HIRA

GODAWARI POWER & ISPAT

ANNUAL REPORT

2017-18

Forward looking statement

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

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

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

Contents

CIN: L27106CT1999PLC013756

Company Information

BOARD OF DIRECTORS	Mr. Biswajit 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. Siddharth Agrawal	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
COMPANY SECRETARY	Mr. Y.C. Rao	Company Secretary & Compliance Officer
AUDITORS	M/s. JDS & Co. Chartered Accountants, Raipur (C.G.)	
BANKERS	Canara Bank	State Bank of India
	Bank of Baroda	Axis Bank Ltd.
	IDBI Bank Ltd.	Indian Overseas Bank
	The Lakshmi Vilas Bank Ltd.	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 - 4082001 Fax: 4057601 Email: co.secretary@hiragroup.com	
MUMBAI OFFICE	Unit No. 403, Synergy Business Park, Sahakar Wadi, Goregaon (East), Mumbai – 400 063, India, Tel: +91 – 22 – 64586100	

DIRECTORS REPORT

To the Members,

Your Directors have pleasure in presenting the 19th Annual Report on the business & operations of the Company together with the Standalone and Consolidated Audited Financial Statement for the year ended 31st March 2018.

1. HIGHLIGHTS OF PERFORMANCE

Standalone Operations:

- Revenue from operations for the year increased by 25.87% to ₹ 2184.61 Crores as compared to ₹ 1735.66 crores achieved during previous financial year.
- EBITDA for the year increased by 149.03% to ₹ 440.48 Crores as compared to EBITDA of ₹ 176.88 Crores achieved in previous financial year.
- Profit after tax increased to ₹ 181.95 Crores as compared to net loss of ₹ 77.44 Crores in previous year.

Consolidated Operations:

- Revenue from operations for the year increased by 29.83% to ₹ 2588.84 Crore as compared to ₹ 1994.08 Crore during the previous financial year;
- EBITDA for the year increased by 97.85% to ₹ 605.56 Crores as compared to EBITDA of ₹ 306.07 crores achieved during previous financial year.
- Profit after tax during the year increased to ₹ 214.69 Crores as compared to net loss after tax of ₹ 73.62 Crore during last financial year.

2. FINANCIAL RESULTS

₹ in Crores

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Gross Revenue from operations	**2184.61**	1735.66	**2588.84**	1994.08
Other Income	**8.21**	13.74	**8.66**	15.30
Total Revenue	**2192.82**	1749.40	**2597.50**	2009.38
Operating expenses	**1752.34**	1572.52	**1991.94**	1703.31
Profit before Interest, Depreciation, Tax and Amortization (EBIDTA)	**440.48**	176.88	**605.56**	306.07
Finance Costs	**184.81**	176.70	**263.31**	259.15
Depreciation and amortization expenses	**89.49**	78.18	**131.80**	120.09
Add: Share of Profit/(Loss) of Associates & Joint Ventures (after tax)	**-**	-	**3.40**	0.27
Profit/(loss) before exceptional item and tax	**166.18**	(78.01)	**213.85**	(72.90)
Exceptional item	**5.52**	-	**5.52**	-
Profit/(Loss) Before Taxation	**160.66**	(78.01)	**208.33**	(72.90)
Taxation (including Deferred Tax)	**(21.28)**	**(0.57)**	**(6.36)**	**0.72**
Profit/(Loss) after Taxation (PAT)	**181.95**	**(77.44)**	**214.69**	**(73.62)**
Other Comprehensive Income	0.73	0.04	19.67	(0.44)
Total Comprehensive Income for the period comprising profit/(loss) & other comprehensive income for the period	**182.68**	**(77.40)**	**234.36**	**(74.06)**

3. REVIEW OF PERFORMANCE

The financial year 2017-18 was yet another challenging year for the economy. While the domestic economy was looking for improvement post demonetization led slow-down in growth, the same was delayed caused by the further disruptions followed by implementation of Goods and Service Tax (GST). While GST in long term is beneficial for domestic economy, the implementation of the same delayed due to initial teething troubles, the process of industrial recovery by couple of months. The domestic iron & steel which was on path of recovery post demonetization on account of improvement in global growth outlook and supply constrained due to various measures taken by Chinese Government like phasing out of high polluting steel plants etc., which took further momentum due decisive action by the Chinese State Government on environmental curb, the finished steel prices saw further improvement in demand for steel products resulting into recovery in steel prices. The domestic steel demand also improved on account various measures taken by Government of India during past couple of years towards infrastructure development, low cost housing, railways etc. and consumption led growth in demand from automobiles sectors etc. which is evident from higher production volume and consumption growth.

Further with improvement in consumption led demand, finished steel prices also improved during the last 4 months of the year under review to pre-2013-14 years resulting into further improvement in steel industry's financial performance in general and your Company's performance in particular leading to increase in net sales by 38% and EBIDTA 149% which was highest ever in the history of the Company.

Stand-alone Operations:

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

a) Net Sales Revenue increased by 37.78% to ₹ 2130.18 crores from ₹ 1546.02 crores recorded in previous year. The top line has improved on account of higher production volumes coupled with increase in prices of finished products. The Company achieved highest ever production volume of iron mining, iron ore pellets and wire rods and finished wires etc.

b) Operating Profit margins during the year under review increased to 21.20% as compared to 11.34% in previous year.

c) The Company registered Net Profit of ₹ 202.90 crores as against net Loss after tax of ₹ 77.44 crores during the previous year. The higher profit compared to previous year was mainly due to higher production volumes, demand growth and better price realization across all the product line of the Company.

d) Net debt of the Company at the end of year stood at ₹ 1415 Crores as against ₹ 1532 crores previous year, reduction by ₹ 117 crores.

Consolidated Operations:

- The revenue from operations during the financial year 2017-18 increased to ₹ 2588.84 crores from ₹ 1994.08 crores recorded in previous year registering a growth of 30%. The Consolidated performance was improved followed by improvement of demand of iron ore pellets by Chinese Steel Industry and your Company's subsidiary had exported majority of its production during the period under review.
- EBIDTA margin increased by 97.85% to ₹ 605.56 Crores as compared to EBITDA of ₹ 306.07 crores achieved in F.Y 2016-17. The consolidated margin also increased consequent upon improvement in margin in pellet business of the Company on account of buoyant demand.
- The Company registered profit before tax of ₹ 208.33 crores as against loss before tax of ₹ 72.90 crores during the previous year registering a growth of 186%.
- The net debt on consolidated basis stood at ₹ 2007 Crores at the end of the year as compared to ₹ 2175 crores at the end of previous year, a reduction of ₹ 168 crores.

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

4. 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.

5. TRANSFER TO RESERVES

Your Company did not transfer any amount to the General Reserves Account during the Financial Year 2017-18.

6. DIVIDEND

In view of the restrictions imposed in the Master Restructuring Agreement entered into by the Company with its Lenders during the last financial year for restructuring of debt of the company, the Board of Directors of the Company have not recommended payment of any dividend for the year under review.

7. TRANSFER OF UNPAID & UNCLAIMED DIVIDEND & SHARES TO INVESTOR EDUCATION AND PROTECTION FUND:

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

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 shares transferred to IEPF and unpaid and unclaimed amounts lying with the Company as on September 25, 2017 (date of last Annual General Meeting) on the Company's website (www.godawaripowerispat.com), and also on the Ministry of Corporate Affairs' website.

8. EXPANSION/NEW PROJECTS:

The management of the Company has decided to implement the expansion in rolling mill capacity during the current financial year and the same is expected to be fully implemented by March, 2019 and operations in Q1FY20.

9. CHANGES IN NATURE OF BUSINESS:

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

10. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION:

There are no materials changes and commitments affecting the financial position of the Company occurred between 01.04.2018 to the date of this report.

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

None of the other companies has either become Subsidiary / Associate of the Company other than the existing Subsidiaries / Associates or has ceased to be Associate of the Company during the year.

The Company's subsidiaries namely Godawari Clinkers and Cement Limited, Krishna Global Minerals Limited and Godawari Integrated Steels (India) Limited which were non-operational are under the process of voluntary strike off the names from the Registrar of Companies and necessary forms have been filed for the same.

Godawari Natural Resource Limited, a joint venture of Company has ceased to be a joint venture of the Company during the year since the Company has disposed of its holding in the Company. The said Company has also not started any business operations since its incorporation.

Lease of Railway siding of the Company's joint venture Company Raipur Infrastructure Company Limited has expired and the same has not been renewed. However, your Company has build-up its own Railway Siding in the close proximity to the Company's plant and the same has become operational as a result of which there has been no interruption in the movement of the materials of the Company.

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

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

Ardent Steel Limited (ASL)

During the year, ASL produced 590876 MTs of iron ore pellets & sold 584459 MTs of pellets in the market. The Company achieved net sales of ₹ 298.86 crores, EBIDTA of ₹ 76.82 Crores & PAT of ₹ 28.18 crores during year as compared to net sales of ₹ 147.05 crore, EBIDTA of ₹ 27.97 crore & net loss of ₹ 3.23 crore during the previous year. The net debt of the Company at the end of the year stood at ₹ 149.45 crore which is a reduction of ₹ 10.22 crore from last year net debt of ₹ 159.67 crore.

Godawari Green Energy Limited (GGEL)

During the year, GGEL generated 96.54 million units (CUF 22.04%) which is 6% lower as compared to generation in FY17. The generation was lower on account of grid failure in the month of May'17. Now, the plant is connected to 220 KVA grid along with 132 KVA grid earlier so that the interruption in generation due to grid failure can be avoided. The net revenue, EBIDTA & PAT of the Company stood at ₹ 105.36 crore, ₹ 89.86 crore & ₹ 0.62 crore respectively during the year as compared to ₹ 111.35 crore, ₹ 102.52 crore & ₹ 6.48 crore respectively during previous year. The net debt of the Company at the end of the year stood at ₹ 469.46 crore which is a reduction of ₹ 41.20 crore from last year net debt of ₹ 510.66 crore.

The performance and financial position of the Company's subsidiaries namely, Ardent Steel Limited, Godawari Green Energy Limited, Associate Companies namely Jagdamba Power & Alloys Limited and Hira Ferro Alloys Limited and Joint Venture Companies namely Raipur Infrastructure Company Limited and Chhattisgarh Ispat Bhumi Limited for the Financial Year 2017-18 are given in **ANNEXURE 01**.

The other Subsidiary/Associate/Joint Venture Companies namely Godawari Energy Limited, and Chhattisgarh Captive Coal Mining Limited has not yet started operations and their projects have been abondmed.

13. MERGER OF JAGDAMBA POWER & ALLOYS LTD (JPAL):

The Board of Directors of the Company and that of JPAL has approved merger of JPAL with your Company with effect from 1st April, 2017. The merger process is currently on and is awaiting approval of stock exchanges. The scheme will be filed with NCLT after receipt of necessary approval of stock exchanges i.e NSE/BSE.

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 2017-18 except Shri B.L Agrawal (Managing Director) Shri Abhishek Agrawal (Executive Director), Managing Director whose details are given below:

Particulars	Details	Details
Name	Shri Bajrang Lal Agrawal	Shri Abhishek Agrawal
Designation	Managing Director	Whole Time Director
Remuneration Paid	₹ 1.80 Crore per annum	₹ 1. 44, Crore per annum
Nature of employment, Whether contractual or otherwise	Permanent	Permanent
Qualifications and Experience of the employee	B.E (Electronics) and has a experience of more than 30 years in cement, steel, power and mining sectors.	B.E. (Electronics) & MSc International Business from University of Leeds and has experience of more than 6 years.
Date of commencement of employment	17.08.2002	09.11.2011
The age of such employee	64	34
The last employment held by such employee before joining the Company	N.A.	N.A
The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) above	Individually Holding:5.29% Spouse Holding: 4.05% Total holding along with spouse: 9.34%	Individually Holding:0.24%
Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager	Shri Abhishek Agrawal and Shri Siddharth Agrawal	Shri Bajrang Lal Agrawal and Shri Siddharth Agrawal

15. CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONS:

During the year under review, the shareholder of the Company in their AGM held on 25th Sept, 2017 has re-appointed Shri Dinesh Kumar Agrawal as Whole-time Director for a period of 5 years. The Board of Director in its board meeting held on 20th Jan, 2018 appointed Mr. Siddharth Agrawal as Non-Executive Additional Director.

