

*ANNUAL REPORT*  
*2010-11*

*GODAWARI GREEN*  
*ENERGY LIMITED*

## **DIRECTORS' REPORT**

Dear Shareholders,

### **GODAWARI GREEN ENERGY LIMITED**

**Registered Office: - Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh**

Your Directors have pleasure in presenting the Second Annual Report of the Company with the Audited Statement of Accounts and the Auditor's Report of your Company for the financial year ended 31<sup>st</sup> March, 2011.

### **OPERATIONS:**

Your Company is setting up a 50 MW Solar Thermal Plant at Naukh, Dist. Jaisalmer, Rajasthan, awarded by Ministry of New and Renewable Energy (MNRE) under Jawaharlal Nehru National Solar Mission (JNNSM) in competitive bidding process at an estimated cost of Rs.800 crores which will be partially financed by way of equity and partially by way of Bank Loans etc. for which the Company has already done financial closure. The Project is expected to be commissioned by May 2013.

Presently, your Company has not started commercial production during the financial year ended 31<sup>st</sup> March 2011. However, the Company earned Rs.263.79 lacs as Interest on Fixed Deposits and registered Profit After Tax of Rs.1.42 lacs during the year under review.

### **DIVIDEND:**

Your directors feel it prudent to plough back the profits with an intention to utilize the same for the growth of the Company. Keeping in view the requirement of funds in future, your Directors have not recommended any dividend for the year ended 31<sup>st</sup> March 2011.

### **INCREASE IN AUTHORISED SHARE CAPITAL:**

During the year under review, your Company increased its Authorized Share Capital from Rs 5.00 lacs to Rs. 25.00 crores by creation of additional 2,49,50,000 equity shares of Rs. 10/- each.

### **ALLOTMENT OF SHARES**

Your Company became a 100% subsidiary of M/s Godawari Power and Ispat Limited with effect from 19<sup>th</sup> September, 2010.

During the year under review, your Company has made allotment of 1,21,00,000 Equity shares of Rs. 10/- each at a premium of Rs.90/- per share to M/s Godawari Power and Ispat Limited on 29<sup>th</sup> December 2010.

**ALTERATION IN ARTICLES OF ASSOCIATION:**

The shareholders of the Company have altered the Articles of Association of the Company by inserting Clause 43A to 43J after the existing of Clause 42 in the Articles of Association for dematerialization of shares at an Extra Ordinary General Meeting held on June 17, 2011 for altering the Articles of Association for dematerialization of shares by inserting Clause 43A to 43J after the existing of Clause 42.

Your company has made an application to NSDL and CDSL for dematerializing of its equity shares and the agreement with CDSL has been executed in the month of July 2011 and the agreement with NSDL is expected to be executed in the month of August 2011.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company had no foreign exchange earnings/outgo during the period under review.

**PARTICULARS OF EMPLOYEES:**

None of the employee of the Company was in receipt of remuneration in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956. Hence, particulars as required under the Companies (Particulars of Employees) Rules, 1975 are not given.

**DIRECTORS:**

During the year under review, Shri Dinesh Agrawal was appointed as an Additional Director with effect from December 10, 2010.

During the year under review, Shri Siddharth Agrawal, Shri Abhishek Agrawal and Shri Subhash Ramji Agrawal resigned from the directorship of the Company due to personal reasons with effect from March 02, 2011. Your company places on record its deep sense of appreciation for the services rendered and guidance given by the outgoing directors from time to time during the tenure of their office.

Shri B.L. Agrawal and Shri Dinesh Gandhi were appointed as Additional Directors with effect from March 02, 2011 and Shri B.L. Agrawal was appointed as the Managing Director of the Company with effect from March 04, 2011.

Shri Padam Chimanlal Singhee and Shri Rajnish Gupta were appointed as Additional Directors of the Company with effect from June 1, 2011.

Shri Siddharth Agrawal and Shri J. P. Tiwari were appointed as Additional Director and Whole time Director with effect from August 06, 2011.

**DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of section 217(2AA) of the Companies Act, 1956, your Directors state:

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed.

- (ii) 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;
- (iii) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting record in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
- (iv) That your Directors have prepared the annual accounts on a going concern basis.

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

The provisions of section 217(1) (e) of the Companies Act,1956, read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, are not applicable to the Company, since it did not undertake any manufacturing activity.

**AUDITORS REPORT:**

There is no qualifying remark in the Auditors Report and hence does not require any clarification in the Directors Report.

**AUDITORS:**

M/s. O.P. Singhanian & Co., Chartered Accountants, the Statutory Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and being eligible and 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 224(1B) of the Companies Act, 1956.

