholders was ₹ Nil as proposed final equity dividend (31st March, 2015 : ₹1.00 as proposed final equity dividend).

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. Details of shareholders holding more than 5% shares in the company:

Particulars	2016		2015	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹10/- each fully paid				
ICICI Prudential Value Discovery Fund.....	1196754	3.65	1865927	5.70
Hira Infra-tek Limited	1790652	5.47	1790652	5.47
Dinesh Agrawal	1846347	5.64	1846347	5.64
B.L. Agrawal	1731398	5.29	1731398	5.29
	6565151	20.04	7234324	22.09

4. RESERVES AND SURPLUS

Particulars	(₹ in lacs)	
	2016	2015
Reserves and Surplus		
Capital Reserve		
Balance as per last financial statements.....	1,695.36	1,695.36
	1,695.36	1,695.36
Debenture Redemption Reserve		
Balance as per last financial statements.....	2,375.00	3,875.00
Less: Transfer to General Reserve.....	360.00	1,500.00
	2,015.00	2,375.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

4. RESERVES AND SURPLUS (CONTD)

Particulars	(₹ in lacs)	
	2016	2015
Securities Premium Reserve		
Balance as per last financial statements.....	17,842.05	17,842.05
	17,842.05	17,842.05
General Reserve		
Balance as per last financial statements.....	15,391.00	13,891.00
Add: Amount transferred from Debenture Redemption Reserve	360.00	1,500.00
	15,751.00	15,391.00
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements.....	41,447.23	35,853.40
Add : Profit/(loss) for the year.....	(6,338.89)	6,211.41
Less : Appropriations.....		
Proposed final equity dividend (Amount per share ₹Nil (31 March 2015:₹ 1.00)	-	327.56
Tax on proposed equity dividend	-	54.42
Adjustment for Fixed Assets where Usefull life is nil as per Schedule-II (Net of taxes).....	-	235.59
Total appropriations	-	617.57
Net surplus in the statement of profit and loss	35,108.34	41,447.23
Total reserves and surplus.....	72,411.75	78,750.64

5. LONG-TERM BORROWINGS

Particulars	(₹ in lacs)			
	Non-current portion		Current maturities	
	2016	2015	2016	2015
Debentures				
450 (31 March, 2015: 450) A Series 12% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured).....	-	4,166.67	4,166.67	333.33
200 (31 March, 2015: 200) B Series 12.75% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured).....	2,000.00	2,000.00	-	-
188 (31 March, 2015: 300) C Series 12.90% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured).....	375.00	1,875.00	1,500.00	1,125.00
Term Loans				
Indian rupee loan from banks (secured).....	50,013.81	36,447.03	10,185.75	9,091.00
Foreign currency loan from banks (secured).....	29,006.29	32,596.55	5,414.51	4,728.37
Other loans and advances				
Other loans from bank and financial institution(secured)	406.81	423.16	117.25	182.19
From body corporates (unsecured)	2,322.00	-	-	-
	84,123.91	77,508.41	21,384.17	15,459.89
The above amount includes				
Secured borrowings	81,801.91	77,508.41	21,384.17	15,459.89
Unsecured borrowings	2,322.00	-	-	-
Amount disclosed under the head.....				
"other current liabilities" (refer note 10)			(21,384.17)	(15,459.89)
Net amount	84,123.91	77,508.41	-	-

Security and terms & conditions for above loans:

- 12% redeemable non-convertible debentures 'A' Series are redeemable in 3 half yearly installments commencing from 31st Dec 2015. The 'A' Series Debentures are secured by First Pari passu charge on the fixed assets of the Company both present & future and 2nd pari passu charge on the current assets of the Company both present & future.
- 12.75% redeemable non-convertible debentures 'B' Series are redeemable in a single Bullet repayment at the end of 7 years i.e. 29th Sept, 2018 with a put & call option at the end of 5th year i.e. on 29th October, 2016. The 'B' Series Debentures are secured by Pari passu first charge on the tangible fixed assets of the Company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

- c. 12.90% redeemable non-convertible debentures 'C' Series are redeemable in 8 quarterly installments of ₹ 3.75 crores starting from 5th July 2015. The 'C' Series Debentures 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.
- d. The rupee term loans aggregating to ₹ 602.00 Cr (Previous year ₹ 455.38 Cr) (including current maturities of ₹ 103.42 Cr (Previous year ₹ 90.94 Cr) classified under 'current liabilities' in note 10) 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.
- e. The foreign currency term loan (ECB) of USD 10.00 Million sanctioned by Bank of Baroda aggregating to ₹ Nil (Previous year ₹15.62 Cr) (including current maturities of ₹ Nil (Previous year ₹ 15.62 Cr) classified under 'current liabilities' in note 10) 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. This Loan is also secured by personal guarantee of promoter directors of the Company & their relatives.
- f. The foreign currency term loan (ECB) of USD 60.00 Million sanctioned by Axis Bank Limited aggregating to ₹ 344.21 Cr (Previous year ₹ 357.63 Cr) (including current maturities of ₹54.12 Cr (Previous year ₹ 31.66 Cr) classified under 'current liabilities' in note 10) are secured by a first pari passu charge over immovable and movable fixed assets of the company, both present and future. This Loan is also secured by personal guarantee of the Managing Director of the Company.
- g. Maturity profile of Debenture and term loans (secured) are as set out below :-

	Maturity Profile (₹ in Crores)				
	0-1 years	1-2 years	2-3 years	3-4 years	Beyond 4 years
Rupee Term Loans	158.52	92.09	109.32	92.82	147.68
Foreign Currency Term Loans	54.15	85.09	112.16	92.81	-

- h. Other loans from banks and financial institution are secured by hypothecation and mortgage of specific assets from various banks.
- i. Other loans bearing interest @9% from body corporates are repayable after more than one year.

6. DEFERRED TAX LIABILITIES

Particulars	(₹ in lacs)	
	2016	2015
Deferred Tax Liability		
Fixed assets : Impact of difference between tax depreciation and depreciation charged for the financial reporting	14,334.81	12,978.39
Deferred Tax Assets		
Provision for gratuity	125.53	106.92
Unabsorbed depreciation and losses carry forward	10,067.70	6,537.49
Net deferred tax liabilities	4,141.58	6,333.98

7. OTHER LONG-TERM LIABILITIES

Particulars	(₹ in lacs)	
	2016	2015
Retention money payable.....	236.64	297.84
	236.64	297.84

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

8. PROVISIONS

(₹ in lacs)

Particulars	Long-term		Short-term	
	2016	2015	2016	2015
Provision for employee benefits				
Provision for gratuity (refer note-38).....	383.46	289.21	22.78	25.34
	383.46	289.21	22.78	25.34
Other Provisions				
Provision for taxation (net of advance)				
Proposed equity dividend			-	172.86
Provision for tax on proposed equity dividend			-	327.56
			-	54.42
	-	-	-	554.84
	383.46	289.21	22.78	580.18

9. SHORT-TERM BORROWINGS

(₹ in lacs)

Particulars	2016	2015
Cash Credit facility from banks (secured).....	27,699.28	25,882.32
The above amount includes	27,699.28	25,882.32
Secured borrowings	27,699.28	25,882.32

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.

10. OTHER CURRENT LIABILITIES

(₹ in lacs)

Particulars	2016	2015
Trade payables (including acceptances (refer note 37 for details of dues for micro and small enterprises).....	43,146.23	41,979.53
Other liabilities		
Current maturities of long-term borrowings (secured) (refer note-5)	21,384.17	15,459.89
Interest accrued but not due on borrowings	605.95	621.88
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend.....	16.56	17.73
Other Payable	2,551.43	1,209.82
Advances from Customer.....	829.10	536.28
Creditors for capital goods.....	124.08	232.42
	68,657.53	60,057.54

GODAWARI POWER & ISPAT LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

11. TANGIBLE ASSETS

(₹ in lacs)

Particulars	Freehold Land	Leasehold Land	Site & Land Development	Factory Shed & Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Total
Cost or valuation								
At 1 April 2014.....	3,510.48	70.28	1,370.30	20,900.21	127,841.83	300.57	709.93	154,703.60
Additions.....	95.80	-	18.07	1,907.61	9,720.39	56.87	152.46	11,951.20
Disposals.....	6.25	-	-	-	0.57	-	52.19	59.01
Other adjustments.....								-
- Exchange differences.....	-	-	-	-	1,583.09	-	-	1,583.09
- Borrowing costs.....	-	-	-	18.04	343.72	-	-	361.76
At 31 March, 2015.....	3,600.02	70.28	1,388.38	22,825.86	139,488.45	357.44	810.20	168,540.64
Additions.....	106.52	84.61	-	115.65	1,141.30	5.69	44.84	1,498.62
Disposals.....	2.71	-	18.29	-	885.95	-	55.87	962.82
Other adjustments.....								-
- Exchange differences.....	-	-	-	-	2,157.06	-	-	2,157.06
- Borrowing costs.....	-	-	-	-	21.00	-	-	21.00
At 31 March, 2016.....	3,703.83	154.89	1,370.09	22,941.52	141,921.86	363.14	799.17	171,254.50
Depreciation								
At 1 April 2014.....	-	8.21	-	1,688.20	30,217.47	91.60	250.43	32,255.92
Charge for the year.....	-	0.05	-	1,007.51	5,124.19	42.62	111.35	6,285.71
(Disposals)/Adjustment.....	-	-	-	2.56	351.58	3.23	(43.30)	314.07
At 31 March, 2015.....	-	8.26	-	2,698.27	35,693.24	137.46	318.47	38,855.71
Charge for the year.....	-	1.00	-	1,123.52	5,414.59	43.51	94.45	6,677.07
(Disposals)/Adjustment.....	-	-	-	-	362.87	-	36.09	398.96
At 31 March, 2016.....	-	9.26	-	3,821.80	40,744.96	180.97	376.84	45,133.82
Net Block								
At 31 March, 2015.....	3,600.02	62.02	1,388.38	20,127.59	103,795.21	219.98	491.73	129,684.93
At 31 March, 2016.....	3,703.83	145.64	1,370.09	19,119.72	101,176.90	182.17	422.33	126,120.68

Capitalized borrowing costs

The borrowing cost capitalized during the year ended 31st March, 2016 was ₹ 21.00 lacs (31st March, 2015: ₹ 361.76 lacs). The company capitalized the borrowing cost in the capital work-in-progress (CWIP) ₹ 1458.32 lacs (31st March, 2015: ₹ 636.15 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.

Exchange differences on long term foreign currency monetary items

Pursuant to the option granted by Clause 46A of the AS-11 (as amended vide notification dt.29.12.2011), the Company during the year added ₹ 2157.06 lacs (31st March, 2015: ₹ 1583.09 lacs) to the cost of assets, being the exchange differences of long term foreign currency monetary items relating to acquisition of assets. This amount is to be depreciated over the balance life of the assets.

12. INTANGIBLE ASSETS

(₹ in lacs)

Particulars	Computer software	Iron Ore Mines	Total
Gross Block			
At 1 April 2014.....	265.98	2,628.64	2,894.62
Purchase/additions.....	-	2,210.05	2,210.05
At 31 March, 2015.....	265.98	4,838.69	5,104.68
Purchase/additions.....	-	4,722.17	4,722.17
Other adjustments			
- Borrowing costs.....	-	111.82	111.82
At 31 March, 2016.....	265.98	9,672.68	9,938.66
Amortization			
At 1 April 2014.....	124.58	420.38	544.95
Charge for the year.....	29.36	267.17	296.53
At 31 March, 2015.....	153.93	687.55	841.48
Charge for the year.....	29.34	393.01	422.35
At 31 March, 2016.....	183.27	1,080.56	1,263.83
Net Block			
At 31 March, 2015.....	112.05	4,151.15	4,263.20
At 31 March, 2016.....	82.71	8,592.12	8,674.83

Capitalized borrowing costs

The borrowing cost capitalized during the year ended 31st March, 2016 was ₹ 111.82 lacs (31st March, 2015: ₹ Nil).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