The shareholders of the Company in their Extra-Ordinary General Meeting held on 27th Feb, 2018 has approved the appointment of Mr. Siddharth Agrawal as Non-Executive Director on the Board of the Company.

In accordance with the provisions of Section 152(6) (c) of the Companies Act, 2013 and the Company's Articles of Association, Shri Dinesh Kumar Gandhi, 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 of 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 year under review 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. More details are given in the Corporate Governance Report.

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 eligibility 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 six Board Meetings and seven Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report.

21. AUDITORS:

Statutory Auditors

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

Cost Auditors

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

Internal Auditors

M/s. OPS & Co, Chartered Accountants were appointed as Internal Auditors for the FY 2017-18.

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 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 2017-18 and hence does not require any explanations or comments by the Board.

- **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 2017-18 and hence does not require any explanations or comments by the Board.

23. RELATED PARTY TRANSACTIONS

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

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. Notes 11, 5 & 29). Your Company has not extended corporate guarantee on behalf of any other Company.

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 operations 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 the then 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 are being 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 scope of work to maintain its objectivity and independence, the Internal Audit functions reports to the Chairman of the Audit Committee of the Board.

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

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.

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 and Independent Directors of the Company.

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 have been received during the year 2017-18.

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. ACKNOWLEGEMENTS

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

For and on behalf of Board of Directors

Place: Raipur
Date: 02nd May, 2018

CHAIRMAN

ANNEXURE-01

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED ON 31st MARCH, 2018

(₹ in Lacs)

Sr. No.	Particulars	Subsidiary			Associate		Joint Venture	
		Godawari Green Energy Ltd.	Ardent Steel Ltd.	Godawari Energy Ltd.	Hira Ferro Alloys Ltd.	Jagdamba Power and Alloys Ltd.	Chhattisgarh Captive Coal Mining Ltd.	Raipur Infrastructure Company Ltd.
		31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
		Audited	Audited	Audited	Audited	Audited	Unaudited	Unaudited
1	(a) Revenue from Operations (Gross)	10536.09	29886.09	0.00	25234.92	97.61	0.00	546.00
	(b) Other Income	119.78	43.10	0.10	369.08	511.19	0.91	39.80
	Total	**10655.87**	**29929.19**	**0.10**	**25604.00**	**608.80**	**0.91**	**585.80**
2	**Expenditure**							
	a) (Increase)/decrease in inventories of finished goods, work in progress, stock in trade and traded goods	(2.79)	(192.69)	0.00	(77.30)	0.00	0.00	0.00
	b) Cost of raw material and component consumed	0.00	10688.87	0.00	17467.91	89.52	0.00	0.00
	c) Purchase of Traded goods	0.00	0.00	0.00	37.77	0.00	0.00	0.00
	d) Excise Duty on sales	0.00	273.39	0.00	384.71	0.00	0.00	0.00
	e) Employees Benefit Expenses	727.25	928.66	11.93	893.40	7.34	0.15	25.34
	f) Finance Costs	5801.46	2225.34	0.00	601.60	10.83	1.02	0.00
	g) Depreciation & Amortisation Expenses	3107.93	1122.10	0.50	548.98	187.96	0.68	55.93
	h) Other Expenditure	945.24	10588.67	4.41	4962.11	148.03	0.56	164.95
	Total	**10579.09**	**25634.34**	**16.84**	**24819.18**	**443.68**	**2.41**	**246.22**
3	**Profit/(Loss) from ordinary activities before exceptional items and Tax (1-2)**	**76.78**	**4294.85**	**(16.74)**	**784.82**	**165.12**	**(1.50)**	**339.58**
4	**Exceptional items**	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	**Profit/(Loss) from ordinary activities before tax (3-4)**	**76.78**	**4294.85**	**(16.74)**	**784.82**	**165.12**	**(1.50)**	**339.58**
6	**Tax Expenses**							
	Current Tax	4.09	953.60	0.00	188.10	13.16	0.00	0.00
	Deferred Tax	11.38	523.07	0.00	20.66	54.53	0.00	0.00
	Tax related to earlier year	0.00	0.00	0.00	0.00	0.00	0.00	1.99
7	**Net Profit/(Loss) from ordinary Activities after tax (5-6)**	**61.31**	**2818.18**	**(16.74)**	**576.06**	**97.43**	**(1.50)**	**337.59**

ANNEXURE-01

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED ON 31ST MARCH, 2018

(₹ in Lacs)

Sr. No.	Particulars	Subsidiary			Associate		Joint Venture	
		Godawari Green Energy Ltd.	Ardent Steel Ltd.	Godawari Energy Ltd.	Hira Ferro Alloys Ltd.	Jagdamba Power and Alloys Ltd.	Chhattisgarh Captive Coal Mining Ltd.	Raipur Infrastructure Company Ltd.
		31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
		Audited	Audited	Audited	Audited	Audited	Unaudited	Unaudited
8	**Other Comprehensive income for the year, net of tax**							
	Items that will not be reclassified to profit or loss							
	Re-measurement gain/(loss) on defined benefit plans, net of tax	(4.75)	(4.76)	0.00	(4.71)	0.00	0.00	0.00
	Equity instruments through other comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Items that will be reclassified to profit or loss							
	Profit/(loss) on fair value of financial assets, net of tax	0.00	150.38	0.00	3760.54	(0.03)	0.00	0.00
9	**Total comprehensive Income for the year, net of tax**	**56.56**	**2963.80**	**(16.74)**	**4331.89**	**97.40**	**(1.50)**	**337.59**
10	Paid up equity share capital (face value of shares of ₹ 10/- each)	2344.70	1056.50	2300.00	1958.85	766.97	132.22	39.24
11	Other Equity	22411.45	8297.63	519.87	14955.80	6344.06	1277.93	2142.67
12	**Earning Per Share**							
	(a) Basic & Diluted EPS before Extra Ordinary Items	0.26	26.67	(0.07)	2.94	1.27	(0.11)	86.03
	(b) Basic & Diluated EPS after Extra Ordinary Items	0.25	26.67	(0.07)	2.94	1.27	(0.11)	86.03

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 2017-18:

Name of Director	Designation	Remuneration in ₹	Median Remuneration (MR)	Ratio No. of times to MR
Mr. Biswajit Choudhuri	Independent Director	605000	234535	2.58
Mr. Shashi Kumar	Independent Director	225000	234535	0.96
Mr. B. N. Ojha	Independent Director	610000	234535	2.60
Mr. Harishankar Khandelwal	Independent Director	525000	234535	2.24
Ms. Bhavna G. Desai	Independent Director	325000	234535	1.39
Mr. B. L. Agrawal	Managing Director	18000000	234535	76.75
Mr. Abhishek Agrawal	Executive Director	14400000	234535	61.40
Mr. Dinesh Agrawal	Executive Director	9861290	234535	42.05
Mr. Vinod Pillai	Executive Director	1800000	234535	7.67

2. The percentage increase in remuneration of each Director, CFO, CEO, Company Secretary for the financial year 2017-18 as compared to 2016-17:

Name of Director	Desgination	Remuneration 2016-17 ₹	Remuneration 2017-18 ₹	% Increase/ (Decrease)
Mr. Biswajit Choudhuri	Independent Director	260000	605000	132.69
Mr. Shashi Kumar	Independent Director	200000	225000	12.50
Mr. B. N. Ojha	Independent Director	110000	610000	454.55
Mr. Harishankar Khandelwal	Independent Director	175000	525000	200.00
Ms. Bhavna G. Desai	Independent Director	180000	325000	80.56
Mr. B. L. Agrawal	Managing Director	6000000	18000000	200.00
Mr. Abhishek Agrawal	Executive Director	1800000	14400000	700.00
Mr. Dinesh Agrawal	Executive Director	1800000	9861290	447.85
Mr. Vinod Pillai	Executive Director	1084200	1800000	66.02
Mr. Sanjay Bothra	CFO	3437757	5161239	50.13
Mr. Y.C.RAO	CS	2451012	4624116	88.66

3. The percentage increase in the median remuneration of employees in the Financial Year 2017-18 is 8.27.

4. No. of permanent employees on rolls of the company as on 31.03.2018 is 1938.

5. Average percentile increase already made in the salaries of the employees other than the Managerial Personnel in the FY 2017-18 compared to the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 20% as compared to 221%. For a little over two years Steel Industry in which the Company Godawari Power and Ispat Limited is engaged, has been passing through a crisis due to sharp decline in demand of domestic product. This has severely eroded the bottom line of several companies. Despite higher outputs, the company is unable to break even, let alone make profits. Consequently to avoid default in payment, the Company had to get its debt restructured.

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

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

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

6. The key parameters for any variable component of remuneration availed by the directors; **There is no variable component in the remuneration**

7. Affirmation:

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

ANNEXURE-3 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)	FY 2016-17 ₹ (7801) lacs FY 2015-16 ₹ (7460) lacs FY 2014-15 ₹ 6912 lacs Average Net Profit ₹ (2783) lacs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) (Amount in lacs)	NIL
5.	Details of CSR spent during the financial year. 1. Total amount to be spent for the F.Y. 2017-18(₹ In lacs) 2. Amount unspent , if any; 3. Manner in which the amount spent during the financial year :	 NIL NIL The manner in which the amount is spent is given below in the prescribed format.
6.	In case the company has failed to spend the 2% of 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 Board's report.	Not applicable
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.	Given in 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
Please refer Annexure-I							

B.L.Agrawal
(Managing director)

Shashi Kumar
(Chairman of CSR Committee)