**CONSTITUTION OF AUDIT COMMITTEE:**

The Board of Directors constituted the Audit Committee consisting of One Executive Director and Two Non-Executive Directors with effect from March 04, 2011. The composition of the Audit Committee is as follows:

Name of Chairman / Member	Category
1. B. L. Agrawal	Chairman
2. Dinesh Agrawal	Member
3. Dinesh Kumar Gandhi	Member

Due procedure in regard to the Audit Committee has been followed and necessary compliances have been made as per section 292A of the Companies Act, 1956 during the year under review.

**APPOINTMENT OF WHOLE TIME COMPANY SECRETARY:**

Pursuant to the provisions of the Companies Act, 1956, the Board of Directors of your Company have appointed Mr. Rishi Dave as Secretary of the Company with effect from December 29, 2010.

**ACKNOWLEDGEMENT:**

The Board expresses its sincere gratitude to the shareholders, bankers and Central Government Officials and clients for their continued support. The Board also wholeheartedly acknowledges with thanks the dedicated efforts of all the staff and employees of the Company.

**For and on behalf of the Board of Directors**

**Date: August 06, 2011**  
**Place: Raipur**

**Sd/-**  
**B.L. Agrawal**  
**(Managing Director)**

**Sd/-**  
**Dinesh Gandhi**  
**(Director)**

**GODAWARI GREEN ENERGY LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2011**

	SCHE- DULE	AS AT 31ST MARCH, 2011 Rs.	AS AT 31ST MARCH, 2010 Rs.
<b>SOURCES OF FUNDS</b>			
<b>A. SHAREHOLDERS' FUNDS</b>			
a) Share Capital	A	121500000.00	500000.00
b) Share Application money		0.00	2050000.00
c) Reserves & Surplus	B	1089142436.77	0.00
		<b>1210642436.77</b>	<b>2550000.00</b>
<b>B. LOAN FUNDS</b>			
a) Secured Loans		0.00	0.00
b) Unsecured Loans	C	610000000.00	0.00
		<b>610000000.00</b>	<b>0.00</b>
<b>TOTAL</b>		<b>1820642436.77</b>	<b>2550000.00</b>
<b>APPLICATION OF FUNDS</b>			
<b>A. FIXED ASSETS</b>			
a) Gross Block	D	42900.00	0.00
b) Less : Depreciation		6154.00	0.00
c) Net Block		36746.00	0.00
d) Project & Pre-operative Expenses		19663419.00	2545818.00
		<b>19700165.00</b>	<b>2545818.00</b>
<b>B. INVESTMENTS</b>			
		0.00	0.00
<b>C. CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
a) Cash & Bank Balances	E	1173534491.00	35065.00
b) Loans & Advances	F	636238829.09	0.00
		<b>1809773320.09</b>	<b>35065.00</b>
Less: CURRENT LIABILITIES & PROVISIONS	G	8831048.32	54222.00
		<b>1800942271.77</b>	<b>(19157.00)</b>
<b>NET CURRENT ASSETS</b>			
<b>D. MISCELLANEOUS EXPENDITURE</b> (to the extent not written off or adjusted)			
Preliminary Expenses		0.00	23339.00
		<b>1820642436.77</b>	<b>2550000.00</b>
<b>TOTAL</b>			
<b>NOTES TO FINANCIAL STATEMENTS</b>			
	H		

As per our attached report of even date

**For OPSinghania & Co.**

(Firm Registration No.002172C)