13. NON-CURRENT INVESTMENTS

Particulars	(₹ in lacs)	
	2016	2015
Trade investments (valued at cost)		
Investment in subsidiaries		
Unquoted equity instruments, fully Paid up		
0 (1,00,41,000) equity shares of ₹ 10/- each in Hira Ferro Alloys Ltd.	-	2,363.74
*1,47,47,000 equity shares of ₹10/- each in Godawari Green Energy Ltd.....	14,702.00	14,702.00
11,800,000 equity shares of ₹10/- each in Godawari Energy Ltd.	1,180.00	1,180.00
50,000 equity shares of ₹10/- each in Godawari Clinkers & Cement Ltd.....	5.00	5.00
75,00,000 equity shares of ₹10/- each in Ardent Steel Ltd.	4,425.00	4,425.00
50,000 equity shares of ₹10/- each in Godawari Integrated Steels (I) Ltd.	5.00	5.00
50,000 equity shares of ₹10/- each in Krishna Global Minerals Ltd.	5.00	5.00
Unquoted Preference instruments, fully Paid up		
31,00,000 (49,00,000 9% Optionally Convertible Cumulative Preference Shares of ₹100/- each in Godawari Green Energy Ltd.	3,100.00	4,900.00
Investment in joint ventures		
Investment in equity instruments, fully Paid up (unquoted).....		
1,30,700 equity shares of ₹ 10/- each in Raipur Infrastructure Company Ltd	210.70	210.70
3,42,824 (4,57,098) equity shares of ₹ 10/- each in Chhattisgarh Capitive Coal Mining Ltd	473.54	631.38
16,940 (0) equity shares of Rs 10/- each in Godawari Natural Resources Ltd.	1.69	1.69
Investment in associates		
Investment in equity instruments, fully Paid up (unquoted)		
94,91,000 equity shares of ₹ 10/- each in Hira Ferro Alloys Ltd.	2,234.26	-
26,05,000 equity shares of ₹ 10/- each in Jagdamba Power & Alloys Ltd.....	260.50	260.50
28,10,000 equity shares of ₹ 10/- each in Chhattisgarh Ispat Bhoomi Ltd	489.40	476.70
Trade investments (valued at cost)		
Investment in equity instruments, fully Paid up (unquoted)		
22,40,100 equity shares of ₹10/- each in Hira Steels Limited.....	224.01	224.01
14,000 equity shares of ₹ 10/- each in Hira Energy Ltd.....	1.40	1.40
10,000 equity shares of ₹10/- each in Shourya Diamonds Ltd	1.00	1.00
Investment in mutual fund, fully Paid up (unquoted)		
19,990 units of ₹10/- each in Baroda Pioneer Mutual Fund.....	2.00	2.00
34349.375 (0) units of Axis Long Term Equity Fund - Growth	10.00	-
Investment in Trust created on amalgamation		
GPIL Beneficiary Trust	22.50	22.50
	27,353.01	29,417.63
Aggregate Amount of unquoted investments	27,330.51	29,395.13
Investment given as security		

* Out of 14747000 equity shares, 7520970(7520970) equity shares pledged for the credit facilities sanctioned to subsidiary company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

14. LOANS AND ADVANCES (unsecured, considered good)

Particulars	(₹ in lacs)			
	Non-current		Current	
	2016	2015	2016	2015
Loans and advances to subsidiary companies (refer note- 31)			5,678.07	1,163.00
Advances recoverable in cash or in kind			6,661.22	15,177.01
Other loans and advances			-	
Prepaid expenses			397.38	485.14
MAT Credit Entitlement			6,746.35	6,892.41
Advance Tax (Net of provision)			310.54	
Balance with statutory/govt. authorities			5,883.34	5,192.44
Security deposit with govt. & others	344.27	450.56	-	-
Total	344.27	450.56	25,676.90	28,910.00

15. TRADE RECEIVABLES AND OTHER ASSETS

		(₹ in lacs)	
15.1 TRADE RECEIVABLES		Current	
Particulars		2016	2015
Unsecured, considered good unless stated otherwise			
Outstanding for a period exceeding six months from the date they are due for payment.....		884.37	958.13
Other receivables		8,104.68	10,683.64
Total		8,989.05	11,641.76
15.2 OTHER ASSETS		Non-current	
Particulars		2016	2015
Unsecured, considered good unless stated otherwise			
Non-current bank balances (refer note-17)		-	1,566
		-	1,566

16. INVENTORIES (valued at lower of cost and net realizable value)

Particulars	(₹ in lacs)	
	2016	2015
Raw Materials and components incl. stock in transit ₹318.29 lacs (PY Nil) (refer note 20)	17,058.71	13,948.65
Work-in-progress (refer note 21)	318.93	238.42
Finished goods & by-products (refer note 21)	11,492.94	11,213.23
Traded goods (refer note 21)	1,435.08	46.70
Stores & spares	9,706.58	6,306.76
	40,012.23	31,753.76

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

17. CASH AND BANK BALANCES

Particulars	Non-current		Current	
	2016	2015	2016	2015
(₹ in lacs)				
Cash and cash equivalents				
Balances with banks:				
On current accounts			2,544.02	823.66
Deposits with original maturity of less than three months			-	545.06
Unpaid dividend account			16.56	17.73
Cash on hand			32.78	16.43
			2,593.36	1,402.88
Other bank balances				
Deposits with original maturity for more than 12 months	-	1,565.67		-
Deposits with original maturity for more than 3 months but less than 12 months.....			4,617.45	2,501.38
	-	1,565.67	4,617.45	2,501.38
Amount disclosed under non-current assets (note 15.2)	-	1,565.67		
	-	-	7,210.81	3,904.26

Out of total Deposits, deposits of ₹4617.45 lacs (previous year ₹4612.11 lacs) are pledged with various banks for availing LC, Bank Guarantee, OD facilities, margin money and pledged with other Govt. Departments.

18 REVENUE FROM OPERATIONS

Particulars		
	2016	2015
(₹ in lacs)		
Revenue from operations		
Sale of products		
Manufacturing Goods and By-Products.....	168,516.88	210,772.62
Electricity.....	596.33	540.65
Traded Goods.....	3,121.51	4,677.11
Sale of services.....	40.95	33.06
Other operating revenue		
Sale of REC Certificate	279.08	637.89
Revenue from operations (gross)	172,554.75	216,661.33
Less: Excise duty#.....	18,666.10	23,156.13
Revenue from operations (net).....	153,888.65	193,505.19

Excise duty on sales amounting to ₹1866609792/- (31st March, 2015: ₹2315613415/-) has been reduced from sale in profit & loss account and excise duty on increase/decrease in stock amounting to (₹19751326/-) (31st March, 2015: ₹44195819/-) has been considered as (income)/expense in note 23 of financial statements.

Details of products sold

Particulars		
	2016	2015
(₹ in lacs)		
Finished Goods and by-products Sold		
Pellet	54,046.39	86,757.00
Sponge Iron	40,672.43	46,023.50
Steel Billets	27,125.22	28,614.02
H.B.Wire.....	24,922.72	31,902.43
M.S.Round in Coil.....	8,553.66	7,326.84
Ferro Alloys.....	5,032.52	5,341.38
Electricity.....	596.33	540.65
By-Products & Others	8,443.02	5,445.34
Traded Goods Sold		
Coal.....	3,121.51	4,649.24
Scrap & other materials.....	-	27.87
	172,513.80	216,628.26

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

Details of products sold (contd)

Particulars	(₹ in lacs)	
	2016	2015
Details of services rendered		
Job Work & Other Services	40.95	33.06
	40.95	33.06

19. OTHER INCOME

Particulars	(₹ in lacs)	
	2016	2015
Interest Income on		
Bank Deposits	333.27	260.68
Others	806.33	762.13
Dividend Income		
- From Subsidiary Companies	-	360.25
- From Others	60.25	78.48
Profit on sale of non-current Investments	11.42	73.78
Profit on sale of fixed assets	0.09	71.62
Other non-operating income (net of expenses directly attributable to such income)	15.33	41.94
	1,226.68	1,648.88

20. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Particulars	(₹ in lacs)	
	2016	2015
Inventory at the beginning of the year	13,926.96	16,530.18
Add: purchases	108,829.90	124,516.17
	122,756.86	141,046.35
Less : Inventory at the end of the year	17,058.71	13,926.96
Cost of raw material and components consumed	105,698.16	127,119.39

Details of raw material and components consumed

Particulars	(₹ in lacs)	
	2016	2015
Iron Ore & Fines	48,972.41	61,409.95
Coal	27,017.58	24,627.24
Pig Iron & Scrap	11,669.08	9,294.88
M.S.Round (in Coils)	1,742.78	18,709.98
Manganese Ore	2,127.22	2,159.07
Steel Billets	2,357.06	2,967.74
Rice Husk	4,334.16	4,060.74
Others	7,477.85	3,889.80
	105,698.16	127,119.39

Details of Inventory

Particulars	(₹ in lacs)	
	2016	2015
Raw Material and Components		
Iron Ore & Fines	1,204.32	8,390.22
Coal	263.27	3,870.25
Pig Iron & Scrap	21.42	365.96
M.S.Round (in Coils)	26.83	108.82
Manganese Ore	41.91	556.02
Steel Billets	80.84	81.84
Rice Husk	7.72	62.56
Others	59.55	491.28
	1,705.87	13,926.96

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

21. (INCREASE)/DECREASE IN INVENTORIES

Particulars	2016	2015	(₹ in lacs)
			(Increase)/ Decrease
			2016
Inventories at the end of the year			
Finished goods and by-products	11,492.94	11,213.23	(279.71)
Work-in-progress	318.93	238.42	(80.50)
Traded goods	1,435.08	46.70	(1,388.38)
	13,246.94	11,498.35	(1,748.59)
Inventories at the beginning of the year			2015
Finished goods and by-products	11,213.23	5,682.94	(5,530.28)
Work-in-progress	238.42	159.86	(78.56)
Traded goods	46.70	168.61	121.91
	11,498.35	6,011.42	(5,486.93)
Net (increase)/decrease in inventories	1,748.59	5,486.93	

Details of purchase of traded goods

Particulars	2016	2015
Coal.....	6,016.90	4,589.62
Scrap & Others.....	-	22.32
	6,016.90	4,611.94

Details of Inventories

Particulars	2016	2015
Traded goods		
Scrap & Others.....	1,435.08	46.70
	1,435.08	46.70
Work-in-progress		
Equipments.....	318.93	238.42
	318.93	238.42
Finished goods and by-products		
Pellet	1,557.49	3,701.93
Sponge Iron	2,405.31	980.49
Steel Billets	400.48	1,039.65
H.B.Wire	362.41	664.70
M.S.Round in Coil.....	849.92	166.34
Ferro Alloys.....	70.29	79.70
By-Products & Others	5,847.04	4,580.41
	11,492.94	11,213.23

22. EMPLOYEE BENEFITS EXPENSES

Particulars	2016	(₹ in lacs)
		2015
Salaries, wages and bonus	6,099.22	5,822.57
Contribution to provident and other fund	359.15	330.87
Gratuity Expense.....	132.53	120.58
Workmen and staff welfare expenses	253.61	468.36
	6,844.50	6,742.39

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

23. OTHER EXPENSES

Particulars	(₹ in lacs)	
	2016	2015
Consumption of stores and spares	6,020.85	8,585.49
(Increase)/decrease of excise duty on inventory.....	(197.51)	441.96
Grid Parallel operation charges.....	240.98	220.89
Power & Fuel	7,671.87	13,417.31
Water Charges.....	359.98	441.75
Other manufacturing expenses	3,789.33	4,623.85
CDM Expenses.....	32.24	47.13
Rent.....	82.82	74.98
Rates and taxes.....		
- Entry tax.....	100.56	211.98
- Excise duty.....	49.66	182.41
- Electricity duty cess.....	2.19	9.01
- Others	49.98	13.51
Insurance	76.04	67.52
Repairs and maintenance.....		
- Plant and machinery	839.45	929.34
- Buildings.....	525.99	675.32
- Others	141.77	215.54
Rebate, shortage claims & other deductions.....	544.51	855.51
Commission.....		
- Other than Sole selling agents	331.92	295.75
Travelling and conveyance.....	398.75	632.02
Communication expenses	87.52	124.70
Printing and stationery.....	40.97	27.80
Legal and professional fees	279.51	215.86
Directors' sitting fees	10.00	10.90
Directors' remuneration	108.50	74.00
Payment to Auditor (Refer details below)	19.63	15.85
Frieght and forwarding charges	77.85	140.69
Security service charges.....	290.31	282.64
Loss on foreign exchange fluctuation	-	89.09
Corporate Social Responsibility.....	387.14	456.49
Miscellaneous expenses	814.78	806.18
	23,177.55	34,185.47
Payment to Auditor	2016	2015
As auditor :		
Audit fee	17.63	14.10
Tax Audit fee	1.25	1.00
In other capacity		
Taxation matters.....	0.75	0.75
	19.63	15.85

24. DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	(₹ in lacs)	
	2016	2015
Depreciation on tangible assets.....	6,677.07	6,285.71
Amortization of intangible assets	422.35	296.53

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

Particulars	(₹ in lacs)	
	2016	2015
	7,099.42	6,582.24

25. FINANCE COSTS

Particulars	(₹ in lacs)	
	2016	2015
Interest		
- on debentures	1,118.76	1,612.67
- on term loans	5,666.21	5,325.95
- on working capital.....	3,281.21	3,163.71
- on others.....	221.36	224.64
Exchange difference to the extent considered as an adjustment to borrowing costs	707.36	402.83
Bank charges	5,454.36	3,757.90
	16,449.26	14,487.70

26. EARNINGS PER SHARE (EPS)

Particulars	(₹ in lacs)	
	2016	2015
Net profit/(loss) as per statement of profit and loss.....	(6,338.89)	6,211.41
Net profit/(loss) for calculation of basic EPS & Diluted EPS	(6,338.89)	6,211.41
Weighted average number of equity shares in calculating Basic EPS	32,756,247	32,756,247
Weighted average number of equity shares in calculating Diluted EPS	32,756,247	32,756,247
Basic & Diluted EPS		
- Basic earning per share.....	(19.35)	18.96
- Diluted earning per share.....	(19.35)	18.96

27. 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 ₹1019 lacs (Previous Year ₹1282 lacs.)
 - ii) Disputed liability of ₹499.11 lacs (Previous Year ₹429.62 lacs) on account of Service Tax against which the company has preferred an appeal.
 - iii) Disputed liability of ₹389.34 lacs (Previous Year ₹408.38 lacs) on account of CENVAT against which the company has preferred an appeal.
 - iv) Disputed liability of ₹404.48 lacs (Previous ₹401.43 lacs) on account of Sales Tax against which the company has preferred an appeal.
 - v) Disputed liability of ₹ 390.86 lacs (Previous Year ₹394.20 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 ₹3279.08 lacs (Previous Year ₹2804.79 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) Estimated amount of contracts remaining to be executed on capital accounts ₹2858 lacs (Previous Year ₹3361 lacs).
28. During the year, the Income Tax Department has conducted a search operation U/s 132 of the Income Tax Act, 1961. During the course of search the various documents and records have been seized by them and physical verification of stocks was also conducted by independent agencies appointed by them. The company does not foresee any liability at this stage, however the due provision of liability, if any, shall be made after completion of the block assessment.
29. In the opinion of the Board, the value of realisation of long term and short term loans & advances and non-current and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.
30. The mining department has levied royalty on Iron Ore mining on the basis of rates applicable for the highest grades of Iron Ore. The Company has, however provided royalty on the basis of rates applicable to different grades of Iron Ore produced and dispatched. Pursuant to a writ petition filed by the company, the honorable high court of Chhattisgarh has upheld the company's contention of charging royalty and directed

GODAWARI POWER & ISPAT LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

mining department to make fresh assessment of royalty payable. However the mining department has filed review appeal before the double bench of honorable high court of Chhattisgarh against the order. After assessment by mining department, cumulative amount of excess royalty of ₹43.25 Crores as on 31.03.16 (₹ 44.05 Crores as on 31.03.15) is shown as advance royalty and carried to Balance Sheet.