ANNEXURE-I CSR EXPENSES FOR FY: 2017-18

CSR EXPENSES FOR FY: 2017-18

(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. (Environment Conservation, Infrastructure Development, Sports, Health Care, Drinking Water, Infrastructural Development & Environment, Educational Support, Environment,any other)**	**Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.**	**Amount outlay (budget) project or programs wise (In Lac.)**	**Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (In lac.)**	**Cumulative Expenditure upto the reporting Period.**	**Amount spent: Direct or through implementing agency**
1	Piyau hut & drinking water in Siltara, Tada & Mandhar in summer for 3 months & Manpower Engaged in Piyau Hut	Drinking Water	Gram Panchayat Tada, Siltara & Mandhar	5.00	3.96	3.96	Direct
2	Providing salary of 02 night guard & 03 teachers of Govt. Primary & Middle School of village Mandhar, Siltara & Tada	Education	Gram Panchayat Siltara, Mandhar & Tada	1.85	1.72	1.72	Direct
3	Expenses incurred in manpower engaged for maintenance of Plantation & Garden in Janpad Office Dharsiwa & Dharsiwa Police Station under CSR	Environment Conservation	Dharsiwa Block	0.42	0.42	0.42	Horticulture Dept of GPIL
4	Expenses incurred in plantation & Labour payment engaged in plantation work at CSIDC Land (60Acre), Siltara & AKVN Land (4 Acre), Tada	Environment Conservation	Gram Panchayat Siltara & Tada	0.81	0.89	0.89	Horticulture Dept of GPIL
5	Free Health Checkup Camp for students of Village Tanda on the eve of Children's Day	Health	Gram Panchayat Tada	0.15	0.13	0.13	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. (Environment Conservation, Infrastructure Development, Sports, Health Care, Drinking Water, Infrastructural Development & Environment, Educational Support, Environment,any other)**	**Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.**	**Amount outlay (budget) project or programs wise (In Lac.)**	**Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (In lac.)**	**Cumulative Expenditure upto the reporting Period.**	**Amount spent: Direct or through implementing agency**
6	Scholorship provided to 103 poor students of Govt. Hr.Sec. School of village Mandhar for the session-2017	Education	Gram Panchayat Mandhar	1.00	0.89	0.89	Direct
7	Provided School Fee for 02 meritorious students of village-Siltara for the session-2017	Education	Gram Panchayat Siltara	0.30	0.30	0.30	Direct
8	Financial Aid provided to Aakanksha Lions School for Mentally Handicapped Children for smooth operation of school	Education	Raipur City	12.00	12.00	12.00	Direct to Aakanksha Lions School
9	Painting work in Govt. Primary & Middle School of village Tada	Infrastructure Development	Gram Panchayat Tada	0.19	0.05	0.05	Direct
10	Construction of C.C. Road at Tada	Infrastructure Development	Gram Panchayat Tada	5.98	3.71	3.71	Direct
11	Construction of C.C. Road at Mandhar	Infrastructure Development	Gram Panchayat Mandhar	4.40	2.83	2.83	Direct
12	Expenses on Maintenance of Garden & Plantation at Swami Vivekanada International Airport, Raipur	Environment	Raipur City	1.50	1.63	1.63	By HIRA POWER & STEELS LTD.
13	Operating First Aid Health Centre	Health Care	Peripheral villages of Kachhe AariDongri Mines	50.00	54.44	54.44	Through Red to Green Health services & Shaheed Hospital

(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. (Environment Conservation, Infrastructure Development, Sports, Health Care, Drinking Water, Infrastructural Development & Environment, Educational Support, Environment,any other)**	**Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.**	**Amount outlay (budget) project or programs wise (In Lac.)**	**Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (In lac.)**	**Cumulative Expenditure upto the reporting Period.**	**Amount spent: Direct or through implementing agency**
14	Financial assistance to the District Administration for promotion of Community Development and welfare to the local people of in an around or surrounding of mining lease area at Kachche village	Communnity Welfare	In the Nearby Villages of Mines	7.00	7.00	7.00	Through Collector Kanker & Collector Uttar Bastar
15	Expenses on Water Tankers for providing Safe Drinking Water	Drinking Water	In the Nearby Villages of Mines during Summer	5.00	4.46	4.46	Direct
16	Expenses on Water Tankers engaged for maintenance of plantation	Environment	In the Nearby Villages of Mines	5.00	4.77	4.77	Direct
17	Expenses on Water Tankers engaged for dust suppression	Environment	In the Nearby Villages of Mines	8.00	8.58	8.58	Direct
18	Monthly Salary of 15 Community Teachers appointed in the schools	Education	Govt. schools of Kachhe & Parrekodo Gram Panchayat	8.00	8.49	8.49	Direct
19	Operational cost of Stitching & Tailoring Center at Kachhe & Parrekodo	Women Empowerment	Gram Panchayat Kachhe & Parrekodo	2.00	1.66	1.66	Direct
20	Operational cost of Piyau Ghar & Manpower engaged in piyau Ghar during summer	Drinking Water	Village Kachhe	0.20	0.18	0.18	Direct
21	Educational Trip for the students of Govt. School Kachhe & Parrekodo	Education	Kachhe & Parrekodo	0.50	0.55	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. (Environment Conservation, Infrastructure Development, Sports, Health Care, Drinking Water, Infrastructural Development & Environment, Educational Support, Environment,any other)**	**Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken.**	**Amount outlay (budget) project or programs wise (In Lac.)**	**Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: (In lac.)**	**Cumulative Expenditure upto the reporting Period.**	**Amount spent: Direct or through implementing agency**
22	Plantation, Beautification & Landscaping work in front of PWD Rest House & Gaurav Path, Kanker	Infrastructural Development & Environment	Dist-Kanker	1.00	1.01	1.01	Direct
23	Purchase of water bottles for celebration of World Ozone Day	Environment	Dist-Jagdalpur	0.10	0.07	0.07	Through Regional Office CECB-Jagdalpur
24	Operating First Aid Health Centre	Health Care	Village Dorba	50.00	45.75	45.75	Through Red to Green Health services & Shaheed Hospital
25	29 Community Teachers engaged in Govt. Primary, Middle & High schools of Nearby Villages of Boria Tibu Mines for the session 2017	Educational Support	Peripheral villages of Boria Mines	15.00	15.45	15.45	Direct
26	Water tanker for Dust Suppression & Drinking Water for villagers	Drinking Water & Environment	Peripheral villages of Boria Mines	7.00	6.90	6.90	Direct
27	Free Health Checkup of villagers in Gidhali	Health Care	Peripheral villages of Boria Mines	3.00	3.11	3.11	Through Jyoti Hospital & Shaheed Hospital
28	Plantation in and around Industrial Area, Raipur	Environment	Raipur Industrial Area	90.00	91.06	91.06	Direct
			Total	**285.40**	**281.99**	**281.99**	

ANNEXURE-04 TO DIRECTORS' REPORT
SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

To,

The Members,

Godawari Power & Ispat Limited

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

Based on our verification of **M/s. 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, 2018, 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, 2018 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder; to the extent of External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993,
    d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
    e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
6. The Following Act, are specially applicable to the Company
    a. Mines Act, 1952
    b. Mines & Minerals (Development and 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 (Delisting of Equity Shares) Regulations, 2009;
    b. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

c. The Securities and Exchange Board of India (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999;

d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

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 read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

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

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

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

FOR JAIN TUTEJA AND ASSOCIATES

Tanveer Kaur Tuteja
(Partner)
Practicing Company Secretary
M. No.:7704
C. P. No.:8512

Place: Raipur
Date: 20.04.2018

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

ANNEXURE A

To,
The Members
Godawari Power & Ispat Limited

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

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

FOR JAIN TUTEJA AND ASSOCIATES

Tanveer Kaur Tuteja
(Partner)
Practicing Company Secretary
M. No.:7704
C. P. No.:8512

Place: Raipur
Date: 20.04.2018

ANNEXURE-05 TO DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2018

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

I. REGISTRATION AND OTHER DETAILS

CIN	L27106CT1999PLC013756
Registration Date :	21.09.1999
Name of the Company:	GODAWARI POWER AND ISPAT LIMITED
Category / Sub-Category of the Company:	PUBLIC COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY
Address of the Registered office and contact details:	Plot No. 428/2, Phase I, Industrial Area, Siltara, Dist. Raipur Chhattisgarh, Phone : +91-771-408 2333 Fax : +91-771-408 2234 Website : www.godawaripowerispat.com
Whether listed company:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Private Limited C-101,247 Park,L B S Marg, Vikhroli West, Mumbai-400083. Phone : 022-4918 6270 I Fax : 022-4918 6060 Email : rnt.helpdesk@linkinitime.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:-

S. 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	31.48%
2	Sponge Iron	27120	17.92%
3	Steel Billets	27141	10.64%
4	H.B. Wires	27181	18.65%
5	M.S.Round / TMT Bar		11.42%

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 Clinkers & Cement Limited*	U26940CT2008PLC020925	Subsidiary	100.00%	2(87)
2.	Krishna Global & Mineral Limited*	U13200CT2008PLC020673	Subsidiary	100.00%	2(87)
3.	Godawari Integrated Steel (India) Limited*	U27100CT2010PLC022146	Subsidiary	100.00%	2(87)
4.	Ardent Steel Limited	U27310CT2007PLC007671	Subsidiary	76.34%	2(87)
5.	Godawari Green Energy Limited	U40102CT2009PLC021285	Subsidiary	76.12 %	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	33.96%	2(6)

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	33.30%	2(6)
11.	Chhattisgarh Captive Coal Mining Limited	U01410CT2005PLC018224	Joint Venture	25.93%	2(6)

***UNDER THE PROCESS OF VOLUNTARY STRIKE OFF**

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

Category of Shareholders	Shareholding at the beginning of the year - 2017				Shareholding at the end of the year - 2018				Percentage Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Shareholding of Promoter and Promoter Group									
(1) Indian									
Individuals / Hindu Undivided Family	18925684	0	18925684	53.71	18925684	0	18925684	53.71	0.00
Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)				0.00				0.00	0.00
Persons Acting In Concert	1125000	0	1125000	3.19	1125000	0	1125000	3.19	0.00
Bodies Corporate	3685169	0	3685169	10.46	3685169	0	3685169	10.46	0.00
Sub-total (A) (1)	**23735853**	**0**	**23735853**	**67.36**	**23735853**	**0**	**23735853**	**67.36**	**0.00**
Foreign									
Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
Government	0	0	0	0.00	0	0	0	0.00	0.00
Institutions	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)				0.00				0.00	0.00
Sub-total (A) (2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total shareholding of Promoters & Promoter group (A) = (A)(1)+(A)(2)	**23735853**	**0**	**23735853**	**67.36**	**23735853**	**0**	**23735853**	**67.36**	**0.00**
Public Shareholding									
Institutions									
Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Portfolio Investor	1532	0	1532	0.00	581090	0	581090	1.65	1.64
Financial Institutions / Banks	215971	0	215971	0.61	6832	0	6832	0.02	-0.59

Category of Shareholders	Shareholding at the beginning of the year - 2017				Shareholding at the end of the year - 2018				Percentage Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1)	**217503**	**0**	**217503**	**0.62**	**587922**	**0**	**587922**	**1.67**	**1.05**
Central Government/ State Government(s)/ President of India									
Central Government / State Government(s)	0	0	0	0.00	2665	0	2665	0.01	0.01
Sub Total (B)(2)	0	0	0	0.00	2665	0	2665	0.01	0.01
Non-Institutions									
Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Individual shareholders holding nominal share capital upto ₹ 1 lakh.	4827938	707	4828645	13.70	4059529	707	4060236	11.52	-2.18
Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3135065	0	3135065	8.90	3566823	0	3566823	10.12	1.23
NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)				0.00				0.00	0.00
Trusts	100	0	100	0.00	100	0	100	0.00	0.00
Hindu Undivided Family	654585	0	654585	1.86	493435	0	493435	1.40	-0.46
Non Resident Indians (Non Repat)	53210	0	53210	0.15	43708	0	43708	0.12	-0.03
Other Directors	596900	0	596900	1.69	268500	0	268500	0.76	-0.93
Non Resident Indians (Repat)	166341	0	166341	0.47	96501	0	96501	0.27	-0.20
Clearing Member	347351	0	347351	0.99	323691	0	323691	0.92	-0.07
Bodies Corporate	1500694	0	1500694	4.26	2056813	0	2056813	5.84	1.58
Sub Total (B)(3)	**11282184**	**707**	**11282891**	**32.02**	**10909100**	**707**	**10909807**	**30.96**	**-1.06**
Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	**11499687**	**707**	**11500394**	**32.64**	**11499687**	**707**	**11500394**	**32.64**	**0.00**
Total (A)+(B)	**35235540**	**707**	**35236247**	**100.00**	**35235540**	**707**	**35236247**	**100.00**	**0.00**
Non Promoter - Non Public	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Custodian/DR Holder	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total (A)+(B)+(C)	**35235540**	**707**	**35236247**	**100.00**	**35235540**	**707**	**35236247**	**100.00**	**0.00**