Chartered Accountants,

Sd/-

**Sanjay Singhania**

Partner

Membership No.076961

Raipur, 17th May,2011

For and on behalf of Board

Sd/-

**B.L.Agrawal**  
Managing Director

Sd/-

**Dinesh Gandhi**  
Director

Sd/-

**Rishi Dave, Company Secretary**

**GODAWARI GREEN ENERGY LIMITED****PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH,2011**

	<b>SCH- DULE</b>	<b>FOR THE YEAR ENDED 31ST MARCH,2011 Rs.</b>	<b>FOR THE YEAR ENDED 31ST MARCH,2010 Rs.</b>
<b><u>INCOME</u></b>			
Interest on FDRs (TDS Rs.2637882/- Previous Year Rs.NIL)		26378822.09	0.00
		<b>26378822.09</b>	<b>0.00</b>
<b><u>EXPENDITURE</u></b>			
Salary		150000.00	0.00
Audit Fees		22060.00	0.00
Communication Expenses		8686.00	0.00
Miscellaneous Expenses		33191.00	0.00
Bank charges		19386617.32	0.00
Printing & Stationery		74893.00	0.00
Legal fees		1714250.00	0.00
Membership Fees		15000.00	0.00
Travelling Expenses		3863403.00	0.00
Depreciation		6154.00	0.00
Preliminary, Project & Pre-operative Expenses Written Off		922131.00	0.00
		<b>26196385.32</b>	<b>0.00</b>
<b>PROFIT FOR THE YEAR BEFORE TAX</b>		<b>182436.77</b>	<b>0.00</b>
Less : Provision for Current Year Tax		40000.00	0.00
<b>PROFIT FOR THE YEAR AFTER TAX</b>		<b>142436.77</b>	<b>0.00</b>
Balance brought forward from previous year		0.00	0.00
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b>142436.77</b>	<b>0.00</b>
<b>Earning Per Share ( Basic &amp; Diluted)</b>		<b>0.05</b>	<b>0.00</b>
NOTES TO FINANCIAL STATEMENTS	<b>H</b>		

As per our attached report of even date

**For OPSinghania & Co.**

(Firm Registration No.002172C)

Chartered Accountants,

**Sanjay Singhania**

Partner

Membership No.076961

Raipur, 17th May,2011

For and on behalf of Board

Sd/-

**B.L.Agrawal**  
Managing Director

Sd/-

**Dinesh Gandhi**  
Director

Sd/-

**Rishi Dave, Company Secretary**

**GODAWARI GREEN ENERGY LIMITED****SCHEDULES FORMING PART OF THE ACCOUNTS**

	<b>AS AT 31ST MARCH, 2011 Rs.</b>	<b>AS AT 31ST MARCH, 2010 Rs.</b>
<b>SCHEDULE - A : SHARE CAPITAL</b>		
<b>Authorised</b> 25000000(50000) Equity Shares of Rs.10/- each	250000000.00	500000.00
	<b>250000000.00</b>	<b>500000.00</b>
<b>Issued, Subscribed &amp; Paidup</b> 12150000 ( 50000 ) Equity Shares of Rs.10/- each fully paid up [Out of above 12150000 (50000) equity shares held by the Godawari Power & Ispat Ltd, the holding Company]	121500000.00	500000.00
	<b>121500000.00</b>	<b>500000.00</b>
<b>SCHEDULE - B : RESERVES AND SURPLUS</b>		
<u>Security Premium Account</u> Balance as per last account	0.00	0.00
Add: Additions during the year	1089000000.00	0.00
	<b>1089000000.00</b>	<b>0.00</b>
Profit and Loss Account	142436.77	0.00
	<b>1089142436.77</b>	<b>0.00</b>
<b>SCHEDULE - C : UNSECURED LOANS</b>		
<u>Other Loans &amp; Advances</u> - from Body Corporate	610000000.00	0.00
	<b>610000000.00</b>	<b>0.00</b>



**GODAWARI GREEN ENERGY LIMITED**

Schedules to the Accounts

As at 31st March,2011

**Schedule D: Fixed Assets**

Description of Assets	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 01.04.2010  Rs.	Additions during the year  Rs.	Deductions/ sale During the year  Rs.	As at 31st March, 2011  Rs.	Upto 31st March, 2010  Rs.	During the year  Rs.	Deductions/ Adjustment During the year  Rs.	Upto 31st March, 2011  Rs.	As at 31st March, 2011  Rs.	As at 31st March, 2010  Rs.
Computer	0.00	42900.00	0.00	<b>42900.00</b>	0.00	6154.00	0.00	6154.00	<b>36746.00</b>	<b>0.00</b>
<b>TOTAL</b>	<b>0.00</b>	<b>42900.00</b>	<b>0.00</b>	<b>42900.00</b>	<b>0.00</b>	<b>6154.00</b>	<b>0.00</b>	<b>6154.00</b>	<b>36746.00</b>	<b>0.00</b>
<b>Pre-operative Expenses</b>	2545818.00	18016393.00	898792.00	<b>19663419.00</b>	0.00	0.00	0.00	0.00	<b>19663419.00</b>	<b>2545818.00</b>
<b>GRAND TOTAL</b>	<b>2545818.00</b>	<b>18059293.00</b>	<b>898792.00</b>	<b>19706319.00</b>	<b>0.00</b>	<b>6154.00</b>	<b>0.00</b>	<b>6154.00</b>	<b>19700165.00</b>	<b>2545818.00</b>
<b>PREVIOUS YEAR</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Note :

The expenditure incurred for setting-up the project are grouped under the head "Pre-operative Expenses" and subject to allocation to related assets on pro-rata basis.