31. Information on Related Party as required by Accounting Standard-18, "Related Party Disclosures" issued by The Institute of Chartered Accountants of India, are given below :

i) Related Parties

a) Subsidiaries

Godawari Green Energy Limited (Wholly owned)
Godawari Clinkers & Cement Limited (Wholly owned)
Krishna Global Minerals Limited (Wholly owned)
Godawari Integrated Steels (India) Limited (Wholly owned)
Godawari Energy Limited
Ardent Steel Limited

b) Associates

- Jagdamba Power & Alloys Ltd.
- Chhattisgarh Ispat Bhumi Limited
- Hira Ferro Alloys Limited w.e.f.31.03.2016

c) Other Related Enterprises where control exist

- Hira Cement Ltd.
- Raipur Complex

d) Joint Ventures

- Raipur Infrastructure Company Ltd.
- Chhattisgarh Captive Coal Mining Ltd.
- Godawari Natural Resources 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)

ii) Transaction with Related Parties in the ordinary course of business (₹ in lacs)

		2015-16	2014-15
a) Subsidiaries	Purchase of Materials.....	-	1,332.92
	Sale of Materials	31.42	473.10
	Interest Received	403.24	188.67
	Dividend Received.....	-	360.25
	Job Work Income.....	-	0.77
	Sale of fixed assets.....	-	61.59
	Purchase of fixed assets	184.95	39.10
	Advance received.....	-	2,187.17
	Repayment of advance received	-	2,187.17
	Advance given	4,900.45	4,130.00
	Repayment received of advance given	748.30	4,327.63
	Outstandings		
	Receivables	5,678.07	1,165.30
b) Associates	Payables.....	36.75	102.16
	Equipment Hiring Charges	-	475.19
	Purchase of Materials.....	1,111.38	-
	Interest received.....	7.01	-
	Dividend Received.....	60.25	-
	Sale of Materials	370.39	0.02
	Service charges paid	505.41	471.49
	Purchase of fixed assets	53.50	81.02
	Other charges received	0.00	0.99
	Investment made	12.70	384.90
	Outstandings		
	Receivables	259.02	110.00
	Payables.....	0.27	93.60
c) Other Related Enterprises where control exist	Purchase of Materials.....	209.55	644.06
	Sale of Materials	4.70	17.29
	Rent Paid	18.39	17.33
	Service charges paid.....	158.30	209.65
	Outstandings		
	Receivables	3.52	0.17
	Payables.....	1.34	32.64

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

	2015-16	2014-15
d) Joint Ventures		
Service Charges Paid	696.59	589.17
Interest Paid	-	1.51
Dividend Received	-	78.48
Receipt from Buy back of Investment	122.74	0.00
Investment made	0.00	1.69
Outstandings		
Payables	409.64	246.01
e) Key Management Personnel		
Remuneration Paid	106.80	70.80
Salary Paid	-	46.90

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

	2015-16	2014-15
		(₹ in Lacs)
a) Purchase of Materials:		
Hira Ferro Alloys Ltd	1,164.88	1,223.64
Hira Cement Ltd	209.55	644.06
b) Service Charges Paid:		
Raipur Infrastructure Company Limited	696.59	589.17
Chhattisgarh Ispat Bhumi Limited	505.41	471.49
Hira Cement Ltd.	158.30	209.65
c) Sale of Materials:		
Hira Ferro Alloys Ltd	369.72	453.10
d) Receipt from buy back of shares:		
Chhattisgarh Captive Coal Mining Limited	122.74	-
e) Purchase of Fixed Assets:		
Ardent Steel Limited	146.86	39.10
Godawari Green Energy Limited	38.09	-
Hira Ferro Alloys Ltd	53.50	-
f) Interest received:		
Godawari Green Energy Limited	-	57.81
Godawari Energy Limited	382.65	125.61
g) Dividend received:		
Raipur Infrastructure Company Pvt.Limited	-	78.48
Ardent Steel Limited	-	300.00
Hira Ferro Alloys Limited	60.25	60.25
h) Investment Made:		
Chhattisgarh Ispat Bhumi Limited	12.70	384.90
i) Repayment of Advance received:		
Ardent Steel Limited	-	2,187.17
j) Advance Received:		
Ardent Steel Limited	-	2,187.17
k) Loan/Advance Given:		
Ardent Steel Ltd	823.00	2,499.00
Godawari Energy Limited	4,077.45	466.79
Godawari Green Energy Limited	-	6,864.91
l) Repayment receipt of Loan/Advance given:		
Ardent Steel Limited	748.30	2,499.00
Godawari Energy Limited	-	1,798.73
m) Rent Paid:		
Raipur Complex	3.84	17.20

GODAWARI POWER & ISPAT LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

	2015-16	2014-15
n) Remuneration/Salary Paid:		
Shri B.L.Agrawal	60.00	24.00
Shri Dinesh Agrawal.....	18.00	18.00
Sri Abhisekh Agrawal.....	18.00	18.00
Shri Vinod Pillai	10.80	10.80
Shri Sanjay Bothra.....	45.23	28.46
Shri Y.C. Rao.....	23.98	24.13

32. 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	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
A) REVENUE								
Steel Segment.....	153013.24	192326.66	0.00	0.00	0.00	0.00	153013.24	192326.66
Electricity Segment.....	875.41	1178.54	20261.50	17063.11	(20261.50)	(17063.11)	875.41	1178.54
Total Segment Revenue.....	153888.65	193505.19	20261.50	17063.11	(20261.50)	(17063.11)	153888.65	193505.19

	2015-16	2014-15
B) RESULTS		
Segment Operational Profit.....		
Steel Segment.....	36.87	16182.62
Electricity Segment.....	11556.88	8610.29
Total Segment Results	11593.75	24792.91
Un-allocated expenditure net off unallocated income.....	(3566.36)	(3393.33)
Operating Profit	8,027.39	21399.58
Interest Expenses	(16449.26)	(14487.70)
Tax Expense	(2082.98)	700.47
Net Profit	(6,338.89)	6211.42

	2015-16	2014-15
C) OTHER INFORMATION		
Segment Assets		
Steel Segment.....	220802.95	208604.74
Electricity Segment.....	37225.39	41603.62
Total Segment Assets.....	258028.34	250208.36
Un-allocable Assets.....	2924.22	2767.39
Total Assets.....	260952.56	252975.75
Segment Liabilities and Provisions		
Steel Segment.....	157513.55	136849.00
Electricity Segment.....	17798.77	22847.80
Total Segment Liabilities & Provisions.....	175312.32	159696.80
Un-allocable Liabilities and Provisions.....	9952.87	6890.24
Total Liabilities and Provisions.....	185265.18	166587.03
Capital Expenditure.....		

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

C) OTHER INFORMATION	2015-16	2014-15
Steel Segment.....	8032.70	15002.32
Electricity Segment.....	302.10	675.35
Un-allocable Capital Expenditure.....	64.04	428.43
Total Capital Expenditure	8398.84	16106.10
Depreciation & Amortisation		
Steel Segment.....	6600.92	6087.52
Electricity Segment.....	498.50	494.72
Total Segment Depreciation & Amortisation	7099.42	6582.24

33. INTEREST IN JOINT VENTURES:

The Company's interests, as a venturer, in jointly controlled entities (incorporated Joint Ventures) are:

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2016	Percentage of ownership interest as at 31st March, 2015
Chhattisgarh Captive Coal Mining Ltd.	India	25.93%	25.93%
Raipur Infrastructure Co.Ltd.	India	33.33%	33.33%
Godawari Natural Resources Ltd.	India	33.88%	33.88%

The Company's interests in these joint ventures are reported as Non-current Investments (Note-13) and stated at cost. However, the company's share of each of the assets, liabilities, income & expenses etc. (each without elimination of, the effect of the transactions between the company and the joint venture) related to its interests in these joint ventures, based on the unaudited financial information as certified by the directors of the joint ventures, are :

Particulars	2015-16	2014-15
Non-Current Assets.....	688.43	882.36
Current Assets	292.56	278.14
Non-Current Liabilities	0.00	0.00
Current Liabilities	4.57	7.70
Revenue.....	248.43	189.10
Expenses.....	118.72	136.76
Other Matters		
Contingent Liabilities	0.00	0.00

34. The Company was allotted three Coal Blocks i.e. Nakia, Madanpur (North) & Madanpur (South) in the State of Chhattisgarh in consortium with other companies through JV Company, namely Chhattisgarh Captive Coal Mining Ltd. However, the said Coal Blocks could not start operations in view of pendency of certain administrative approvals and these Coal Blocks were de-allocated by the Ministry of Coal, which was, however, stayed by the Hon'ble High Court of Delhi and the matter has been sub-judice. The allocation of said Coal Blocks stands cancelled by virtue of the Order dated September 24, 2014 passed by the Hon'ble Supreme Court. The Company is having investment of ₹4.74 crores (₹6.31 crores) in the equity capital of JV Company which has been utilised by JV Company for development of said coal blocks. No provision for impairment in value of Investments in JV Company has been made in view of likely realization of amount invested upon reimbursement of cost incurred by the Company from the future allocates of the said coal blocks. The JV Company is also in process of realization of current assets held by it and the amount is expected to be refunded to the shareholders in due course. Accordingly the provision for impairment in value of investment, if any, shall be made as and when the amount of actual loss is determined.

35. DERIVATIVE AND UN HEDGED FOREIGN CURRENCY EXPOSURE

Foreign currency exposure that are not hedged by derivative instruments or Forward Contracts as at 31st March, 2016 amount to ₹38763.60 lacs (Previous Year ₹51139.08 lacs)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

36. During the year the company has incurred ₹387.14 lacs on account of Corporate Social Responsibility Activities. According to provisions of Section 135 of the Companies Act, 2013, the company is required to spent ₹161.46 Lacs based on the average net profits of the previous three years. The break-up of amount spent during the year are as follows:

Particulars	(₹ in lacs)		
	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	0.00	0.00	0.00

37. 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 31st March, 2016

Particulars	(₹ in lacs)	
	2015-16	2014-15
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March, 2016		
Principal Amount	49.18	380.57
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 31st March, 2016	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 31st March, 2016	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.

38. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS :

The Company has a defined gratuity benefit plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. The Gratuity liability has not been externally funded. Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per the Projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the profit and loss account and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

Profit and Loss account

Net employee benefit expense (recognized in Employee Cost)

Particulars	(₹ in lacs)	
	(Gratuity)	
	2015-16	2014-15
Current Service cost	58.76	50.96
Interest cost on benefit obligation.....	28.91	21.06
Expected return on plan assets.....	0.00	0.00
Net actuarial loss recognised in the year	45.63	48.56
Past service cost	0.00	0.00
Actual return on plan assets.....	133.30	120.58

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

Balance Sheet

Details of provision for Gratuity

(₹ in lacs)

Particulars	2015-16	2014-15
Defined benefit obligation	406.24	314.54
Fair value of plan assets	0.00	0.00
	406.24	314.54
Less : Unrecognised past service cost.....	0.00	0.00
Plan liability.....	406.24	314.54

Changes in the present value of the defined benefit obligation are as follows:

(₹ in lacs)

Particulars	2015-16	2014-15
Defined benefit obligation as at April 1, 2015	314.54	212.01
Interest cost	28.91	21.06
Current Service Cost	58.76	50.96
Benefits paid.....	(41.60)	(18.05)
Actuarial losses on obligation.....	45.63	48.56
Defined benefit obligation as at March 31, 2016	406.24	314.54

Since the entire amount of plan obligation is unfunded therefore changes in the fair value of plan assets are not given. Further the entire amount of plan obligation is unfunded therefore categories of plan assets as a percentage of the fair value of total plan assets and Company's expected contribution to the plan assets in the next year is not given.