(B) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year as on 01.04.2017			Share holding at the end of the year as on 31.03.2018			% change in share holding during the year #
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	Promoters							
1	Bajrang Lal Agrawal	1731398	4.91	1731398	1731398	4.91	1731398	0
2	N P Agrawal	769346	2.18	747500	769346	2.18	769346	0
3	Hanuman Prasad Agrawal	1255000	3.56	1255000	1255000	3.56	1255000	0
4	Dinesh Agrawal	1846347	5.24	1846347	1846347	5.24	1846347	0
	Person Acting in concert with Promoters and Promoters Group							
5	Bajrang Lal Agrawal HUF	2738932	7.77	320000	2738932	7.77	320000	0
6	Kumar Agrawal	2460678	6.98	1000000	2460678	6.98	1000000	0
7	Siddharth Agrawal	94000	0.27	0	94000	0.27	0	0
8	Abhishek Agrawal	85000	0.24	0	85000	0.24	0	0
9	Vinay Agrawal	1875466	5.32	0	1875466	5.32	0	0
10	Pranay Agrawal	250000	0.71	0	546958	1.55	0	0.84
11	Prakhar Agrawal	232500	0.66	0	532500	1.51	0	0.85
12	Sarita Devi Agrawal	1525729	4.33	1430000	1525729	4.33	1430000	0
13	Kanika Agrawal	116100	0.33	0	116100	0.33	0	0
14	Reena Agrawal	101000	0.29	0	101000	0.29	0	0
15	Madhu Agrawal	50000	0.14	0	50000	0.14	0	0
16	Late Suresh Agrawal*	625000	1.77	0	625000	1.77	0	0
17	Late Godawari Agrawal	596958	1.69	0	0	0	0	(1.69)
18	Narayan Prasad Agrawal HUF	475000	1.35	0	475000	1.35	0	0
19	Dinesh Agrawal HUF	839059	2.38	0	839059	2.38	0	0
20	Suresh Kumar Agrawal HUF	778171	2.21	0	778171	2.21	0	0
21	Radheshyam Agrawal HUF	480000	1.36	480000	480000	1.36	480000	0
22	Dinesh Kumar Gandhi (GPIL Beneficiary Trust)	1125000	3.19	0	1125000	3.19	0	0
23	Hira Cement Limited	214517	0.61	0	214517	0.61	0	0
24	Hira Infra-Tek Limited	1790652	5.08	0	1790652	5.08	0	0
25	Hira Ferro Alloys Limited	1200000	3.41	1200000	1200000	3.41	1200000	0
26	Alok Ferro Alloys Limited	480000	1.36	480000	480000	1.36	480000	0
	Total	**23735853**	**67.36**	**10490245**	**23735853**	**67.36**	**10512091**	**0**

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

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

i) Change in Total Promoter's and Promoter's Group Shareholding

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
I		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Total Promoter & Promoters Group Shareholding at the beginning of the year	23735853	67.36	23735853	67.36
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):*	-	-	-	-
3	Total Promoter & Promoters Group at the End of the year	23735853	67.36	23735853	67.36

ii) Change in Promoter's and Promoter's Group Shareholding

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
I	**Pranay Agrawal**	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	250000	0.71	250000	0.71
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): **Transmission of shares on 05.01.2018**	296958	0.84	296958	0.84
3	At the End of the year	546958	1.55	546958	1.55

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
II	**Prakhar Agrawal**	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	2,32,500	0.66	2,32,500	0.66
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): **Transmission of shares on 05.01.2018**	3,00,000	0.85	3,00,000	0.85
3	At the End of the year	5,32,500	1.51	5,32,500	1.51

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
III	**Late Godawari Agrawal**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	At the beginning of the year	596958	1.69	596958	1.69
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):*	(596958)	(1.69)	(596958)	(1.69)
3	At the End of the year	0.00	0.00	0.00	0.00

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
IV	**Shri Narayan Prasad Agrawal**	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1	At the beginning of the year	769346	2.18	769346	2.18
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): Transmission of shares on 15.12.2017	596958*	1.69	1366304	3.38
3	Transmission/Transfer of Shares to Legal Heirs of Late Godawari Devi Agrawal on 05.01.2018	(596958)*	(1.69)	769346	2.18
4	At the End of the year	769346	2.18	769346	2.18

*The 596958 shares were transmitted in the name of Shri Narayan Prasad Agrawal on 15.12.2017 as a nominee of Late Godawari Agrawal and the said shares has been re-transmitted to Shri Pranay Agrawal (2,96,958 Shares) and Shri Prakhar Agrawal (3,00,000 Shares), who have been bequeathed as per her last Will on 05.01.2018.

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

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	**HSBC GLOBAL INVESTMENT FUNDS - ASIA EX JAPAN EQUITY SMALLER COMPANIES**		**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
A	At the beginning of the year					
	As on 01.04.2017		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):					
	16 Mar 2018	Transfer	322824	0.92	322824	0.92
	23 Mar 2018	Transfer	153676	0.43	476500	1.35
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		476500	1.35	476500	1.35

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
2	RAPID ESTATES PVT LTD		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year					
	As on 01.04.2017		303500	0.86	303500	0.86
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	0
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		303500	0.86	303500	0.86

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
3	BHADRA JAYANTILAL SHAH		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year					
	As on 01.04.2017		275000	0.78	275000	0.78
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	0
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		275000	0.78	275000	0.78

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
4	DEENBANDHU JALAN		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year					
	As on 01.04.2017		448638	1.27	448638	1.27
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):					
	07 Apr 2017	Transfer	(400)	(0.00)	448238	1.27
	02 Jun 2017	Transfer	(3685)	(0.01)	444553	1.26
	09 Jun 2017	Transfer	(3657)	(0.01)	440896	1.25
	23 Jun 2017	Transfer	(700)	(0.00)	440196	1.25
	30 Jun 2017	Transfer	(450)	(0.00)	439746	1.25
	07 Jul 2017	Transfer	(700)	(0.00)	439046	1.25
	21 Jul 2017	Transfer	(1120)	(0.01)	437926	1.24
	28 Jul 2017	Transfer	(642)	(0.00)	437284	1.24
	04 Aug 2017	Transfer	60	0.00	437344	1.24
	11 Aug 2017	Transfer	(1200)	(0.00)	436144	1.24
	18 Aug 2017	Transfer	(2350)	(0.01)	433794	1.23
	01 Sep 2017	Transfer	(165)	(0.00)	433629	1.23

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
4	**DEENBANDHU JALAN**		**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	08 Sep 2017	Transfer	(533)	(0.00)	433096	1.23
	15 Sep 2017	Transfer	529	0.00	433625	1.23
	22 Sep 2017	Transfer	(1290)	(0.00)	432335	1.23
	29 Sep 2017	Transfer	(257)	(0.00)	432078	1.23
	06 Oct 2017	Transfer	(111)	(0.00)	431967	1.23
	13 Oct 2017	Transfer	(350)	(0.01)	431617	1.22
	27 Oct 2017	Transfer	(615)	(0.00)	431002	1.22
	03 Nov 2017	Transfer	624	0.00	431626	1.22
	10 Nov 2017	Transfer	100	0.00	431726	1.22
	17 Nov 2017	Transfer	(3135)	(0.00)	428591	1.22
	24 Nov 2017	Transfer	(900)	(0.01)	427691	1.21
	22 Dec 2017	Transfer	(4623)	(0.01)	423068	1.20
	29 Dec 2017	Transfer	(5433)	(0.02)	417635	1.18
	05 Jan 2018	Transfer	(26945)	(0.07)	390690	1.11
	12 Jan 2018	Transfer	(8417)	(0.02)	382273	1.09
	19 Jan 2018	Transfer	(25817)	(0.07)	356456	1.02
	26 Jan 2018	Transfer	11823	0.03	368279	1.05
	02 Feb 2018	Transfer	(42594)	(0.12)	325685	0.93
	09 Feb 2018	Transfer	(31713)	(0.09)	293972	0.84
	16 Feb 2018	Transfer	(9425)	(0.03)	284547	0.81
	23 Feb 2018	Transfer	(3700)	(0.01)	280847	0.80
	02 Mar 2018	Transfer	(1557)	(0.00)	279290	0.80
	09 Mar 2018	Transfer	(13758)	(0.04)	265532	0.76
	16 Mar 2018	Transfer	(200)	(0.01)	265332	0.75
	23 Mar 2018	Transfer	(300)	(0.00)	265032	0.75
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		265032	0.75	265032	0.75

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
5	**LALIT KHAITAN**		**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
A	At the beginning of the year					
	As on 01.04.2017		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):					
	29 Dec 2017	Transfer	123205	0.35	123205	0.35
	05 Jan 2018	Transfer	51795	0.15	175000	0.50
	12 Jan 2018	Transfer	75000	0.21	250000	0.71
	19 Jan 2018	Transfer	5000	0.01	255000	0.72
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		255000	0.7237	255000	0.7237

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
6	**ABHISHEK KHAITAN**		**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
A	At the beginning of the year					
	As on 01.04.2017		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):					
	29 Dec 2017	Transfer	125000	0.35	125000	0.35
	05 Jan 2018	Transfer	50000	0.14	175000	0.50
	12 Jan 2018	Transfer	75000	0.21	250000	0.71
	19 Jan 2018	Transfer	5000	0.01	255000	0.72
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		255000	0.72	255000	0.72

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
7	**BHAVNA GOVINDBHAI DESAI**		**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
A	At the beginning of the year					
	As on 01.04.2017		402900	1.14	402900	1.14
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 May 2017	Transfer	175000	0.50	577900	1.64
	28 Dec 2017	Transfer	(327900)	(0.93)	250000	0.71
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		250000	0.71	250000	0.71

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
8	ANURAG CHOUDHARY		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year					
	As on 01.04.2017		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):					
	05 Jan 2018	transfer	167500	0.48	167500	0.48
	19 Jan 2018	transfer	68000	0.19	235500	0.67
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		235500	0.67	235500	0.67

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
9	CHETAN JAYANTILAL SHAH		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year					
	As on 01.04.2017		200000	0.57	200000	0.57
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):					
	NA	NA	NA	NA	NA	NA
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		200000	0.57	200000	0.57

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
10	SHIV KUMAR YADAV		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year					
	As on 01.04.2017		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):					
	05 Jan 2018	transfer	156526	0.44	156526	0.44
	12 Jan 2018	transfer	20000	0.06	176526	0.50
	02 Feb 2018	transfer	(10000)	(0.03)	166526	0.47
	23 Feb 2018	transfer	10000	0.03	176526	0.50
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		176526	0.50	176526	0.50

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
11	SURESH KANMAL JAJOO		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year					
	As on 01.04.2017		447185	1.27	447185	1.27
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):					
	07 Apr 2017	Transfer	100000	0.28	547185	1.55
	02 Jun 2017	Transfer	(44896)	(0.13)	502289	1.43
	11 Aug 2017	Transfer	(55104)	(0.16)	447185	1.27
	03 Nov 2017	Transfer	(79821)	(0.23)	367364	1.04
	10 Nov 2017	Transfer	(17364)	(0.05)	350000	0.99
	17 Nov 2017	Transfer	(25000)	(0.07)	325000	0.92
	24 Nov 2017	Transfer	(68271)	(0.19)	256729	0.73
	01 Dec 2017	Transfer	(56729)	(0.16)	200000	0.57
	08 Dec 2017	Transfer	(25000)	(0.07)	175000	0.50
	22 Dec 2017	Transfer	(175000)	(0.50)	0	0.0000
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		0	0	0	0

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
12	ALLAHABAD BANK		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year					
	As on 01.04.2017		185779	0.53	185779	0.53
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):					
	07 Apr 2017	transfer	(5000)	(0.01)	180779	0.52
	29 Dec 2017	transfer	(180779)	0.52	0	0.0000
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		0	0	0	0