**GODAWARI GREEN ENERGY LIMITED****SCHEDULES FORMING PART OF THE ACCOUNTS**

	<b>AS AT 31ST MARCH, 2011 Rs.</b>	<b>AS AT 31ST MARCH, 2010 Rs.</b>
<b>SCHEDULE - E : CASH &amp; BANK BALANCES</b>		
Cash in Hand	7044.00	0.00
Balance with Banks		
- <u>In Current Account</u>	3527447.00	35065.00
- <u>In Term Deposit Account*</u>	117000000.00	0.00
*Out of above, Rs.8 crores (previous year Rs.NIL) is pledged with Bank of Baroda for availing Bank Guarantee in favour of NVVN.		
	<b>1173534491.00</b>	<b>35065.00</b>
<b>SCHEDULE - F : LOANS &amp; ADVANCES (Unsecured Considered Good)</b>		
Advance recoverable in cash or in kind or for value to be received	409184.00	0.00
Interest accrued on FDRs	18731763.09	0.00
Loan to Body Corporate	416900000.00	0.00
Loan to holding Company	197600000.00	0.00
TDS Receivable (Net)	2597882.00	0.00
	<b>636238829.09</b>	<b>0.00</b>
<b>SCHEDULE - G : CURRENT LIABILITIES &amp; PROVISIONS</b>		
Creditors for expenses	6085438.00	0.00
Other Liabilities	2745610.32	54222.00
	<b>8831048.32</b>	<b>54222.00</b>

## SCHEDULE 'H'

### NOTES TO FINANCIAL STATEMENTS

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### a) System of Accounting

- The financial statements are prepared under the historical cost convention, on going concern concept and in compliance with the accounting standards as notified by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act,1956.
- The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.

##### b) Fixed Assets

Fixed Assets are stated at "acquisition cost". 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.

##### c) Depreciation

Depreciation on all fixed assets is provided on Written Down Value Method as per the rates and in the manner prescribed in the Schedule XIV to the Companies Act,1956.

##### d) Contingent Liabilities

Contingent Liabilities are not provided for and are disclosed in Notes on Accounts.

##### e) Earning 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.

2. There is no contingent liabilities against the company.

3. EARNING PER SHARE (AS-20)	2010-11	2009-10
Profit for the year after tax	142436.77	0.00
Weighted average number of equity shares outstanding during the year	3133014	0
Basic earning per share (Rs.)	0.05	0.00

4. During the year the expenses related to Gas Project has been written off as on 31st March,2011 because of the aforesaid project has not been stabilised, hence Rs.898792/- has been charged to Profit & Loss Account.

5. There is no additional information as required by paragraph 3, 4(c) and 4(d) of Part II of Schedule VI to the Companies Act,1956.

6. Previous year figures are regrouped and or rearranged wherever necessary.

**For OPSinghania & Co.**

(Firm Registration No.002172C)

Chartered Accountants,

Sd/-

**Sanjay Singhania**

Partner

Membership No.076961

Raipur, 17th May,2011

For and on behalf of the Board

Sd/-

**B.L.Agrawal**

Managing Director

Sd/-

**Dinesh Gandhi**

Director

Sd/-

**Rishi Dave, Company Secretary**

Additional information as required under Part IV of Schedule VI to the Companies Act, 1956.  
Balance Sheet Abstract and Company's General Business Profile

**1. Registration Details**

Registration No.	U26940CT2009PLC021
State Code	10
Balance Sheet Date	31.03.2011

**2. Capital raised during the year (Rs.in thousands)**

Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	121000

**3. Position of mobilisation and deployment of funds (Rs.in thousands)**

Total Liabilities	1829473
Total Assets	1829473

**..... Sources of Funds (Rs.in thousands)**

Paid-up Capital	121500
Reserves & Surplus	1089142
Share Application Money	NIL
Secured Loans	NIL
Unsecured Loans	610000

**..... Application of Funds (Rs.in thousands)**

Net Fixed Assets	19700
Investments	NIL
Net Current Assets	1800942
Miscellaneous Expenditure	NIL
Accumulated Losses	NIL

**4. Performance of the Company (Rs.in thousands)**

Turnover (Gross Receipts)	26379
Total Expenditure	26196
Profit/(Loss) before tax	182
Profit/(Loss) after tax	142
Earning per Share(Rs.)	0.05
Dividend Rate Including Special Dividend, if any	
-- on Preference Shares	NIL
-- on Equity Shares	NIL

**5. Generic Name of Principal Products, services of the Company :**

Item Code No. (ITC Code)	N.A.
Product Description	N.A.

For and on behalf of the Board

**Sd/-** **Sd/-**  
**B.L.Agrawal** **Dinesh Gandhi**  
**Managing Director** **Director**

**Sd/-**  
**Rishi Dave, Company Secretary**

Raipur, 17th May,2011