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below :

Particulars	2015-16	2014-15
Discount Rate	8.00%	8.00%
Increase in Compensation cost.....	6.00%	5.00%
Rate of return on plan assets.....	0.00	0.00
Expected average remaining working lives of employee (years).....	18.75	23.55

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Contribution to Defined Contribution Plans:

(₹ in lacs)

Particulars	2015-16	2014-15
Provident Fund.....	285.66	254.59

39. DISCLOSURE AS PER CLAUSE 32 OF THE LISTING AGREEMENT

Loans and Advances in the nature of loans given to Subsidiaries

(₹ in lacs)

Name of the Subsidiary Company	Amount outstanding as at 31.03.2016	Maximum amount outstanding during the year	Investment by the lonee in the shares of the company
Godawari Energy Limited	5584.83	5584.83	0.00
Ardent Steel Limited	93.24	433.00	0.00

GODAWARI POWER & ISPAT LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

40. BREAKUP OF RAW MATERIAL CONSUMED

Particulars	2015-16		2014-15	
	%	₹ in lacs	%	₹ in lacs
Imported.....	8.12%	8587.49	5.60%	7,114.66
Indigenous.....	91.88%	97110.67	94.40%	120004.73
	100.00%	105698.16	100.00%	127119.39

41. STORES CONSUMED

Particulars	2015-16		2014-15	
	%	₹ in lacs	%	₹ in lacs
Indigenous.....	99.36%	5982.38	94.98%	8154.84
Imported.....	0.64%	38.46	5.02%	430.65
	100.00%	6020.85	100.00%	8585.49

42. VALUE OF IMPORT ON CIF BASIS

Particulars	(₹ in lacs)	
	2015-16	2014-15
- Capital Goods.....	31.86	59.83
- Raw Material & Stores items	20553.83	13244.89

43.

Particulars	(₹ in lacs)	
	2015-16	2014-15
Expenditure in Foreign Currency.....	3575.64	2015.42

44.

Particulars	(₹ in lacs)	
	2015-16	2014-15
Earning in Foreign Exchange	-	-

45. Previous year figures have been regrouped or rearranged wherever necessary.

For **OPSinghania & CO.**
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per **Sanjay Singhania**
Partner
Membership No.076961

Place : Raipur
Date : 28.05.2016

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

B. L. Agrawal
Managing Director

Dinesh Gandhi
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GODAWARI POWER & ISPAT LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of GODAWARI POWER & ISPAT LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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; the 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant

to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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,

- i) of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2016; and
- ii) their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

- i) Note no.36 which describes the uncertainty related to investments in Joint Venture Company where the allotted coal block has also been cancelled. No impairment loss has been booked in anticipation that the realizable value of the assets of the JV shall be more than the value of investment of the parent company. Impact is presently not ascertainable and as such cannot be commented upon by us.
- ii) During the year one of the subsidiary company viz. Ardent Steel Limited has incurred substantial losses and having accumulated losses as at the end of year and the current liabilities of the company exceeded its current assets as at the balance sheet date, these conditions alongwith closure of the said company's plant indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the aforesaid subsidiary company have been prepared on a going concern basis.

Our opinion is not qualified and not modified respectively in respect of these matters.

Other Matters

We did not audit the financial statements / financial information of two jointly controlled entities, whose financial statements / financial information reflect total assets of ₹972.13 lacs as at 31st March, 2016,

total revenues of ₹248.27 lacs and net cash flows amounting to ₹262.57 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹189.29 lacs for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of an associate, 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 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 jointly controlled entities 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 financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March,

2016 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, associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) The going concern matter described in paragraph under the Emphasis of Matters paragraph above in respect of one of the subsidiary company, in our opinion, may have an adverse effect on the functioning of that subsidiary company.
- (g) 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 - A.
- (h) 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 33 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, OPSinghania & Co.
(ICAI Firm Regn.No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No.076961
Raipur, 28th May, 2016

ANNEXURE – A

Re: GODAWARI POWER & ISPAT LIMITED

Referred to in paragraph 2(g) of Report on Other Legal and Regulatory Requirements of our report of even date,

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 financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of Godawari Power & Ispat Limited (“the Holding Company”) and based on the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled 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, associate companies and jointly controlled 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, associate companies and jointly controlled 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 March 2016, 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, OPSinghania & Co.
(ICAI Firm Regn.No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner

Membership No.076961
Raipur, 28th May, 2016

GODAWARI POWER & ISPAT LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	(₹ in lacs)	
		2016	2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	3,275.62	3,275.62
Reserves and surplus	3	79,228.50	89,165.18
		82,504.13	92,440.80
Minorities Interest			
		10,342.36	16,711.69
Non-current liabilities			
Long-term borrowings	4	1,36,925.57	1,40,944.10
Deferred tax liabilities (net)	5	3,700.92	8,351.50
Other long-term liabilities	6	236.64	297.84
Long-term provisions	7	423.83	457.16
		1,41,286.96	1,50,050.60
Current liabilities			
Short-term borrowings	8	34,066.45	37,402.89
Trade payables	9	44,147.41	48,283.43
Other current liabilities	9	35,783.29	29,184.95
Short-term provisions	7	25.59	736.87
		1,14,022.74	1,15,608.13
TOTAL		3,48,156.20	3,74,811.22
ASSETS			
Non-current assets			
Fixed Assets			
Tangible assets	10	2,17,856.93	2,35,499.09
Intangible assets	11	9,079.41	4,783.03
Capital work-in-progress tangible assets		23,434.95	18,144.69
Capital work-in-progress Intangible assets		860.03	547.28
Non-current investments	12	10,806.91	6,638.86
Long-term loans and advances	13	499.72	2,065.61
Other non-current assets	14.2	63.50	1,760.49
		2,62,601.45	2,69,439.04
Current assets			
Current investments	15	22.64	61.99
Inventories	16	43,109.78	41,922.20
Trade receivables	14.1	10,391.00	15,591.92
Cash & bank balances	17	9,814.24	10,525.85
Short-term loans and advances	13	22,177.10	37,097.71
Other current assets	14.2	39.99	172.51
		85,554.75	1,05,372.17
TOTAL		3,48,156.20	3,74,811.22
Summary of significant accounting policies	1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For **OPSinghania & CO.**

(ICAI Firm Reg. No.002172C)

Chartered Accountants

per **Sanjay Singhania**

Partner

Membership No.076961

Place : Raipur

Date : 28.05.2016

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

B. L. Agrawal

Managing Director

Dinesh Gandhi

Director

Y. C. Rao

Company Secretary

Sanjay Bothra

CFO

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note No.	(₹ in lacs)	
		2016	2015
INCOME			
Revenue from operations (gross)	18	2,01,163.06	2,66,537.82
Less: Excise duty.....		20,815.17	27,039.84
Revenue from operations (net)		1,80,347.89	2,39,497.98
Other Income.....	19	1,729.80	6,021.90
TOTAL REVENUE (I)		1,82,077.69	2,45,519.88
EXPENDITURE			
Cost of raw material and component consumed	20	1,14,577.48	1,47,300.71
Purchase of Traded Goods.....		6,016.90	4,883.52
(Increase/decrease in inventories of finished goods..... work-in-progress and traded goods.....	21	851.10	(5,358.18)
Employees benefits expenses	22	8,268.54	9,119.24
Other Expenses	23	30,424.67	47,731.94
Depreciation and amortization expenses	24	11,573.42	11,817.51
Finance costs	25	24,682.23	22,365.22
TOTAL EXPENDITURE (II).....		1,96,394.35	2,37,859.95
Profit/(loss) before tax		(14,316.66)	7,659.93
Tax expenses			
Current tax		114.48	1,795.98
Deferred Tax		(4,186.63)	173.35
MAT Credit Entitlement		-	(1,437.03)
Income tax related to earlier year		109.53	54.92
Total tax expenses		(3,962.62)	587.21
Profit/(loss) for the year from continuing operations.....		(10,354.04)	7,072.71
Less: Minorities Interest.....		(1,096.69)	446.54
Less: Share of Loss of associate company		431.01	5.51
Net Profit/(loss) for the year		(9,688.37)	6,620.66
Earnings per equity share [nominal value of share @ ₹10/- (31st March, 2015" ₹10]	26		
Basic		(29.58)	20.21
Diluted		(29.58)	20.21
Summary of significant accounting policies	1		

The accompanying notes are integral part of the financial statements.
As per our report of even date
For **OPSinghania & CO.**
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per **Sanjay Singhania**
Partner
Membership No.076961

Place : Raipur
Date : 28.05.2016

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

B. L. Agrawal
Managing Director

Dinesh Gandhi
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	(₹ in lacs)	
	2016	2015
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	(14,316.66)	7,659.93
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization on continuing operation	11,573.42	11,817.51
Amortization of expenses	-	0.96
Provision for gratuity	(44.53)	153.88
Net gain on sale of investments	(47.02)	(4,018.70)
(Profit)/Loss on sale of fixed assets	(0.09)	(92.82)
Provision for doubtful debts.....	-	65.67
Share of Loss/(profit) of LLP.....	-	0.02
Interest Expenses	24,682.23	22,365.22
Interest Income	(1,593.50)	(1,430.31)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES.....	20,253.87	36,521.37
Movements in working capital :		
Increase/(decrease) in trade payables	(4,136.02)	22,304.67
Increase/(decrease) in other current liabilities	1,707.88	(581.83)
Increase/(decrease) in other long-term liabilities.....	(61.20)	(23.12)
Decrease/(increase) in trade receivables	5,200.92	(5,340.56)
Decrease/(increase) in inventories	(1,187.58)	(1,699.49)
Decrease/(increase) in long-term loans and advances.....	1,565.89	6,860.18
Decrease/(increase) in short-term loans and advances.....	13,719.23	(1,042.80)
Decrease/(increase) in other current assets.....	132.51	(129.32)
Decrease/(increase) in other non-current assets	18.70	19.20
Cash generated from/(used in) operations	37,214.19	56,888.31
Direct taxes paid (net of refunds).....	971.77	(1,811.20)
Net Cash flow from/(used in) operating activities	38,185.96	55,077.11
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including intangible assets including CWIP	(15,821.23)	(24,809.12)
Proceeds from sale of fixed assets	869.46	163.74
Net gain on sale of investments	47.02	4,018.70
(Increase)/decrease in current investments	39.36	49.47
(Increase)/decrease in long term investments	442.32	(1,376.55)
Investments in bank deposits (having original maturity of more than three months)	2,225.54	(6,293.77)
Interest received.....	1,593.50	1,430.31
Net cash flow from/(used in) investing activities.....	(10,604.04)	(26,817.22)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	(₹ in lacs)	
	2016	2015
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds/(Payment) of long-term borrowings	(4,018.53)	(9,440.83)
Proceeds/(Payment) of short-term borrowings	1,229.62	4,881.43
Interest paid.....	(24,682.23)	(22,365.22)
Minorities Interest	248.30	-
Dividends paid on equity shares	(445.09)	(845.09)
Tax on equity dividend paid.....	(78.35)	(101.29)
Net cash flow from/(used in) financing activities	(27,746.28)	(27,871.01)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C).....	(164.36)	388.88
Cash and Cash Equivalents at the beginning of the year	2,897.36	2,508.48
Cash and Cash Equivalents at the end of the year.....	2,733.00	2,897.36
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash in hand	34.37	34.73
Stamp in hand	1.23	1.23
With banks- on current account.....	2,584.93	1,079.48
- on deposit account.....	95.91	1,757.78
- on unpaid dividend account*.....	16.56	24.15
	2,733.00	2,897.36

Notes :

- Figures of previous year have been regrouped or rearranged wherever necessary.
- *The company can utilize these balances only toward settlement of the respective unpaid dividend amount.

As per our report of even date
For **OPSinghania & CO.**
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per **Sanjay Singhania**
Partner
Membership No.076961

Place : Raipur
Date : 28.05.2016

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

B. L. Agrawal
Managing Director

Dinesh Gandhi
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

1. SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT & LOSS

(i) PRINCIPLES OF CONSOLIDATION :

The Consolidated Financial Statements relate to the Godawari Power & Ispat Limited ("the Parent Company"), its Subsidiaries Companies viz., Godawari Energy Limited, Godawari Green Energy Limited, Godawari Clinkers & Cement Limited, Krishna Global & Minerals Limited, Godawari Integrated Steel (India) Limited and Ardent Steel Limited and Joint Ventures Companies viz. Raipur Infrastructure Company Limited, Godawari Natural Resources and Chhattisgarh Captive Coal Mining Limited and associates viz., Hira Ferro Alloys Limited, Jagdamba Power & Alloys Limited and Chhattisgarh Ispat Bhumi Limited, collectively referred to as 'the Group'. The consolidated financial statements have been prepared on the following basis :

- a) The Financial Statements of the parent company and its subsidiaries companies have been combined on a line-by-line basis by adding together the book values of items like assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profit or losses in accordance with the Accounting Standard (AS) 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India. Further in accordance with AS-27 "Financial Reporting of Interests in Joint Ventures" issued by the Institute of Chartered Accountants of India, the group has accounted for its proportionate share of interest in joint ventures by the proportionate consolidation method.
 - b) In case of associates where the company directly or indirectly through subsidiaries holds more than 20% of equity, investments in associates are accounted for using equity method in accordance with Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements" as notified by the Companies (Accounting Standards) Rules, 2014.
 - c) The difference between the cost of investments in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as goodwill or Capital Reserve.
 - d) Minority interest's share in the net assets of the consolidated subsidiaries consist of :-
 - (i) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - (ii) The minorities' share of movements in equity since the date the parent subsidiary relationship came into existence.
 - e) Minority interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
 - f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statements except in case of subsidiaries where valuation of inventories has been made on the basis of FIFO and weighted average basis whereas moving weighted average has been used by parent company.
- (ii) Investments other than in subsidiaries and joint ventures have been accounted for as per Accounting Standard (AS) 13 on "Accounting for Investments".
- (iii) **Other Significant Accounting Policies**

These are set-out under "Significant Accounting Policies" as given in the respective financial statements of the parent company and its subsidiaries, associates and joint venture companies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

2. SHARE CAPITAL

Particulars	(₹ in lacs)	
	2016	2015
Authorised		
211,350,000 (231,350,000) Equity shares of ₹ 10/- each	21,135.00	23,135.00
3,200,000 (3,200,000) Preference Shares of ₹ 10 each	320.00	320.00
11,600,000 (11,600,000) Preference Shares of ₹ 100/- each	11,600.00	11,600.00
	33,055.00	35,055.00
Issued		
32,756,247 (32,756,247) equity shares of ₹ 10/- each	3,275.62	3,275.62
Subscribed and fully paid-up		
32,756,247 (31,756,247) equity shares of ₹ 10/- each fully paid-up	3,275.62	3,275.62

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

Particulars	2016		2015	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period.....	32756247	3,275.62	32756247	3,275.62
Issued during the period	-	-	-	-
Outstanding at the end of the period.....	32756247	3,275.62	32756247	3,275.62

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.