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
13	GOVINDBHAI BALDEV BHAI DESAI		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A	At the beginning of the year					
	As on 01.04.2017		175000	0.50	175000	0.50
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 May 2017	transfer	(175000)	(0.50)	0	0
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		0	0	0	0

S. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
14	**SANATAN FINANCIAL ADVISORY SERVICES LIMITED**		**No. of shares**	**% of total shares of the company@**	**No. of shares**	**% of total shares of the company@**
A	At the beginning of the year					
	As on 01.04.2017		160000	0.45	160000	0.45
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):					
	27 Oct 2017	Transfer	21473	0.07	181473	0.52
	02 Feb 2018	Transfer	(105000)	(0.30)	76473	0.22
	16 Feb 2018	Transfer	(35000)	(0.10)	41473	0.11
	02 Mar 2018	Transfer	(15839)	(0.05)	25634	0.06
	16 Mar 2018	Transfer	(20000)	(0.06)	5634	0.01
	23 Mar 2018	Transfer	(5634)	(0.01)	0	0.0000
C	At the end of the year (or on the date of separation, if separated during the year)					
	As on 31.03.2018		0	0.0000	0	0.0000

E. Shareholding of Directors and Key Managerial Personnel:

S. 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	4.91	1731398	4.91
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	4.91	1731398	4.91
B.	**SHRI DINESH AGRAWAL – WHOLE TIME DIRECTOR-KMP**				
1	At the beginning of the year	1846347	5.24	1846347	5.24
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	5.24	1846347	5.24
C	**SHRI ABHISHEK AGRAWAL – WHOLE TIME DIRECTOR**				
1	At the beginning of the year	85000	0.24	85000	0.24
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	85000	0.24	85000	0.24
D	**SHRI SIDDHARTH AGRAWAL - DIRECTOR**				
1	At the beginning of the year	94000	0.27	94000	0.27
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	94000	0.27	94000	0.27

S. 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
E	**MS. BHAVNA GOVINDBHAI DESAI- INDEPENDENT DIRECTOR**				
1	At the beginning of the year	402900	1.14	402900	1.14
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): Acquisition: 29.05.2017	175000	0.50	577900	1.64
	Disposal: 28.12.2017	(327900)	(0.93)	250000	0.71
3	At the End of the year	250000	0.71	250000	0.71
F	**SHRI DINESH KUMAR GANDHI DIRECTOR**				
1	At the beginning of the year	18000	0.05	18000	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	18000	0.05	18000	0.05
G	**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): Disposal:- 13.12.2017	(200)	0	800	0
	Disposal:- 15.12.2017	(300)	0	500	0
3	At the End of the year	500	0.00	500	0.00
H	**SHRI Y.C. RAO-– CS – KMP**				
1	At the beginning of the year	400	0.00	400	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): Disposal: 28.12.2017	(200)	0	200	0
3	At the End of the year	200	0.00	200	0.00

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

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	13695258134	100000000	0	13795258134
ii) Interest due but not paid			0	0
iii) Interest accrued but not due	51491165	10454795	0	61945960
Total (i+ii+iii)	**13746749299**	**110454795**	**0**	**13857204094**
Change in Indebtedness during the financial year				
• Addition (including interest)	1952608228	11475616	0	1964083844
• Reduction	1978797973	121930411	0	2100728385
Net Change	**-26189745**	**-110454795**	**0**	**-136644540**
Indebtedness at the end of the financial year				
i) Principal Amount	13691084567	0	0	13691084567
ii) Interest due but not paid		0	0	0
iii) Interest accrued but not due	29474986	0	0	29474986
Total (i+ii+iii)	**13720559553**	**0**	**0**	**13720559554**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in Lacs)

S. 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	180.00	98.61	144.00	18.00	440.61
	(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)	180.00	98.61	144.00	18.00	440.61
	Ceiling limit as per the Act	More than ₹ 240.00 Lacs per managerial person as per the provisions of Sec. 197 read with Schedule V of the Companies Act, 2013.				

B. Remuneration to other directors:

(₹ in Lacs)

S. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Biswajit Choudhuri	B.N. Ojha	Shashi Kumar	Bhavna G Desai	Hari Shankar Khandelwal	Dinesh Gandhi	Siddharth Agrawal	
1.	Independent Directors								
	• Fee for attending board / committee meetings	6.05	6.10	2.25	3.25	5.25	0	0	22.90
	• Commission	0	0	0	0	0	0	0	0
	• Others, please specify								
	Total (1)	**6.05**	**6.10**	**2.25**	**3.25**	**5.25**	**0**	**0**	**22.90**
2.	Other Non-Executive Directors								
	• Fee for attending board / committee meetings	0	0	0	0	0	0	0	0
	• Commission								
	• Others, please specify								
	Total (2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Total (B)=(1+2)	**6.05**	**6.10**	**2.25**	**3.25**	**5.25**	**0**	**0**	**22.90**
	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 and Maximum of 1.00 lacs Sitting fees for each meeting							

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

(₹ in Lacs)

S. No.	Particulars of Remuneration	Y C Rao (CS)	Sanjay Bothra (CFO)	Total
1.	Gross salary	46.39	51.61	98.00
	(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	**46.39**	**51.61**	**98.00**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
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 2017-18

(A) CONSERVATION OF ENERGY-

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

Steps Taken:

1. Overhauling of pumps
2. Injection of back filter dust after burning chamber of all the kilns
3. Replacement of all CFL Lamps with LED lamps
4. Recovery of Pallets from waste back flow
5. Recycling of drain water

The impact of above measures:-

Step taken	Saving in energy (in lakhs)	Saving in cost (in lakhs)
1. Overhauling of pumps	4.674	22.20
2. Injection of back filter dust after burning chamber of all the kilns	198	940.50
3. Replacement of all CFL Lamps with LED lamps	2.99	14.20
4. Recovery of Pallets from waste back flow	1600 Mts in coals 9200 Mts in iron ore	581.00
5. Recycling of drain water	0.05 m3/ MT	30.73

(ii) the steps taken by the company for initializing alternate sources of energy;		None.
(iii) the capital investment on energy conservation equipments;		₹ In lacs.
1. Overhauling of pumps		13.75
2. Injection of back filter dust after burning chamber of all the kilns		30.05
3. Replacement of all CFL Lamps with LED lamps		18.05
4. Recovery of Pallets from waste back flow		14.5
5. Recycling of drain water		5.16
(B) TECHNOLOGY ABSORPTION-		
1. (i) the efforts made towards technology absorption;		None.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;		None.
2. (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;		None.
(b) the year of import;		None.
(c) whether the technology been fully absorbed;		None.
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and		None.
(iv) the expenditure incurred on Research and Development.		None.
(C) FOREIGN EXCHANGE EARNINGS AND OUTGO- (₹ in lakhs)		
The Foreign Exchange earned in terms of actual inflows during the year		Nil
Foreign Exchange outgo during the year in terms of actual outflows.		12933.44

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) Regulations, 2015).

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

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

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

BOARD OF DIRECTORS:

The Board of Directors has a combination of Executive and Non-Executive Directors. The Board comprises of four Executive Directors includes One Managing Director and three Executive Directors and Seven Non-Executive Directors including Five Independent Directors one of whom is a Woman Director. The Chairman of the Board is an Independent Director and more than one third of Directors are Independent Directors including a Woman Director. Accordingly, the composition of the Board is in conformity with SEBI (LODR) Regulations, 2015 and the provisions of the Companies Act, 2013.

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

The names and categories of the Directors on the Board and also the number of Directorships and Committee Memberships held by them during 2017-18 in other Companies are as under:

Name of the Directors	Category of Directors	No. of other Director-ship 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	6	Yes	04	01
Mr. B.L. Agrawal	Managing Director - Executive (Promoter)	05[a]	4	No	Nil	Nil
Mr. Dinesh Kumar Agrawal	Executive (Promoter)	06[b]	4	Yes	Nil	Nil
Mr. Abhishek Agrawal	Executive (Belongs to Promoter Group)	03[c]	5	Yes	Nil	Nil
Mr. Vinod Pillai	Executive	07[a]	4	Yes	02	Nil
Mr. Dinesh Kumar Gandhi	Non-Executive	03[d]	6	No	01	Nil
Mr. Shashi Kumar	Non-Executive, Independent	05[e]	3	No	Nil	Nil
Mr. B. N. Ojha	Non-Executive, Independent	05	5	Yes	04	Nil
Mr. Harishankar Khandelwal	Non-Executive, Independent	06	6	No	Nil	Nil
Ms. Bhavna G. Desai	Non-Executive, Independent	03	5	No	03	Nil
Mr. Siddharth Agrawal	Non Executive (Promoter)	08[f]	3[f]	NA	0	0

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

a) It includes directorship in Krishna Global Minerals Limited, which is under the process of Voluntarily Striking off.

b) It includes directorship in Godawari Clinkers and Cement Limited and Godawari Integrated Steels (India) Limited, which are under the process of Voluntarily Striking off

c) It includes directorship in Godawari Integrated Steels (India) Limited, which is under the process of Voluntarily Striking off.

d) It includes directorship in Shourya Power Private Limited, which is under the process of Voluntarily Striking off.

e) It includes directorship in Jessop and Co Limited, which is under liquidation.

f) Mr. Siddharth Agrawal was appointed as Director w.e.f. 20.01.2018. The Directors in other Companies includes directorship in Godawari Clinkers and Cement Limited, which is under the process of Voluntarily Striking off.

Changes in the Composition of Directors during the year:

During the period under review, Mr. Siddharth Agrawal was appointed as an Additional Director (Non-Executive Director) by the Board of Directors in its meeting held on 20th day of January, 2018 and subsequently the Shareholders of the Company at their meeting held on 27th day of February, 2018 approved his appointment as Director (Non Executive Director) and the Company has maintained the optimum combination of Executive and Non Executive Directors, as prescribed under Clause 17 of SEBI (LODR) Regulations, 2015.

Number of Board Meetings held:

During the year 2017-18, the Board met 06 times and agenda papers were circulated well in advance of each meeting to the Board of Directors. In order to ensure fruitful deliberations at the meetings, the Board of Directors of your company is provided with all relevant information on various matters related to the working of the Company. The dates on which Meetings of the Board of Directors were held and the number of directors present in each meeting are given below:

S. No.	Date of Meeting	Board Strength	No. of Directors Present
1	30.05.2017	10	8
2	12.08.2017	10	10
3	11.11.2017	10	10
4	20.01.2018	11	11
5	02.02.2018	11	6
6	19.02.2018	11	7

RELATIONSHIP BETWEEN DIRECTORS INTER-SE:

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

AUDIT COMMITTEE:

The Company has constituted the Audit Committee of the Board (the "Audit Committee") pursuant to resolution of the Board of Directors dated 22.03.2005 in compliance with Section 292A of the Companies Act, 1956 and subsequently the committee reconstituted from time to time in compliance with Section 177 of the Companies Act, 2013, as amended and the applicable provisions of the LODR Regulations. 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) Regulations, 2015. The Audit Committee comprises of following Directors:

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

The committee met Seven times during the year 2017-18 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member	Mr. Biswajit Choudhuri	Mr. Bhrigu Nath Ojha	Mr. Dinesh Kumar Gandhi	Mr. Harishankar Khandelwal
Category	Chairman	Member	Member	Member
Date of Meeting	Attendance			
29.05.2017	Present	Present	Present	Present
12.08.2017	Present	Present	Present	Present
10.11.2017	Present	Present	Present	Present
20.01.2018	Present	Present	Present	Present
02.02.2018	Present	Present	Present	Present
19.02.2018	Present	Absent	Present	Present
20.03.2018	Present	Present	Present	Absent

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

1. Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. 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;
4. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
5. 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;
6. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
7. approval or any subsequent modification of transactions of the listed entity with related parties;
8. scrutiny of inter-corporate loans and investments;
9. valuation of undertakings or assets of the listed entity, wherever it is necessary;
10. evaluation of internal financial controls and risk management systems;
11. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

12. 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;
13. discussion with internal auditors of any significant findings and follow up there on;
14. 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;
15. 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;
16. 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;
17. to review the functioning of the whistle blower mechanism;
18. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
19. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

NOMINATION AND REMUNERATION COMMITTEE:

The Company has constituted a Nomination & Remuneration Committee of the Board ("Nomination and Remuneration Committee") pursuant to resolution of the Board dated 22.03.2005. 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 19 of SEBI (LODR) Regulations, 2015. The Nomination and Remuneration Committee comprises of following Directors:

S. No.	Name	Designation
1.	Mr. Shashi Kumar	Chairman (Independent Director)
2.	Mr. Bhrigu Nath Ojha	Member (Independent Director)
3.	Mr. Dinesh Kumar Gandhi	Member (Non-Executive Director)

This committee has been reconstituted by inducting Mr. Biswajit Choudhuri in place of Mr. Dinesh Kumar Gandhi by the Board in its meeting held on 02.05.2018.