During the year ended 31st March, 2016, the amount of per share dividend recognized as distributions to equity shareholders was ₹Nil as proposed final equity dividend (31st March, 2015 : ₹1.00 as proposed final equity dividend).

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. Details of shareholders holding more than 5% shares in the company:

Particulars	2016		2015	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹10/- each fully paid				
ICICI Prudential Value Discovery Fund.....	1196754	3.65	1865927	5.70
Hira Infra-tek Limited	1790652	5.47	1790652	5.47
Dinesh Agrawal	1846347	5.64	1846347	5.64
B.L. Agrawal	1731398	5.29	1731398	5.29
	6565151	20.04	7234324	22.09

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

3. RESERVES AND SURPLUS

Particulars	(₹ in lacs)	
	2016	2015
Capital Reserve		
Balance as per last financial statements.....	4,575.96	4,575.83
Deduction on loss of control of subsidiary (Refer Note 28).....	2,593.30	-
Addition on consolidation of JV	-	0.13
	1,982.66	4,575.96
Debenture Redemption Reserve		
Balance as per last financial statements.....	2,375.00	3,875.00
Less: transfer to general reserve	360.00	1,500.00
	2,015.00	2,375.00
Securities Premium Reserve		
Balance as per last financial statements.....	17,842.05	17,842.05
	17,842.05	17,842.05
General Reserve		
Balance as per last financial statements.....	17,641.00	15,991.00
Add: Amount transferred from Debenture Redemption Reserve	360.00	1,500.00
Add: Amount transferred from surplus balance in the statement of profit and loss.....	-	150.00
Less: Deduction on loss of control of subsidiary (Refer Note 28)	750.00	-
	17,251.00	17,641.00
Share in Reserves of Associate Company		
Capital Reserve:		
As per last Balance Sheet	3,405.85	3,110.20
Add: on account of consolidation	4,610.38	295.65
	8,016.23	3,405.85
Surplus/(deficit) in the statement of profit and loss		
Balance brought forward from previous year	43,325.31	37,754.04
Add: Profit/(loss) for the year.....	(9,688.37)	6,620.66
Profit available for appropriation.....	33,636.94	44,374.70
Less : Appropriations.....		
Deduction on loss of control of subsidiary (Refer Note 28).....	1,515.38	-
Proposed final equity dividend.....	-	445.09
Tax on proposed equity dividend	-	91.68
Adjustment for Fixed Assets where Usefull life is nil as per Schedule-II (Net of taxes).....	-	362.61
Transfer to general reserve	-	150.00
Total appropriations	1,515.38	1,049.39
Net surplus in the statement of profit and loss	32,121.56	43,325.31
Total reserves and surplus.....	79,228.50	89,165.18

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

4. LONG-TERM BORROWINGS

(₹ in lacs)

Particulars	Non-current portion		Current maturities	
	2016	2015	2016	2015
Debentures				
450 (31st March, 2015: 450) A Series 12% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured)	-	4,170.00	4,166.67	330.00
200 (31st March, 2015: 200) B Series 12% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured)	2,000.00	2,000.00	-	-
188 (31st March, 2015: 300) C Series 12.90% Redeemable Non -Convertible Debentures of ₹ 1,000,000/- each (secured)	375.00	1,875.00	1,500.00	1,125.00
Term Loans	-	-	-	-
Indian rupee loan from banks (secured).....	1,02,808.24	99,794.28	18,814.85	19,189.91
Foreign currency loan from banks (secured).....	29,006.29	32,596.55	5,414.51	4,728.37
Other loans and advances	-	-	-	-
Other Loans (secured)	414.04	508.27	125.99	82.68
From body corporates (unsecured)	2,322.00	-	-	-
	1,36,925.57	1,40,944.10	30,022.01	25,455.96
The above amount includes				
Secured borrowings	1,34,603.57	1,40,944.10	30,022.01	25,455.96
Unsecured borrowings	2,322.00	-	-	-
Amount disclosed under the head.....				
"other current liabilities" (note 9)			(30,022.01)	(25,455.96)
Net amount	1,36,925.57	1,40,944.10	-	-

5. DEFERRED TAX LIABILITIES (NET)

(₹ in lacs)

Particulars	2016	2015
Deferred Tax Liabilities		
Fixed Assets: Impact of differences between tax depreciation and depreciation / amortization charged for the financial reportings	16,498.50	15,609.23
Gross deferred tax liability	16,498.50	15,609.23
Deferred Tax Assets		
Provision for bonus, gratuity and others	135.28	188.34
On account of carry-forward losses as per income-tax.....	12,662.30	7,069.40
Gross deferred tax asset	12,797.58	7,257.74
Net deferred tax liability	3,700.92	8,351.50

6. OTHER LONG-TERM LIABILITIES

(₹ in lacs)

Particulars	2016	2015
Retention Money Payable.....	236.64	297.84
	236.64	297.84

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

7. PROVISIONS

Particulars	Long-term		Short-term	
	2016	2015	2016	2015
Provision for employee benefits				
Provision for gratuity (refer note 40).....	423.83	457.16	25.59	36.79
	423.83	457.16	25.59	36.79
Other Provisions				
Provision for taxation (net of advance)			-	176.64
Proposed equity dividend			-	445.09
Provision for tax on proposed equity dividend			-	78.35
	-	-	-	700.08
	423.83	457.16	25.59	736.87

8. SHORT-TERM BORROWINGS

Particulars	(₹ in lacs)	
	2016	2015
Cash Credit facility from banks (secured).....	34,063.84	33,381.68
Interest free loan and advances from others repayable on demand (unsecured).....	2.61	4,021.21
	34,066.45	37,402.89
The above amount includes		
Secured borrowings.....	34,063.84	33,381.68
Unsecured borrowings.....	2.61	4,021.21

9. OTHER CURRENT LIABILITIES

Particulars	(₹ in lacs)	
	2016	2015
Trade payables (including acceptances).....	43,065.92	46,598.70
Advance from Customer	885.71	1,357.10
Creditors for capital goods.....	195.78	327.64
Other liabilities		
Current maturities of long-term borrowings (secured) (refer note-4).....	30,022.01	25,455.96
Interest accrued and due on borrowings	1,165.55	686.92
Interest accrued and due on borrowings	324.41	-
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	16.56	24.15
Other Payable	4,254.76	3,017.92
	79,930.70	77,468.38

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016
10. TANGIBLE ASSETS

(₹ in lacs)

Particulars	Freehold Land	Leasehold Land	Site & Land Development	Factory Shed & Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Total
Cost or valuation								
At 1 April 2014	4,998.22	279.24	6,455.78	25,204.37	2,16,958.55	757.72	994.88	2,55,648.77
Additions	95.80	-	18.07	1,987.86	11,766.65	58.49	326.24	14,253.11
Disposals	21.59	-	-	0.06	0.85	-	87.65	110.15
Other adjustments								
- Exchange differences	-	-	-	-	2,657.07	-	-	2,657.07
- Borrowing costs	-	-	-	18.04	343.72	-	-	361.76
At 31 March, 2015	5,072.43	279.24	6,473.85	27,210.21	2,31,725.15	816.21	1,233.48	2,72,810.56
Additions	106.52	84.61	-	115.65	2,197.11	5.69	56.14	2,565.73
Disposals	2.71	-	18.29	-	1,121.00	-	233.89	1,375.89
Other adjustments								
- Exchange differences	-	-	-	-	2,797.51	-	-	2,797.51
- Borrowing costs	-	-	-	-	21.00	-	-	21.00
At 31 March, 2016	5,176.23	363.85	6,455.57	27,325.86	2,35,619.76	821.91	1,055.73	2,76,818.92
Depreciation								
At 1 April 2014	-	11.02	-	1,907.14	35,125.33	114.85	308.00	37,466.34
Charge for the year	-	1.15	-	1,644.50	8,669.04	88.77	157.24	10,560.71
Disposals/Adjustment	-	-	-	2.56	389.42	3.23	(48.30)	346.91
At 31 March, 2015	-	12.17	-	3,554.21	44,183.79	206.85	416.94	48,373.95
Charge for the year	-	2.10	-	1,756.51	9,100.52	89.79	145.62	11,094.55
Disposals/Adjustment	-	-	-	-	421.66	0.03	84.82	506.52
At 31 March, 2016	-	14.27	-	5,310.72	53,705.97	296.67	647.39	58,961.99
Net Block								
At 31 March, 2015	5,072.43	267.08	6,473.85	23,656.00	1,87,541.36	609.36	816.53	2,24,436.61
At 31 March, 2016	5,176.23	349.59	6,455.57	22,015.14	1,81,913.79	525.23	408.34	2,17,856.93

a. Capitalized borrowing costs

The borrowing cost capitalized during the year ended 31st March, 2016 was ₹21.00 lacs (31st March, 2015: ₹361.76 lacs). The company capitalized the borrowing cost in the capital work-in-progress (CWIP). 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.

b. Exchange differences on long term foreign currency monetary items

Pursuant to the option granted by Clause 46A of the AS-11 (as amended vide notification dt.29.12.2011), the Company during the year added ₹2797.50 lacs (31st March, 2015 ₹2657.07 lacs) to the cost of assets, being the exchange differences of long term foreign currency monetary items relating to acquisition of assets. This is to be depreciated over the balance life of the assets.

c. During the year the depreciation of ₹1,73,867/- (31st March,2015 : ₹2,21,647/-) has been capitalised and transferred to CWIP.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016
11. INTANGIBLE ASSETS

(₹ in lacs)

Particulars	Computer software	Goodwill	Right to use Land	Iron ore Mines	Know How	Total
Gross Block						
At 1 April 2014	338.76	-	3.67	2,628.64	500.00	3,471.07
Purchase/Internal development	-	-	-	2,210.05	-	2,210.05
At 31 March, 2015	338.76	-	3.67	4,838.69	500.00	5,681.12
Purchase	-	-	-	4,833.99	-	4,833.99
At 31 March, 2016	338.76	-	3.67	9,672.68	500.00	10,515.11
Amortization						
At 1 April 2014	128.21	-	0.73	420.38	50.00	599.33
Charge for the year	36.63	-	1.96	267.17	50.00	355.76
At 31 March, 2015	164.85	-	2.69	687.55	100.00	955.09
Charge for the year	36.62	-	0.98	393.01	50.00	480.61
At 31 March, 2016	201.47	-	3.67	1,080.56	150.00	1,435.70
Net Block						
At 31 March, 2015	173.91	-	0.98	4,151.15	400.00	4,726.03
At 31 March, 2016	137.29	-	-	8,592.12	350.00	9,079.41

12. NON-CURRENT INVESTMENTS

(₹ in lacs)

Particulars	2016	2015
A. Trade		
In Associate Companies		
Equity Shares Unquoted	10,445.09	4,018.76
In other Companies		
Equity Shares Unquoted	307.33	1,025.59
Preference shares unquoted	15.00	1,565.00
In Mutual Funds Units	17.00	7.00
In Trust	22.50	22.50
	10,806.91	6,638.86

13. LOANS AND ADVANCES (unsecured, considered good)

(₹ in lacs)

Particulars	Non-current		Current	
	2016	2015	2016	2015
Capital advances	16.43	1,011.35		
Loans and advances to Body Corporate & Others			37.83	1,624.67
Advances recoverable in cash or in kind			7,635.81	19,215.02
Other loans and advances				
Advance income-tax (net of provision)			507.73	184.11
Prepaid expenses			411.25	875.21
MAT Credit Entitlement			7,352.34	8,877.35
Balance with statutory/govt. authorities	11.58	11.67	6,232.14	6,301.86
Security deposit with govt. & others	471.71	1,042.59	-	19.50
Total	499.72	2,065.61	22,177.10	37,097.71

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

14. TRADE RECEIVABLES AND OTHER ASSETS

(₹ in lacs)

14.1 TRADE RECEIVABLES Particulars	Current	
	2016	2015
Unsecured, considered good unless stated otherwise Outstanding for a period exceeding six months from the date they are due for payment		
Considered good.....	1,045.75	1,042.29
Doubtful.....	-	65.67
	1,045.75	1,107.97
Provision for doubtful receivables.....	-	65.67
Total (A)	1,045.75	1,042.29
Other receivables		
Considered good.....	9,345.25	14,549.62
Total (B)	9,345.25	14,549.62
Total (A+B)	10,391.00	15,591.92

14.2 OTHER ASSETS Particulars	Non-current		Current	
	2016	2015	2016	2015
Unsecured, considered good unless stated otherwise.....				
Non-current bank balances (note-17).....	57.08	1,735.37	-	-
Unamortized expenditure.....	2.38	2.38	-	-
Others.....				
Interest accrued on fixed deposits.....	4.04	22.74	39.99	170.08
others.....	-	-	-	2.43
	63.50	1,760.49	39.99	172.51

15. CURRENT INVESTMENTS

(₹ in lacs)

Particulars	2016	2015
Non Trade		
In other Companies		
Equity Shares Quoted.....	-	21.26
In Mutual Funds Units.....	22.64	40.73
	22.64	61.99

16. INVENTORIES (valued at lower of cost and net realizable value)

(₹ in lacs)

Particulars	2016	2015
Raw Materials and components	17,196.51	17,677.51
Work-in-progress	326.60	321.26
Finished goods & by-products	11,555.94	14,270.74
Stock in transit.....	-	21.69
Traded goods	1,435.08	69.27
Stores & spares	12,595.66	9,561.71
	43,109.78	41,922.20

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

17. CASH AND BANK BALANCES

Particulars	(₹ in lacs)			
	Non-current		Current	
	2016	2015	2016	2015
Cash and cash equivalents				
Balances with banks:				
On current accounts			2,584.93	1,079.48
Deposits with original maturity of less than three months			95.91	1,757.78
Unpaid dividend account			16.56	24.15
Cash on hand			34.37	34.73
Stamp in hand			1.23	1.23
			2,733.00	2,897.36
Other bank balances				
Deposits with original maturity for more than 12 months	57.08	1,735.37	-	-
Deposits with original maturity for more than 3 months but less than 12 months.....			7,081.24	7,628.49
	57.08	1,735.37	7,081.24	7,628.49
Amount disclosed under non-current assets (note 14.2)	57.08	1,735.37		
	-	-	9,814.24	10,525.85

18. REVENUE FROM OPERATIONS

Particulars	(₹ in lacs)	
	2016	2015
Sale of products		
Manufacturing Goods and By-Products	1,86,555.44	2,47,445.76
Electricity	11,133.96	13,244.57
Traded Goods	3,121.51	4,951.33
Sale of services.....	71.36	33.72
Other operating revenue		
Scrap sales	1.71	224.55
Renewable Energy Certificates (REC)	279.08	637.89
Revenue from operations (gross)	2,01,163.06	2,66,537.82
Less: Excise duty#.....	20,815.17	27,039.84
Revenue from operations (net).....	1,80,347.89	2,39,497.98

Excise duty on sales amounting to ₹2081516639/- (31st March, 2015: ₹.2703983914/-) has been reduced from sale in profit & loss account and excise duty on increase/decrease in stock amounting to (₹32565830/-) (31st March,2015: ₹48540011/-) has been considered as (income)/expense in note 23 of financial statements.

19. OTHER INCOME

Particulars	(₹ in lacs)	
	2016	2015
Interest Income on		
Bank Deposits.....	686.76	532.51
Others	906.74	897.80
Net gain on sale of investments	47.02	4,018.70
Net gain on sale of fixed assets	0.09	92.82
Other non-operating income (net of expenses directly attributable to such income)	89.19	480.08
	1,729.80	6,021.90

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

20. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Particulars	(₹ in lacs)	
	2016	2015
Inventory at the beginning of the year	15,001.23	22,240.98
Add: purchases	1,16,772.75	1,42,737.24
	1,31,773.99	1,64,978.22
Less : Inventory at the end of the year	17,196.51	17,677.51
Cost of raw material and components consumed	1,14,577.48	1,47,300.71

21. (INCREASE)/DECREASE IN INVENTORIES

Particulars	(₹ in lacs)		
	2016	2015	(Increase)/ Decrease
Inventories at the end of the year			2016
Finished goods and by-products	11,555.94	13,800.75	2,244.81
Work-in-progress	326.60	321.26	(5.33)
Traded goods	1,435.08	46.70	(1,388.38)
	13,317.61	14,168.72	851.10
Inventories at the beginning of the year			2015
Finished goods and by-products	14,270.74	8,350.45	(5,920.29)
Work-in-progress	321.26	784.04	462.78
Traded goods	69.27	168.61	99.34
	14,661.28	9,303.11	(5,358.18)

22. EMPLOYEES BENEFITS EXPENSES

Particulars	(₹ in lacs)	
	2016	2015
Salaries, wages and bonus	7,369.28	7,930.32
Contribution to provident and other fund	416.55	466.03
Gratuity Expense (refer note 40)	188.01	185.51
Workmen and staff welfare expenses	294.69	537.38
	8,268.54	9,119.24

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

23. OTHER EXPENSES

Particulars	(₹ in lacs)	
	2016	2015
Consumption of stores and spares	6,487.15	10,216.99
(Increase)/decrease of excise duty on inventory.....	(325.66)	485.40
Grid Parallel operation charges.....	240.98	220.89
Power & Fuel	11,524.83	19,572.16
Water Charges.....	360.20	507.07
Other manufacturing expenses	3,917.27	5,185.49
CDM Expenses.....	32.24	47.13
Rent	127.65	126.43
Rates and taxes.....		
- Entry tax.....	114.29	263.58
- Excise duty.....	49.66	208.07
- Electricity duty cess.....	2.19	9.01
- Others	180.62	156.47
Insurance	114.21	124.68
Repairs and maintenance.....		
- Plant and machinery	1,213.34	1,567.47
- Buildings.....	565.56	860.07
- Others	198.65	332.26
Rebate, shortage claims & other deductions.....	694.45	1,062.16
Commission		
- Other than Sole selling agents	408.78	436.02
Travelling and conveyance.....	455.06	804.60
Communication expenses	117.88	190.04
Printing and stationery.....	43.96	36.84
Legal and professional fees	395.85	439.83
Directors' sitting fees	12.79	16.68
Directors' remuneration	228.97	317.87
Payment to Auditors	25.69	28.36
Frieght and forwarding charges	1,501.62	1,569.03
Security service charges.....	372.49	417.64
Loss on sale of fixed assets (net).....	50.56	-
Foreign Exchange fluctuation (net).....	-	297.63
Provision for Doubtful Debts	-	65.67
Corporate Social Responsibility.....	387.57	459.71
Miscellaneous expenses	925.81	1,706.68
	30,424.67	47,731.94

24. DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	(₹ in lacs)	
	2016	2015
Depreciation on tangible assets.....	11,092.81	11,412.80
Amortization of intangible assets	480.61	404.71
	11,573.42	11,817.51

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

25. FINANCE COSTS

Particulars	(₹ in lacs)	
	2016	2015
Interest		
- on debentures	1,118.76	1,612.67
- on term loans	12,796.25	11,614.67
- on working capital.....	3,862.40	3,891.23
- on others.....	454.74	501.80
Exchange difference due to the extent considered as an adjustment to borrowing cost	808.31	516.51
Bank charges	5,641.78	4,228.33
	24,682.23	22,365.22

26. EARNINGS PER SHARE (EPS)

Particulars	(₹ in lacs)	
	2016	2015
Net profit/(loss) as per statement of profit and loss.....	(9,688.37)	6,620.66
Net profit/(loss) for calculation of basic EPS & Diluted EPS	(9,688.37)	6,620.66
Weighted average number of equity shares in calculating Basic EPS	3,27,56,247	3,27,56,247
Weighted average number of equity shares in calculating Diluted EPS.....	3,27,56,247	3,27,56,247
Basic & Diluted EPS		
- Basic earning per share.....	(29.58)	20.21
- Diluted earning per share.....	(29.58)	20.21

27. The subsidiary companies considered in the consolidated financial statements are:

Name of the Subsidiary	Country of incorporation	Proportion of ownership interest	
		2016	2015
Hira Ferro Alloys Limited	India	0.00%	51.26%
Godawari Energy Limited	India	51.30%	51.30%
Godawari Green Energy Limited.....	India	100.00%	100.00%
Godawari Clinkers & Cement Limited.....	India	100.00%	100.00%
Krishna Global & Minerals Limited.....	India	100.00%	100.00%
Godawari Integrated Steel (India) Limited.....	India	100.00%	100.00%
Ardent Steel Limited	India	75.00%	75.00%

28. During the year the parent company has divested equity shares in its subsidiary Company M/s. Hira Ferro Alloys Limited and consequently the said company has become an associate Company and accordingly the accounts of M/s. Hira Ferro Alloys Limited are considered as an associate as on 31st March, 2016 in the consolidation process. The effect of loss on control of the subsidiary is reversal of the capital reserve of ₹2593.30 lacs, general reserve of ₹750 lacs and ₹1515.38 lacs from the surplus in statement of profit and loss. As the aforesaid subsidiary company has become associate, therefore, the share in reserves in associate company has been created by ₹4623.08 lacs. During the year the share of loss of the associate company was ₹237.31 lacs. Due to such change the current year figures are not strictly comparable to those of the previous year.

29. The significant associates company considered in the consolidated financial statements is:

Name of the Associate	Country of incorporation	Proportion of ownership interest	
		2016	2015
Hira Ferro Alloys Limited	India	48.45%	0.00%
Jagdamba Power & Alloys Limited.....	India	26.00%	26.00%
Chhattisgarh Ispat Bhumi Limited.....	India	35.36%	35.36%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

30. JOINT VENTURE OPERATIONS

The group has, in accordance with AS-27 "Financial Reporting of Interests in Joint Ventures" issued by the ICAI, accounted for its interest in the Joint Ventures by the proportionate consolidation method. Thus, the Group's income statement, balance sheet and the cash flow statement incorporate the Group's share of income, expenses, assets, liabilities and cash flows of the joint venture on a line by line basis.

Name of the Joint Venture	Country of incorporation	Proportion of ownership interest	
		2016	2015
Raipur Infrastructure Company Ltd.....	India	33.33%	33.33%
Chhattisgarh Captive Coal Mining Ltd.....	India	25.93%	25.93%
Godawari Natural Resources Ltd.	India	33.88%	33.88%

The aggregate amount of assets, liabilities, income and expenses related to the Group's share in the Joint Venture included in these financial statements for the year ended 31st March, 2016 are given below:

Particulars of Balance Sheet items	(₹ in lacs)	
	2016	2015
Non current assets	688.43	882.16
Current Assets	292.56	278.14
Non-current Liabilities	0.00	0.00
Current Liabilities	4.57	7.70
Particulars of Statement of Profit & Loss items	2016	2015
Income from operation	248.43	189.10
Particulars of Cash Flow Statement items		
Profit/(Loss) for the year	86.38	52.34
Changes in working capital	(17.55)	(61.69)
Changes in investing activities.....	193.73	124.22
Changes in financing activities	0.00	(6.52)

31. The associate companies are using the method of valuation of inventories on FIFO and weighted average basis whereas the group is using moving weighted average basis. As the difference is not significant, therefore, the same has not been considered.
32. The associate company viz. Chhattisgarh Ispat Bhumi Limited is using WDV Method for providing depreciation on its fixed assets whereas the consolidated financial statements has been prepared by using SLM Method. As the details of difference between WDV and SLM Method has not been ascertained, therefore, the effect of the same could not be identified.
33. Contingent Liabilities and Capital Commitments are not provided for in respect of :-
- Counter Guarantees given to banks against Bank guarantees issued by the Company Banker aggregate to ₹1111 lacs (Previous Year ₹1617 lacs.)
 - Disputed liability of ₹499.11 lacs (Previous Year ₹429.62 lacs) on account of Service Tax, Central Excise Duty ₹394.70 lacs (Previous Year ₹505.32 lacs), Custom Duty ₹10.00 lacs (Previous Year ₹86.53 lacs), Sales Tax ₹653.26 lacs (Previous Year ₹777.60 lacs) and Income tax ₹390.86 lacs (previous year ₹394.20) against which appeals have been preferred before higher authorities.
 - Disputed energy development cess demanded by the Chief Electrical Inspector, Govt. of Chhattisgarh ₹3279.08 lacs (Previous Year ₹4133.08 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.
 - Disputed demand of ₹758 lacs (Previous Year ₹758) 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 parent company.
 - Estimated amount of contracts remaining to be executed on capital accounts ₹2858 lacs (Previous Year ₹3361).
 - During the year, the Income Tax Department has conducted a search operation U/s 132 of the Income Tax Act, 1961 in the group companies. During the course of search the various documents and records have been seized by them and physical verification of stocks was also conducted by independent agencies appointed by them. The Group does not foresee any liability at this stage, however the due provision of liability, if any, shall be made after completion of the block assessment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