The committee met twice during the year 2017-18 and the attendance of the members at these meetings was as follows:

Name of the Chairman/ Member	Mr. Shashi Kumar	Mr. Bhrigu Nath Ojha	Mr. Dinesh Kumar Gandhi
Category	Chairman	Member	Member
Date of Meeting	Attendance at the meeting		
30.05.2017	Absent	Present	Present
20.01.2018	Present	Present	Present

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

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

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, 2018:

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. The Company has paid ₹ 50,000/- per meeting for attending Board meeting, ₹ 35,000/- per meeting for attending the Audit Committee meetings and ₹ 15,000/- per meeting for attending other committee meetings, as sitting fees.

The details of remuneration, sitting fees and commission paid to each of the Directors during the year ended 31st March, 2018 are given below:

(₹ in Lacs)

S. No.	Name of the Director	Remuneration	Sitting Fees	Commission	No. of Shares held
1.	Mr. Biswajit Choudhuri	Nil	6.05	Nil	Nil
2.	Mr. Shashi Kumar	Nil	2.25	Nil	Nil
3.	Mr. Bhrigu Nath Ojha	Nil	6.10	Nil	Nil
4.	Mr. Harishankar Khandelwal	Nil	5.25	Nil	500
5.	Ms. Bhavna G. Desai	Nil	3.25	Nil	250,000
6.	Mr. B. L. Agrawal	180.00	Nil	Nil	17,31,398
7.	Mr. Abhishek Agrawal	144.00	Nil	Nil	85,000
8.	Mr. Dinesh Kumar Agrawal	98.61	Nil	Nil	18,46,347
9.	Mr. Vinod Pillai	18.00	Nil	Nil	Nil
10.	Mr. Dinesh Kumar Gandhi	Nil	Nil	Nil	18,000
11.	Mr. Siddharth Agrawal	Nil	Nil	Nil	94,000

EVALUATION CRITERIA:

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

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors in their meeting held on January 20, 2018.

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:

For redressing the shareholder/ investor complaints and grievances, the Company has constituted the Share Transfer and Stakeholders Relationship Committee of the Board (the "Stakeholders' Relationship Committee") pursuant to resolution of the Board dated 22.03.2005 as per the then requirements of the Listing Agreement and the Companies Act, 1956. The Board of Directors has rechristened the Investor Grievance Committee as Stakeholders Relationship Committee in its meeting held on 24.05.2014. 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:

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

This committee has been reconstituted by inducting Mr. Biswajit Choudhuri in place of Mr. Dinesh Kumar Gandhi by the Board in its meeting held on 02.05.2018.

The committee met four times during the year 2017-18 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member	Mr. Bhrigu Nath Ojha	Ms. Bhavna G Desai	Mr. Dinesh Kumar Gandhi
Category	Chairman	Member	Member
Date of Meeting	Attendance at the meeting		
29.05.2017	Present	Present	Present
12.08.2017	Present	Present	Present
10.11.2017	Present	Present	Present
19.01.2018	Present	Present	Present

The Committee consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends etc.

COMPLIANCE OFFICER

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

INVESTOR GRIEVANCE REDRESSAL

During the year under review, one complaint was received from the shareholder and the complaint has been duly resolved. As on 31st March, 2018, no investor grievance was pending.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

The Board of Directors has, at its meeting, held on 15.03.2014 approved the powers, role and terms of reference of the CSR Committee is in accordance with Section 135 of the Companies Act, 2013, and policy framed thereunder has been disclosed on the website of the Company at http://godawaripowerispat.com/wp-content/uploads/csr/csrpolicy_2014.pdf. 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:

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

The committee met twice during the year 2017-18 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member	Mr. Shashi Kumar	Mr. Abhishek Agrawal	Mr. Vinod Pillai
Category	Chairman	Member	Member
Date of Meeting	Attendance at the meeting		
30.05.2017	Absent	Present	Present
20.01.2018	Present	Present	Present

CSR Committee's Responsibility Statement:

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

RISK MANAGEMENT COMMITTEE

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

S. No.	Name	Designation
1.	Mr. Biswajit Choudhuri	Chairman (Independent Director)
2.	Mr. B.L. Agrawal	Member (Managing Director)
3.	Mr. Bhrigu Nath Ojha	Member (Independent Director)
4.	Mr. Shashi Kumar	Member (Independent Director)

The committee met thrice during the year 2017-18 and the attendance of the members at these meetings was as follows:

Name of the Chairman/ Member	Mr. Biswajit Choudhuri	Mr. B.L. Agrawal	Mr. Bhrigu Nath Ojha	Mr. Shashi Kumar
Category	Chairman	Member	Member	Member
Date of Meeting	Attendance at the meeting			
30.05.2017	Present	Present	Present	Absent
12.08.2017	Present	Present	Present	Present
11.11.2017	Present	Present	Present	Present

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

Independent Directors' Meeting:

During the year under review, the Independent Directors met on 20.01.2018 inter alia, to discuss:

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

Familiarisation programme for Independent Directors:

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

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) Regulations, 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/.

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

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

Copies of the minutes of the Board meetings of all the subsidiary companies are tabled at the subsequent board meetings.

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 of Directors and the designated employees have confirmed compliance with the Code.

Code of Conduct:

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

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

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

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) Regulations, 2015 during the Financial Year were in the ordinary course of business and on an arms' length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the Financial Year which were in conflict with the interest of the Company. Suitable disclosure as required by the 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 website, the web link of 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 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. The financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

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) Regulations, 2015, the Board of Directors of the Company approved the Whistle Blower Policy of the Company establishing a vigil mechanism for Directors and employees of the Company to report genuine concerns. The Vigil mechanism provides for adequate safeguards against the victimization of employees and directors who avail the vigil mechanism and also provides for direct access to the nodal officer of the Company nominated by the Audit Committee as its representative through any of the following protocols:

Mr. Yarra Chandra Rao, Company Secretary & Compliance Officer,

Godawari Power & Ispat Limited, First Floor, Hira Arcade, Pandri,

Raipur, Chhattisgarh 492 001.

Tel: +91-771-4082735, Fax Number: +91-771 4057601

Email: yarra.rao@hiragroup.com

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

Communication with the Shareholders:

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

The aforesaid financial results are sent to 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 in all India edition. 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 / annual results of the Company are also placed on the Company's website: www.godawaripowerispat.com at Investors Section and can be downloaded therefrom.

In compliance with SEBI (LODR) Regulations, 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 28.07.2018 [in pursuance to Regulations 26(4) and 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings] are given as under:

A	Name and Director Identification Number	Mr. Dinesh Kumar Gandhi (DIN - 01081155)
B	**Brief resume**	
	i) Age	55 years
	ii) Qualification	CA and CS
	iii) Experience in specific functional area	More than 25 years in accounts, finance and project planning etc.
	iv) Date of Appointment on the Board of the company	25.02.2005
C	Nature of expertise in specific functional areas	He is a Non Executive Director on the Board of the Company and has been associated in the areas of accounts, finance, project planning and financing.
D	Name(s) of other listed entities in which the person holds the directorship	NIL
E	Chairman/Member of the Committee of the Board of Directors of the Company	3
F	No. of Shares of ₹ 10/- each held by the Directors	18,000
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 Directors & KMP
H	No. of Board Meeting attended during the year	6

Other information to Shareholders:

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

YEAR	DATE	TIME	VENUE
2014-2015	19.09.2015	12.30 p.m.	2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)
2015-2016	20.09.2016	12.30 p.m.	2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)
2016-2017	25.09.2017	12.30 p.m.	2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)

Special Resolution passed in previous three Annual/ Extra-Ordinary General Meeting:

i) No special resolution has been passed at the Annual General Meeting for the FY 2014-15 & 2015-16.

ii) At the Annual General Meeting of the Company held on 25th September, 2017, the following Special Resolutions were passed:

  a) Revision in remuneration payable to Mr. Bajrang Lal Agrawal (DIN: 00479747) as Managing Director;

  b) Revision in remuneration payable to Mr. Abhishek Agrawal (DIN: 02434507) as Whole Time Director and

  c) Approval for conversion of outstanding restructured loans, in case of failure on the part of the Company to repay the restructured Loan and achieve the financial performance as stipulated in terms of the Master Restructuring Agreement (MRA) entered into on March 30, 2017 between the Company and the lenders.

iii) During the year under review, the shareholders of the Company at their Extra Ordinary General Meeting held on 27.02.2018 have approved the proposal to raise funds upto ₹ 500 Crores through issuance of Equity Shares and / or Global Depository Receipts ("GDRs") and / or American Depository Receipts ("ADRs") and / or Foreign Currency Convertible Bonds ("FCCBs") and/or Convertible Bonds / Debentures or any equity linked instrument/s ("Securities") as may be appropriate to persons who may or may not be the existing shareholders through private placement and / or qualified institutional placement ("QIP") and / or any other permitted modes at a price to be determined as per the SEBI (Issue of Capital & Disclosure Requirement) Regulations, as amended (the "SEBI Regulations") by way of Special Resolution.