34. The Company's Subsidiary, M/s. Ardent Steels Limited has suspended the production activity since December, 2015, at Iron Ore Pellet Plant in Orissa due to unfavourable market scenario. The fall in prices of finished product has resulted into decrease in operating margin below the cost of production. The Company is monitoring the market conditions and looking for alternative ways to improve the profitability & revive the operations.
35. The mining department has levied royalty on Iron Ore mining on the basis of rates applicable for the highest grades of Iron Ore. The Company has, however provided royalty on the basis of rates applicable to different grades of Iron Ore produced and dispatched. Pursuant to a writ petition filed by the company, the honorable high court of Chhattisgarh has upheld the company's contention of charging royalty and directed mining department to make fresh assessment of royalty payable. However the mining department has filed review appeal before the double bench of honorable high court of Chhattisgarh against the order. After assessment by mining department, cumulative amount of excess royalty of ₹ 43.25 Crores as on 31.03.16 (₹ 44.05 Crores as on 31.03.15) is shown as advance royalty and carried to Balance Sheet.
36. The parent company was allotted three Coal Blocks i.e. Nakia, Madanpur (North) & Madanpur (South) in the State of Chhattisgarh in consortium with other companies through JV Company, namely Chhattisgarh Captive Coal Mining Ltd. However, the said Coal Blocks could not start operations in view of pendency of certain administrative approvals. The allocation of said Coal Blocks stands cancelled by virtue of the Order dated September 24, 2014 passed by the Hon'ble Supreme Court. The Company has tendered 1,14,274 no. of Equity shares to JV Company under the Buy-Back offer made during the year. Consequently, the Investment in equity shares of the JV Company of ₹ 6.31 crores as on 31st March, 2015 stand reduced to ₹4.74 Crores as on 31st March, 2016. However, consequent to this Buy-Back of shares, there is no change in the %age of shares holding by JV Members in the JV Company. No provision for impairment in the value of investment in the JV Company has been made in view of likely realisation of amount invested upon reimbursement of cost incurred by the Company from the future allottees of the said coal block and the realisation of certain current assets held by it, accordingly the provision for the impairment in the value of investment, if any, shall be made as and when the amount of actual loss is determined.
37. Derivative Instruments and Un hedged Foreign Currency Exposure
Foreign currency exposure that are not hedged by derivative instruments or Forward Contracts as at 31st March, 2016 amount to ₹40327.20 lacs (Previous Year ₹51578.66 lacs)
38. Information on Related Party as required by Accounting Standard-18, "Related Party Disclosures" issued by The Institute of Chartered Accountants of India, are given below :

i) Related Parties

a) Associate

- Jagdamba Power & Alloys Limited
- Chhattisgarh Ispat Bhumi Limited
- Hira Ferro Alloys Limited (w.e.f. 31.03.2016)

b) Other Related Enterprises

- Hira Cement Limited
- Raipur Complex
- Hira Foundation

c) 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 Siddarth Agrawal (Director)
- Shri Sanjay Gupta (Whole Time Director)
- Shri Dinesh Gandhi (Executive Director)

ii) Material Transactions with Related Parties in the ordinary course of business (₹ in lacs)

	2016	2015
a) Associate		
Equipment Hiring Charges	0.00	475.19
Purchase of Materials	1111.38	0.00
Sale of Materials	370.39	0.02
Interest received	7.01	0.00
Dividend received.....	60.25	0.00
Service Charges Paid	505.41	471.49
Purchase of fixed assets	53.50	81.02

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

	2016	2015
Other charges received	0.00	0.99
Investment made	12.70	384.90
Outstandings		
Receivables	259.02	14.72
Payables.....	0.27	93.60
b) Other Related Enterprises		
Purchase of Materials.....	209.55	644.06
Sale of Materials/Service charges.....	163.00	226.94
Rent Paid	18.39	17.20
Interest Paid.....	0.00	1.40
Loan Taken	0.00	15.85
Outstandings		
Receivables	3.52	0.00
Payables.....	1.34	17.11
c) Key Management		
Remuneration Paid	252.26	373.08
Commission Paid	0.00	24.00
Rent Paid	3.60	0.00
Rent deposit given	10.00	0.00
Loan received	0.00	232.00
Repayment of Loans	0.00	220.00
Outstandings		
Rent deposit receivable	10.00	0.00
Payables.....	12.00	12.00

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

Particulars	External Sales		Inter Segment Sales		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	(₹ in lacs)							
A) REVENUE								
Steel Segment.....	168934.85	225613.53	0.00	0.00	0.00	0.00	168934.85	225613.53
Electricity Segment.....	11413.04	13884.45	20261.50	22772.57	(20261.50)	(22772.57)	11413.04	13884.45
Total Segment Revenue.....	180347.89	239497.98	20261.50	22772.57	(20261.50)	(22772.57)	180347.89	239497.98

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

	(₹ in lacs)	
	2016	2015
B) RESULTS		
Segment Operational Profit.....		
Steel Segment.....	(4232.30)	14793.71
Electricity Segment.....	18175.36	14738.84
Total Segment Results	13943.06	29532.55
Un-allocated expenditure net off unallocated income.....	(3577.48)	492.59
Operating Profit	10365.57	30025.14
Interest Expenses	(24682.23)	(22365.22)
Total Tax Expenses.....	3962.62	(587.21)
Net Profit	(10354.04)	7072.71
		(₹ in lacs)
C) OTHER INFORMATION	2016	2015
NET CAPITAL EMPLOYED		
Steel Segment.....	53313.43	64705.30
Electricity Segment.....	46561.71	46809.11
Total	99875.14	111514.41
Un-allocable Capital employed.....	(7028.65)	(1424.95)
Total Capital Employed	92846.49	110089.47
Depreciation		
Steel Segment.....	8070.17	8253.27
Electricity Segment.....	3503.25	3564.24
Total	11573.42	11817.51

40. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS :

The Company has a defined gratuity benefit plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. The Gratuity liability has not been externally funded. Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per the Projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the statement of profit and loss and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

Statement of Profit and Loss

	(₹ in lacs)	
Particulars	(Gratuity)	
	2016	2015
Net employee benefit expense (recognized in Employee Cost)		
Current Service cost.....	66.53	85.33
Interest cost on benefit obligation.....	34.06	33.44
Expected return on plan assets.....	0.00	0.00
Net actuarial loss recognised in the year.....	87.42	66.74
Past service cost.....	0.00	0.00
Actual return on plan assets.....	188.01	185.51

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

Balance Sheet

Details of provision for Gratuity		(₹ in lacs)	
Particulars	2016	2015	
Defined benefit obligation	449.41	493.95	
Fair value of plan assets	0.00	0.00	
	449.41	493.95	
Less : Unrecognised past service cost.....	0.00	0.00	
Plan liability.....	449.41	493.95	

Changes in the present value of the defined benefit obligation are as follows :		(₹ in lacs)	
Particulars	2016	2015	
Defined benefit obligation as at April 1, 2015	400.02	340.05	
Interest cost	36.29	33.44	
Current Service Cost	64.30	85.33	
Benefits paid.....	(41.60)	(31.61)	
Actuarial losses on obligation.....	(9.60)	66.74	
Defined benefit obligation as at March 31, 2016	449.41	493.95	

Since the entire amount of plan obligation is unfunded therefore changes in the fair value of plan assets are not given. Further the entire amount of plan obligation is unfunded therefore categories of plan assets as a percentage of the fair value of total plan assets and Company's expected contribution to the plan assets in the next year is not given.

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below :

Particulars	2016	2015	
Discount Rate	8.00%	8.25%	
Increase in Compensation cost.....	6.00%	5.00%	
Expected average remaining working lives of employee (years).....	24.31	23.55	

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Contribution to Defined Contribution Plans:		(₹ in lacs)	
Particulars	2016	2015	
Provident Fund.....	342.94	389.74	

40. Previous year figures have been regrouped or rearranged wherever necessary.

As per our report of even date
For **OPSinghania & CO.**
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per **Sanjay Singhania**
Partner
Membership No.076961

Place : Raipur
Date : 28.05.2016

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

B. L. Agrawal
Managing Director

Dinesh Gandhi
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY / ASSOCIATES / JOINT VENTURES.

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ In Lakh)	As % of consolidated profit or loss	Amount (₹ In Lakh)
Parent				
Godawari Power & Ispat Limited	51.14	55819.78	86.71	6132.93
Subsidiaries				
Indian				
Hira Ferro Alloys Limited	12.87	14053.23	17.62	1246.43
Ardent Steel Limited	9.22	10068.17	-9.10	-643.89
Godawari Green Energy Limited	22.01	24027.45	4.31	304.69
Godawari Energy Limited	3.68	4019.71	-0.02	-1.57
Godawari Clinker & Cement Limited	0.00	4.05	0.00	0.18
Krishna Global & Minerals Limited	0.00	3.11	0.00	-0.12
Godawari Integrated Steel (India) Limited	0.00	4.20	0.00	-0.13
Joint Venture (as per proportionate consolidation)				
Indian				
Raipur Infrastructure Company Ltd.	0.48	519.55	0.48	34.15
Chattisharh Captive Coal Mining Limited	0.58	631.38	0.00	0.00
Godawari Natural Resources Ltd.	0.00	1.86	0.00	0.04
Minority Interest in all subsidiaries	15.31	16711.69	6.31	446.54
Associates (Investment as per equity method)				
Indian				
Jagdamba Power & Alloys Limited	2.97	3240.97	-0.15	-10.95
Chhattisgarh Ispat Bhumi Limited	0.71	777.79	0.08	5.44

As per our report of even date
For **OPSinghania & CO.**
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per **Sanjay Singhania**
Partner
Membership No.076961

Place : Raipur
Date : 16.05.2015

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

B. L. Agrawal
Managing Director

Abhishek Agrawal
Whole Time Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

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	Reserves & Surplus	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	1000.00	4683.72	22395.43	22395.43	21.99	15891.20	152.01	(6376.70)	(1989.96)	(4386.74)	NIL	75.00%
2	Godawari Green Energy Limited	INR	11974.70	12314.06	78379.09	78379.09	NIL	10387.68	321.89	328.23	66.92	261.31	NIL	100.00%
3	Godawari Energy Limited	INR	2300.00	546.33	8473.38	8473.38	NIL	NIL	NIL	(10.39)	NIL	(10.39)	NIL	51.30%
4	Godawari Clinkers and Cement Limited	INR	5.00	(0.79)	5.39	5.39	NIL	NIL	0.34	0.24	0.08	0.16	NIL	100.00%
5	Krishna Global Minerals Limited	INR	5.00	(2.77)	2.36	2.36	NIL	NIL	0.35	(0.88)	NIL	(0.88)	NIL	100.00%
6	Godawari Integrated Steels (India) Limited	INR	5.00	(0.89)	15.18	15.18	NIL	NIL	NIL	(0.09)	NIL	(0.09)	NIL	100.00%

Names of Subsidiaries which are yet to commence operations -

Sl. No.	Name of Companies
1	Godawari Energy Limited
2	Godawari Clinkers and Cement Limited
3	Krishna Global Minerals Limited
4	Godawari Integrated Steels (India) Limited

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 Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end (Refer Note- B)			Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in lacs)	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 (₹ in lacs)	Extend of Holding %		Considered in Consolidation (₹ in lacs)	Not Considered in Consolidation		

Associates

1	Jagdamba Power and Alloys Limited	31.03.2016	2605000	260.50	26.00%	3236.55	(4.42)	---	Note- A	---
2	Chhattisgarh Ispat Bhumi Limited	Unaudited Balance Sheet as on 31.03.2016 has been consolidated	2810000	489.40	35.36%	588.50	(189.29)	---	Note- A	---
3	Hira Ferro Alloys Limited	31.03.2016	9491000	2234.26	48.45	6620.03	(237.30)	---	Note- A	---

Joint Ventures

1	Raipur Infrastructure Company Limited	31.03.2016	130700	210.70	33.31%	606.86	87.35	---	Note- A	---
2	Chhattisgarh Captive Coal Mining Limited	Unaudited Balance Sheet as on 31.03.2016 has been consolidated	342824	473.54	25.93%	367.98	(1.04)	---	Note- A	---
3	Godawari Natural Resources Limited	31.03.2016	16940	1.69	33.88%	1.93	0.06	---	Note- A	---

Note:

- There is significant influence due to percentage(%) of Share Capital.
- 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 31.03.2016.

As per our report of even date
For **OP Singhania & CO.**
(ICAI Firm Reg. No.002172C)
Chartered Accountants

per **Sanjay Singhania**
Partner
Membership No.076961

Place : Raipur
Date : 28.05.2016

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



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 – 492 001, Chhattisgarh, India
P: +91 – 771 – 4082000 **F:** 4082732 / 4057601

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 - 492001, Chhattisgarh,
www.godawaripowerispat.com
CIN: L27106CT1999PLC013756

NOTICE OF ANNUAL GENERAL MEETING

TO ALL THE MEMBERS

GODAWARI POWER AND ISPAT LIMITED

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of GODAWARI POWER AND ISPAT LIMITED will be held on Tuesday the 20th day of September, 2016 at 12:30 p.m. at the corporate office of the Company situated at 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492001, Chhattisgarh to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements comprising of Balance Sheet as on 31st March, 2016 and Profit and Loss Account of the company for the year ended 31st March 2016 along with the reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Shri Dinesh Kumar Agrawal having Director Identification Number 00479936, who retires by rotation and being eligible for reappointment, offers himself for reappointment.
3. To consider and, if thought fit, to pass the following resolution, with or without modification as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s O.P.Singhania & Co., Chartered Accountants, Raipur with Firm Registration Number 002172C be and are hereby re-appointed as statutory auditor of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration to be decided mutually, by the Board of Directors of the Company and M/s O.P.Singhania & Co., Chartered Accountants.”

SPECIAL BUSINESS:

4. To approve the re-appointment of Shri Vinod Pillai, as Whole Time Director of the company and 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 Sections 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 in accordance with the Articles of Association of the company and such other approvals, permissions and sanctions approval of the company be and is hereby accorded to the appointment of Shri Vinod Pillai (DIN: 00497620) as a Whole-Time Executive Director of the Company for a period of five years with effect from June 01, 2016 on the terms and conditions including remuneration as stated in the explanatory statement annexed to 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 and as may be acceptable to Shri Vinod Pillai, 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.”