GENERAL INFORMATION:

1. Annual General Meeting:

Date	28th July, 2018
Time	04.30 P.M.
Venue:	2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)

2. Financial Calendar (2018-2019) (tentative) :

Board Meeting (for Financial Result)-

Quarter ending on 30th June 2018	:	On or before 14th August, 2018
Half-year ending on 30th September 2018	:	On or before 14th November, 2018
Quarter ending on 31st December 2018	:	On or before 14th February, 2019
Year ending on 31st March 2019	:	On or before 30th May, 2019

3. Date of Book Closure : 21st July, 2018 to 28th July, 2018

4. Listing on Stock Exchange & 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

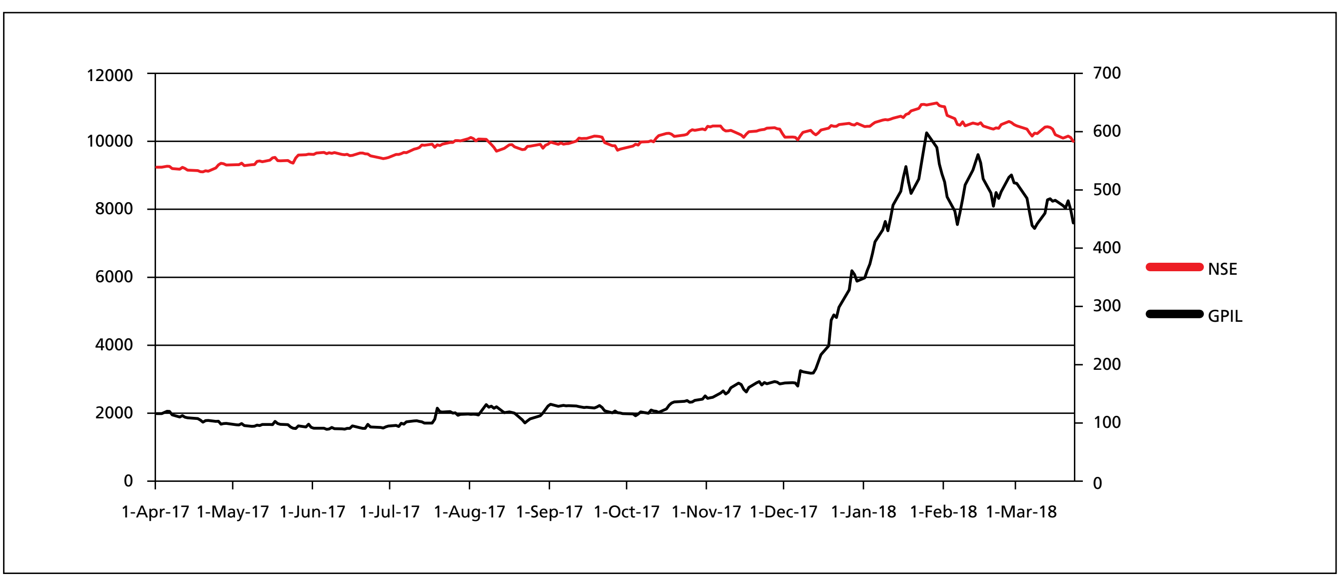
ISIN : INE177H01013

6. Stock Code (Non-Convertible Debenture)

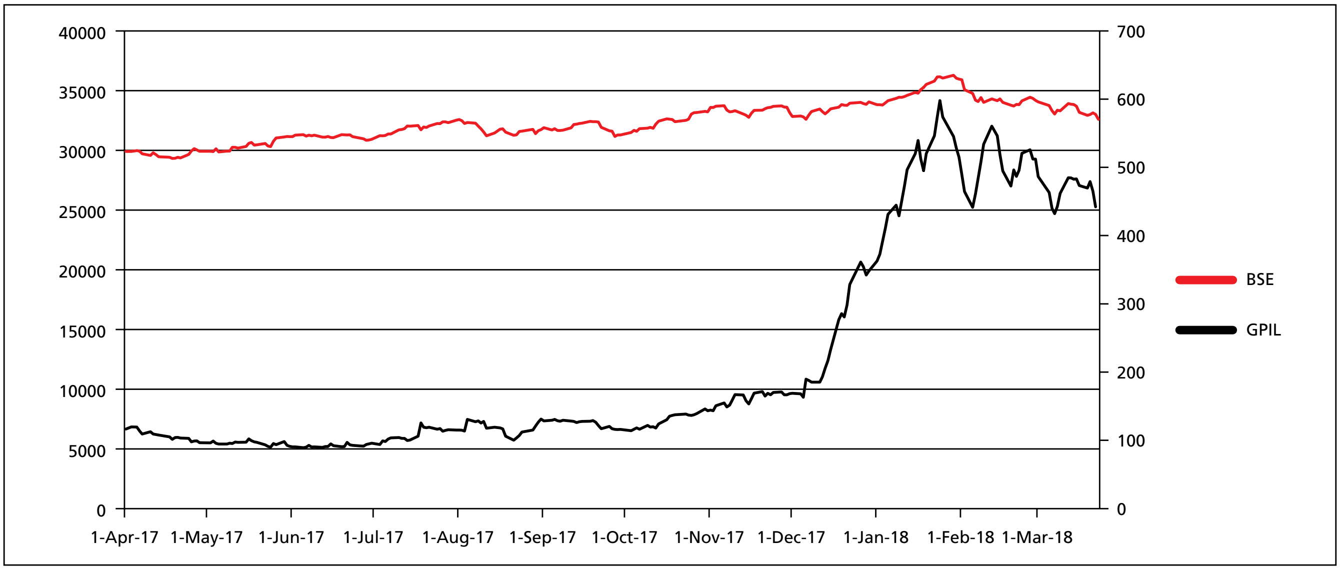
Listed with BSE Limited

BSE : 947618 ISIN : INE177H07028

7. Market Price Data:



GPIL VS NIFTY



GIPL VS BSE SENSEX

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-17	123.40	97.05	123.40	96.25
May-17	105.00	88.45	105.00	88.85
Jun-17	101.90	87.65	101.40	88.40
Jul-17	127.00	92.40	127.00	92.70
Aug-17	138.40	99.10	138.10	99.10
Sep-17	134.20	115.00	133.00	115.00
Oct-17	147.00	110.50	146.10	112.00
Nov-17	177.30	140.00	177.55	143.00
Dec-17	379.40	162.50	378.70	162.75
Jan-18	623.95	327.80	623.00	330.00
Feb-18	582.80	425.00	585.00	424.00
Mar-18	532.60	418.25	530.95	418.50

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.

Link Intime India Private Limited, C-101, 247 Park, L B S Marg, Vikhroli, West, Mumbai-400083. Ph: 022-49186270 Fax: 022-49186060 Email: rnt.helpdesk@linkinitime.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 31.03.2018:

Shareholding of Nominal Value (₹)	Shareholders		Shares Held	
	Number	% to Total	Number	% to Total
Up to 500	17799	90.70	1718576	4.88
501 – 1000	758	3.87	621816	1.76
1001- 2000	445	2.27	687047	1.95
2001 – 3000	165	0.84	428995	1.22
3001 – 4000	74	0.38	269305	0.76
4001 – 5000	81	0.41	384896	1.09
5001 – 10000	125	0.63	935630	2.65
10001 and above	178	0.90	30189982	85.69
Total	**19625**	**100.00**	**35236247**	**100.00**

Shareholding Pattern as on 31st March 2018:

Sl. No.	Category	No. of Shares held	Percentage
1	Promoters and Promoter Group	23735853	67.36
2	Institutional Investors i.e. MFs, FIIs, banks etc	587922	1.67
3	Bodies Corporate	2056813	5.84
4	NRIs	140209	0.39
5	General Public	8388994	23.81
6	Clearing Member / Trust	323791	0.92
7	IEPF	2665	0.01
Total		**35236247**	**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 2017-18)	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 SHARES & AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company has credited ₹ 2,25,300/- to the Investor Education and Protection Fund (IEPF) pursuant to Section 125 of the Companies Act, 2013 / Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

During the year under review, the Company has also transferred 2,665 Equity Shares to the Investor Education and Protection Fund (IEPF) relating to 85 shareholders of the Company, whose dividend were unclaimed/unpaid for seven consecutive years, pursuant to Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company and the list of shareholders whose shares will be transferred to IEPF account, as on September 20, 2016 (date of last Annual General Meeting) on the Company's website (www.godawaripowerispat.com) at Investors Information – Unclaimed Dividend) and on the website of the Ministry of Corporate Affairs.

Any person, whose unclaimed or unpaid amount has been transferred by the company to IEPF may claim their refunds to the IEPF authority. For claiming such amount, claimant needs to file form IEPF-5 along with requisite documents. The detailed procedure for claiming shares and Dividend Amount has been uploaded on the Website of The Company (www.godawaripowerispat.com) at Investors Information – Unclaimed Dividend) and also available on the website of IEPF (www.iepf.gov.in).

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: +91-771-4082735,
E-mail: yarra.rao@hiragroup.com
Fax Number: +91-771-4057601

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
e-mail: co.secretary@hiragroup.com

Investors Relation Centre:

Synergy Business Park, Unit No. 403, Sahakar Wadi,
Off. Aarey Rd, Goregaon East,
Mumbai, Maharashtra 400063
Tel : +91-22- 62586106
website : www.godawaripowerispat.com

CEO/CFO CERTIFICATION

The Chief Executive Officer and the Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required in clause 27 of SEBI (LODR) Regulations, 2015 and the said certificate is 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 2017-18.

For and on behalf of the Board of Directors

Chairman

Place: Raipur
Date: 02.05.2018

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 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 2017-18 and hereby certify that to the best of our knowledge and belief:-

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the entity pertaining to financial reporting and have no deficiencies in the design or operation of such internal controls

d) We have indicated to the auditors and the Audit committee:

   1. Significant changes in internal control over financial reporting during the year;

   2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. No significant fraud witnessed during the year

B. L. Agrawal	**Sanjay Bothra**
Managing Director	Chief Financial Officer
Place: Raipur	
Date: 02.05.2018	

DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management Personnel have affirmed compliance during the Financial Year 2017-18 with the provisions of Code of Conduct as adopted by the Company.

B. L. Agrawal
Managing Director

Place: Raipur
Date: 02.05.2018

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 Godawari Power and Ispat Limited for the year ended 31st March, 2018 as stipulated in SEBI (LODR) Regulations, 2015 of the said Company, with the stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned 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 **JDS & Co.**
Chartered Accountants

Sanjay Dewangan
Partner
(Membership No.409524)

Place: Raipur
Date: 02.05.2018

MANAGEMENT DISCUSSION & ANALYSIS

OVERVIEW OF INDIAN ECONOMY

The Indian economy in Fiscal 2017 was marked by moderate expansion and macroeconomic stability, low inflation, and improvement in current account and fiscal deficits due to negative impacts from the global slowdown and the transient impact of demonetization (Source:). Domestic demand continued to drive growth, with strong private consumption and a public infrastructure spending push in India while net exports subtracted slightly from GDP growth. Growth in India slowed for the fifth consecutive quarter to 5.7% (year-on-year) in the first quarter of Fiscal 2018, partly reflecting adjustments by businesses to the prospective introduction of GST in July 2017. The real GDP growth rate was 6.7% in the fourth quarter of Fiscal 2017 as compared to 7.1 % for the previous year. Following an overall slowdown in India's rate of GDP growth in 2011, growth rebounded in 2014 through 2016, exceeding 7% each year, but slowed again in 2017. However, India's economic activity is expected to stabilize and maintain an annual GDP growth at 7% in Fiscal 2018. India's growth is projected to increase gradually to 7.4% by Fiscal 2020, reinforced by a recovery in private investment, which is expected to increase due to rise in public capital expenditure and an improvement in the investment scenario partly due to the implementation of GST and the Insolvency and Bankruptcy Code, 2016 ("IBC"), and favorable measures to attract foreign direct investment.

India's GDP growth rebounded to 6.3% in the second quarter of Fiscal 2018 from 5.7% since the first quarter of Fiscal 2018 after the initial delays associated with the rollout of nationwide GST, coming on the back of demonetization.

(Source: RBI Annual Report 2016 – 2017, Global Economic Prospects, January 2018, The World Fact book, World Bank, 2017. "Growth out of the Blue", RBI - Financial Stability Report, December 2017).

Global Steel Industry Scenario

Global steel demand grew at 4.8% on-year in 2017 largely driven by robust growth in the key steel producing countries. China witnessed strong demand growth at 8.3% on-year, followed by the US at 6.4%, Japan and EU at 3.5% and 3.1% on-year respectively. Demand from India grew at 4.4% on-year in 2017 as per WSA. However, steel demand from the rest of the world logged a marginal decline of 0.8% on year. In 2017 China eliminated its out dated induction furnaces which was generally not captured in official published statistics. The demand being catered by these closed units shifted to mainstream steel makers and therefore added to an incremental demand of 5.3% over the nominal base growth in 3%. Consequently, the steel demand growth in China increased to 8.3%.