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

5. To approve the re-appointment of Shri Abhishek Agrawal as Whole Time Director of the company and 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 Sections 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 in accordance with the Articles of Association of the company and such other approvals, permissions and sanctions approval of the company be and is hereby accorded to the appointment of Shri Abhishek Agrawal (DIN: 02434507) as a Whole-Time Executive Director of the Company for a period of five years with effect from November 09, 2016 on the

GODAWARI POWER & ISPAT LIMITED

terms and conditions including remuneration as stated in the explanatory statement annexed to 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 and as may be acceptable to Shri Abhishek Agrawal, 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."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2017 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 March 31, 2017, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting."

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

By Order of the Board

Place: Raipur
Date: 28th May, 2016

Y.C. Rao
Company Secretary

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 13th September, 2016 to 20th September, 2016 (both days inclusive) for the purpose of the Annual General Meeting for the year ended 31st March, 2016.

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.

3. Corporate Members are requested to send to 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 Annual General Meeting.

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, Link Intime India Private Limited, 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 working 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 Copies of resolutions of the Board is available for inspections by members at the registered office of the company during working hours on any working day till the date of the Annual General Meeting.

10. The following are the details of dividends paid by the Company and respective due dates for transfer of unclaimed dividend to such IEP Fund of the Central Government:

Year of Dividend	Date of Declaration	Due date for transfer to IEP Fund
2008-09	22.09.2009	21.10.2016
2009-10	25.09.2010	24.10.2017
2010-11	30.09.2011	29.10.2018
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

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 Investor Education and Protection Fund of the Central Government under the provisions of section 125 of the Companies Act 2013.

11. In furtherance of its "Go-Green" initiative, the Ministry of Corporate Affairs, Government of India, has recently 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 our Registrar & Transfer Agents, Link Intime India

GODAWARI POWER & ISPAT LIMITED

Private Limited, 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:- gpilgogreen@linkintime.co.in

12. VOTING THROUGH ELECTRONIC MEANS:

- I. 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 17th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting services provided by National Securities Depository Limited (NSDL):

The instructions for e- voting as under:

- A. In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company/ Depository Participants):
- (i) Open email and open PDF file viz; "GPIL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: [http:// www.evoting.nsdl.com/](http://www.evoting.nsdl.com/)
 - (iii) Click on Shareholder- Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click login.
 - (v) Password change menu appears. Change the password/PIN with the new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of GPIL.
 - (viii) Members can cast their votes online from 17th September, 2016 (9:00 am) till 19th September, 2016 (5:00 pm).
Note: E-Voting shall not be allowed beyond said time.
 - (ix) Now you are ready for e-voting as Cast Vote page opens.
 - (x) Cast your vote by selecting appropriate option and click on "submit" also "Confirm" when prompted.
 - (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xiii) 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 evoting@nsdl.co.in

- B. In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company/ Depository Participants or requesting physical copy):

- (i) Initial password is provided as below/ at the bottom of the Attendance Slip for the AGM:

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN
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- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads section of www.evoting.nsdl.com.
- III. Persons who have acquired shares and became Members of the Company after (cut-off date for dispatch 05.08.2016) the dispatch of the Notice of the AGM but before the cut-off date of 13.09.2016, may obtain their user ID and password for e-voting by sending a request at evoting@nsdl.co.in or write to our registrar and transfer agent at rnt.helpdesk@linkintime.co.in.

- IV. If you are already registered with NSDL for evoting then you can use your existing user ID and password/PIN for casting your vote.
 - V. 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).
 - VI. The e-voting period commences on 17th September, 2016 (9:00 am) and ends on 19th September, 2016 (5:00 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 13th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - VII. 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 13th September, 2016.
 - VIII. CS Brajesh R. Agrawal, Practising Company Secretary (CP No. 5649 & Membership No. F5771) has been appointed as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner.
 - IX. The Scrutinizer shall within a period not exceeding three (3) working 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.
 - X. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizers Report shall be placed on the Company's website www.godawaripowerispat.com and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
13. 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 (9.00 am to 5.00 pm) on all working days up to and including the date of the Annual general Meeting of the Company.

By Order of the Board

Place: Raipur
Date: 28th May, 2016

Y.C. Rao
Company Secretary

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 04:

Shri Vinod Pillai was appointed as Whole Time Director of the company w.e.f. June 1, 2011 for a period of 5 (five) years i.e. up to May 31, 2016. His tenure of office as Whole Time Director of the Company expires after May 31, 2016. Hence it is proposed to re-appoint Shri Vinod Pillai as Whole Time Director for a further period of five years subject to approval of the shareholders of the Company and 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 in accordance with the Articles of Association of the company and all other applicable provisions of the Companies Act, 2013.

Shri Vinod Pillai has been associated with the company for the last 7 years in various capacities and presently he has a vast experience in the area of purchase, sales, liasioning, administration and logistics management.

The Proposed remuneration shall be within the overall limit of Section 197 and Schedule V of the Companies Act, 2013.

Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors have also decided to fix the remuneration payable to Shri Vinod Pillai as Whole Time Director of the Company as follows with effect from June 01, 2016.

Salary: Salary in the scale of Rs 70,000 - Rs.1,20,000 Per Month with effect from June 01, 2016 upto the date of cessation of Shri Vinod Pillai as Whole Time Director of the Company, i.e. upto May 31, 2021.

Bonus: Bonus up to maximum of 20% salary, payable annually or at other interval as may be decided by the Board as per the Rules of the Company.

Company performance linked incentive: Company performance linked payable quarterly or at other interval as may be decided by the Board as per the Rules of the Company.

Perquisites:

1. Housing: Furnished / unfurnished residential accommodation or house rent allowance up to 50% of salary in lieu thereof. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962.
2. Reimbursement of actual medical expenses incurred in India and / or abroad and including hospitalization, nursing home and surgical charges for himself and family subject to a maximum of Rs. 15,000 per annum
3. Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family during the leave travel holiday periods, whenever undertaken, whether in India or abroad as per Rules of the Company.
4. Insurance: as per the rules of the Company.

Other benefits:

1. Earned / Privilege leave: As per the rules of the Company.
2. Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
3. Gratuity: As per the rules of the Company.
4. Encashment of leave: As per the rules of the Company
5. Company car and telephone: Use of the Company's car and telephone at residence for official purpose, as per the rules of the Company.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable shall always be subject to the overall ceilings laid down in Sections 196 and 197 and other applicable provision of the Companies Act, 2013.

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 Companies Act, 2013 (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.

Except Shri Vinod Pillai, 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. 04.

ITEM NO. 05

Shri Abhishek Agrawal was appointed as Whole Time Director of the company w.e.f. November 9, 2011 for a period of 5 (five) years i.e. up to November 8, 2016. His tenure of office as Whole Time Director of the Company expires after November 8, 2016. Hence

it is proposed to re-appoint Shri Abhishek Agrawal as Whole Time Director for a further period of five years subject to approval of the shareholders of the Company and 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 in accordance with the Articles of Association of the company and all other applicable provisions of the Companies Act, 2013.

Mr. Abhishek Agrawal is an Electronics Engineer from Bharti Vidyapeeth, Pune. He got Masters Degree in International Business from Leeds University, U.K. He is associated with the Company and looking after the project implementation, procurement of raw material, Plant maintenance, Production activities and marketing of finished goods of the Company.

The Proposed remuneration shall be within the overall limit of Section 197 and Schedule V of the Companies Act, 2013.

Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors have also decided to fix the remuneration payable to Shri Abhishek Agrawal, as Whole Time Director of the Company as follows with effect from November 9, 2016.

Salary: Scale of Rs. 1,50,000-4,50,000 Per Month with effect from November 9, 2016 upto the date of cessation of Shri Abhishek Agrawal as Whole Time Director of the Company, i.e. upto November 8, 2021.

Commission: Payment of commission of sum not exceeding 1% of the net profit of the company calculated in the manner specified in section 197 of the Companies Act, 2013

Bonus: Bonus up to maximum of 20% salary, payable quarterly or at other interval as may be decided by the Board as per the Rules of the Company.

Company performance linked incentive: Company performance linked payable quarterly or at other interval as may be decided by the Board as per the Rules of the Company.

Perquisites:

- 1 Housing: Furnished / unfurnished residential accommodation or house rent allowance up to 50% of salary in lieu thereof. The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962.
- 2 Reimbursement of actual medical expenses incurred in India and / or abroad and including hospitalization, nursing home and surgical charges for himself and family.
- 3 Reimbursement of all the expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred for self and family during the leave travel holiday periods, whenever undertaken, whether in India or abroad.
- 4 Subscription or Reimbursement or membership fee for clubs or abroad including admission and life membership fee.
- 5 The Company shall provide suitable conveyance facilities as may be required by Abhishek Agrawal.
- 6 Insurance: as per the rules of the Company.

Other benefits:

- 1 Earned / Privilege leave: As per the rules of the Company.
- 2 Company's contribution to provident fund and superannuation fund: As per the rules of the Company.
- 3 Gratuity: As per the rules of the Company.
- 4 Encashment of leave: As per the rules of the Company
- 5 Company car and telephone: Use of the Company's car and telephone at residence for official purpose, as per the rules of the Company.

The aggregate remuneration inclusive of salary, bonus, incentive, perquisites and other benefits payable shall always be subject to the overall ceilings laid down in Sections 196 and 197 and other applicable provision of the Companies Act, 2013.

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 Companies Act, 2013 (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.

Except Shri Abhishek Agrawal and Shri Bajrang Lal Agrawal 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. 05.

ITEM NO. 06

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s Sanat Joshi

GODAWARI POWER & ISPAT LIMITED

& Associates, Cost Auditors having Firm Registration No. 000506 to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017 at a remuneration of Rs. 60,000/-.

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 ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 06 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

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. 06.

By Order of the Board

Place: Raipur
Date: 28th May, 2016

Y.C. Rao
Company Secretary

Particulars of Directors seeking appointment / reappointment at the forthcoming Annual General Meeting (In Pursuance of regulation 36(3) of SEBI (LODR), Regulation, 2015)

A	Name	Shri Vinod Pillai	Shri Abhishek Agrawal	Shri Dinesh Agrawal
B	Brief resume			
	i) Age	46 years	32 years	44 years
	ii) Qualification	B. Com	B.E. (Electronics) & MBA	B.E. (Electrical)
	iii) Experience in specific functional area	More than 20 years	More than 5 years	More than 15 years
	iv) Date of Appointment on the Board of the company	28.07.2009	09.11.2011	21.09.1999
C	Nature of expertise in specific functional areas	He has vast experience in purchase, sales, liasioning, administration and logistics management.	He is the Whole time Director of the Company and has been looking after all the production and project operations of the company.	He is a whole time Director on the Board of the Company and has been associated with the company's Ferro alloys and steel rolling units.
D	Name(s) of other Listed entities in which the person holds the directorship	N.A	N.A	N.A
E	Chairman/Member of the Committee of the Board of Directors of the Company	Member of the CSR Committee	Member of the CSR Committee	NIL
F	No. of Shares of Rs 10/- each held by the Directors	NIL	817466	1846347
G	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	No relationship with other Directors	Related to Shri B.L. Agrawal	No Relationship with Directors



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 - 492001, Chhattisgarh,
www.godawaripowerispat.com
CIN: L27106CT1999PLC013756

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 or failing him/her;

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 Seventeenth Annual General Meeting of the company, to be held on the Tuesday, September 20, 2016 at 12.30 p.m. at Corporate Office of the Company situated at 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492001, Chhattisgarh 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 Financial Statements, Reports of the Board of Directors and Auditors		
2.	Re-appointment of Shri Dinesh Kumar Agrawal who retires by rotation		
3.	Re-appointment of Auditor and fixing their remuneration		
4.	Re-appointment of Shri Vinod Pillai as Whole-time Director and fixation of remuneration payable to him		
5.	Re-appointment of Shri Abhishek Agrawal as Whole-time Director and fixation of remuneration payable to him		
6.	Approval of Remuneration of the Cost auditors		

Signed thisday of 2016

Signature of shareholder

Signature of Proxy holder(s)

Affix ₹ 1/- Revenue Stamp

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.



GODAWARI POWER AND ISPAT LIMITED

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www.godawaripowerispat.com
CIN: L27106CT1999PLC013756

Attendance Slip

Registered Folio / DP ID & Client ID

Name and address of the Shareholder

Name of the Joint Holder, if any

1. I, hereby record my presence at the Seventeenth Annual General Meeting of the Company held on Tuesday, the 20th day of September, 2016 at 12:30 P.M. at the Corporate office of the Company at 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur – 492001.
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 attend 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

E-Voting Event Number [EVEN]	USER ID	PASSWORD

Note: Please read the instructions given in the Notes to the Notice of Seventeenth Annual General Meeting dated May 28, 2016. The E-Voting period starts on Saturday the 17th day of September, 2016 at 9:00 AM and ends on Monday, the 19th day of September, 2016 at 5:00 PM. The e-voting module shall be disabled by NSDL for voting thereafter.



GODAWARI POWER & ISPAT

GODAWARI POWER AND ISPAT LIMITED

VENUE OF THE MEETING

Godawari Power and Ispat Limited
Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh - 492001