Going ahead we expect steel demand to benefit from favourable global economic momentum especially in advanced economies, however, faces risks from rising global trade tensions. Higher than expected GDP growth shall result in 2 to 2.5% growth in steel demand from US and EU. China's demand growth is expected to moderate to 2-3% on-year owing to slacking construction industry and declining auto production. However, India to be an outlier with strong expected growth of ~6% on-year led by robust growth in infrastructure and construction segment coupled with healthy automobile production growth.

Over the medium term (2017-2022), we expect global steel demand to grow at 1-3%. Domestic consumption in China is expected to grow at 1-2%, whereas the world, excluding China, is set to grow at a faster 2-4% CAGR. Progress in OBOR could be a key factor in stabilising the global overcapacity situation as demand from the infrastructure and construction industries could potentially lead to incremental steel demand of 250-300 million tonnes for the project. (Source: CRISIL Report)

Indian Steel Industry Scenario

India is the third-largest crude steel producer in the world. In FY18, India produced 104.98 million tons of finished steel. Crude Steel production during 2017-18 stood at 102.34 million tons. Consumption of steel is expected to grow at 5.7 per cent year-on-year to 92.1 million tons in 2018. India's steel production is expected to increase from 102.34 million tons in FY18 to 128.6 million tons by 2021. The Government of India has allowed 100 per cent foreign direct investment (FDI) in the steel sector under the automatic route. Nearly 301 MoUs have been signed with various states for planned capacity of about 486.7 MT. India's per capita consumption of steel grew at a CAGR of 4.75 per cent from 45 kgs in FY09 to 65.25 kgs in FY17. The figure stood at 68 kgs during April-February 2017-18. National Steel Policy 2017 seeks to increase per capita steel consumption to the level of 160 kgs.

Indian Power Scenario

With electricity production of 1,201.543 BU in India in FY18, the country witnessed growth of around 55.72 per cent over the previous fiscal year. Over FY10–FY18, electricity production in India grew at a CAGR of 5.69 per cent. In March 2017, the Power Ministry has launched an application named - GARV-II, to provide real time data related to rural electrification regarding all un-electrified villages in India. A total of 17,164 villages out of 18,452 un-electrified villages in India have been electrified up to March 2018 as part of the target to electrify all villages by May 1, 2018.

GOVERNMENT INITIATIVES

The Union Budget for 2018-19 was announced by Mr Arun Jaitley, Union Minister for Finance, Government of India, in Parliament on February 1, 2018. This year's budget will focus on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education of the country. As per the budget, the government is committed towards doubling the farmers' income by 2022. A total of ₹ 14.34 lakh crore (US$ 225.43 billion) will be spent for creation of livelihood and infrastructure in rural areas. Budgetary allocation for infrastructure is set at ₹ 5.97 lakh crore (US$ 93.85 billion) for 2018-19. All-time high allocations have been made to the rail and road sectors.

Some of the recent initiatives and developments undertaken by the government are listed below:

a. The Union Cabinet gave its approval to the North-East Industrial Development Scheme (NEIDS) 2017 in March 2018 with an outlay of ₹ 3,000 crores (US$ 460 million) up to March 2020.

b. In March 2018, construction of 321,567 additional houses across 523 cities under the Pradhan Mantri Awas Yojana (Urban) has been approved by the Ministry of Housing and Urban Poverty Alleviation, Government of India with an allocation of ₹ 18,203 crore.

c. The Ministry of Power, Government of India has partnered with the Ministry of Skill Development & Entrepreneurship to provide training to the manpower in six states in an effort to speed up the implementation of SAUBHAGYA (Pradhan Mantri Sahaj Bijli Har Ghar Yojna).

d. In February 2018, The Union Cabinet Committee has approved setting up of National Urban Housing Fund (NUHF) for ₹ 60,000 crore (US$ 9.3 billion) which will help in raising requisite funds in the next four years.

e. The target of an Open Defecation Free (ODF) India will be achieved by October 2, 2019 as adequate funding is available to the Swachh Bharat Mission (Gramin), according to Ms Uma Bharti, Minister of Drinking Water and Sanitation, Government of India.

f. The Government of India has succeeded in providing road connectivity to 85 per cent of the 178,184 eligible rural habitations in the country under its Pradhan Mantri Gram Sadak Yojana (PMGSY) since its launch in 2014.

g. A total of 15,183 villages have been electrified in India between April 2015-November 2017 and complete electrification of all villages is expected by May 2018, according to Mr Raj Kumar Singh, Minister of State (IC) for Power and New & Renewable Energy, Government of India.

h. The India-Japan Act East Forum, under which India and Japan will work on development projects in the North-East Region of India will be a milestone for bilateral relations between the two countries, according to Mr Kenji Hiramatsu, Ambassador of Japan to India.

i. The Government of India will spend around ₹ 1 lakh crore (US$ 15.62 billion) during FY 18-20 to build roads in the country under Pradhan Mantri Gram Sadak Yojana (PMGSY).

j. The Government of India plans to facilitate partnerships between gram panchayats, private companies and other social organisations, to push for rural development under its 'Mission Antyodaya' and has already selected 50,000 panchayats across the country for the same.

(Source: www.ibef.org)

Analysis and discussions on financial performance

Review of operating & financial performance – standalone

While the domestic economy was looking for improvement post demonetization led slow-down in growth and the delay in economy recovery caused by the disruptions followed by implementation of Goods and Service Tax (GST). While GST in long term is beneficial for domestic economy, the implementation of which delayed on account of teething problems, the process of industrial recovery has delayed by couple of months. The domestic iron & steel which was on path of recovery post demonetization on account of improvement in global growth outlook and improvement in steel demand supply scenario due to various environmental protection measures taken by Chinese Government like phasing out of high polluting steel plants etc., which took further momentum due to decisive action by the Chinese State Government on environmental crub, the finished steel prices saw further improvement resulting into recovery in steel prices and margin of iron & steel industry players. The operating & financial performance of the Company during the year under review is discussed below in detail:

Production and sales

i) Production

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

Products/ Division	Production in FY2018 (In MT)	Production in FY2017 (In MT)	Year on year growth
Iron ore mining	1579693	1175091	34.43%
Iron ore pellets	1841050	1495100	23.14%
Sponge iron	439139	434538	1.06%
Steel billets	197596	204162	-3.22%
MS rounds	142332	109984	29.41%
HB wire	116673	101156	15.34%
Ferro alloys	13772	13136	4.84%
Power (Units in crore)	48.36	46.15	4.77%

Iron Ore Mining:

The iron ore mining increased during the year under review by 34.43 % consequent upon ramp up of production volumes in Ari-dongri and Boria Tibu mines. The higher production from captive mines resulted into better operating margins as compared to last year on account of saving.

Iron Ore Pelletisation:

Your Company has achieved a capacity utilization of 88% in FY 2017-18 as compared to 71% in FY 2016-17. The production of iron ore pellets increased during the year by 23.14%. The higher production of iron ore pellets coupled with better realizations contributed to the top line and bottom line to a great extent.

Sponge Iron

The Company operated the sponge iron plant at full capacity and achieved the production volumes of 439139 MT, mainly on account of operational efficiency. During year the plant operated at 89% capacity utilization due to higher number of days of operation.

Finished Steel & Rolled Products

The production of Steel Billets reduced marginally by 3.22% on yoy basis. The production of steel billets and lower capacity utilization is on account of availability of lower power from captive sources. The utilization level in the steel billets division is expected to improve in the coming years as the Company has undertaken the modernization cum balancing plan in SMS and also on account of availability of power from the company's associate Jagdamba Power and Alloys Limited (JPAL), for which necessary approvals have been received. The power from JPAL is expected to be available in couple of weeks, which will lead to between improvement in capacity utilisation of Steel Melting Shop.

Ferro Alloys:

The Company is making silico manganese, used in steel making. The production of ferro alloys increased marginally by 4.84% yoy. The demand for ferro alloys has also improved over a period of last one year leading to improved demand scenario.

Captive Power:

The Company is operating 73 MW of captive power generation capacity out of which 42MW is waste heat recovery, 11 MW thermal coal based and 20 MW bio mass power. The overall production volumes increased marginally by 4.77% as compared to previous year. The Company has also tied up additional power capacity of 25 MW with Jagdamba Power & Alloys Ltd

ii) Net sales/income from operations:

Product	FY 2018			FY 2017		
	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	1247361	669.23	5365	946587	412.69	4360
Sponge iron	228469	381.04	16678	248497	307.72	12382
Steel billets	81560	226.10	27722	103976	226.98	21830
MS rounds	74813	242.82	32460	82490	217.20	26331
HB wire	116562	396.48	34015	100289	281.44	28063
Silico Manganese	10891	70.39	64632	10172	53.60	52696
Others	-	139.83	-	-	46.39	-
TOTAL		**2125.89**			**1546.02**	

In fiscal 2017-18, the Company achieved standalone net sales of ₹ 2125.89 Crores as compared to net sales of ₹ 1546.02 crores achieved during previous financial year, registering growth of 37.51%. The same was led by increase volume of production and realizations across all the products of the Company, due to beyond demand environment.

iii) Raw Material & Input Cost:

The raw material and input cost of Company during the year was 59.84% of net sales as compared to 68.69% during the previous year. The overall cost reduced on account of improved utilization in captive iron ore mines, leading in reduction in input cost. Further your Company during the year secured long term coal linkages (5 years) from Coal India Ltd. in the recently concluded auction of coal linkages as per policy framed by Government of India and Coal India Ltd. The coal under linkages supply is cheaper as compared to market price of coal. Although due to rack availability issue the supply of linkage coal is delayed, however situation is improving gradually and your Company is expected to get full benefit of linkage coal over a period of next 2 years, The Company is in the process of ramping of the iron mining output to its approved capacity of 2 million tons which is also expected to help reduce the input cost going forward leading to improved margin and protect the business of the Company from down turn in iron & steel demand. Your Company has secured major portion of input requirement through captive mines and coal linkages.

iv) Operating and other expenses

The Company's operating and other expenses increased to ₹ 313 crore as against ₹ 239 crore mainly due to increased production volumes. Operating expenses as percentage of net sales decreased by 0.74%, as compared to previous year.

v) Employee cost

The employee cost during the year increased by 19.94% ₹ 80.08 crore as compared to ₹ 66.77 crore in the previous year due to increase in salaries of employees & workers. The employees cost stood at 3.77% of net sales during the year under review as compared to 4.32% during the previous year.

vi) Operating margins (EBIDTA)

The EBIDTA increased to ₹ 434.96 crores as compared to ₹ 176.88 crores of previous year which was 20.46% compared to 11.44% of net sales during the year under review mainly due to operational efficiency, increase in sales volume, cost reduction measures taken by the Company over last couple of years and realisations across all the finished products of the Company.

vii) Interest and financial charges

Total expenses towards interest and bank charges increased from ₹ 176.70 crore in 2016-17 to ₹ 184.81 crore in 2017-18. The higher interest cost in FY18 was on account of additional cost, due to adjustments arising on account of debt restructuring of the Company approved in March, 2017 and effect of the same has been given in the current year by few lenders and conversion of non-fund based exposure into long terms debt, consequent upon restructuring of debt by the banks under corrective action plan at the request of the Company.

viii) Depreciation

The depreciation during the year has been provided as per Revised Schedule – II under the Companies Act, 2013. During the year under review the depreciation increased to ₹ 89.49 crores as compared to ₹ 78.18 crores due to capitalisation of plant and machinery and changes on account of implementation of Ind AS.

ix) Profit/Loss before Tax (PBT)

The Company has registered a net profit before tax and exceptional items of ₹ 166.18 crore, as against net loss before tax of ₹ 78.01 crore during the previous year.

x) Provision for taxation

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

xi) Profit/Loss After Tax (PAT)

The Company registered net profit after tax and extraordinary items of ₹ 181.95 crores as against net loss after tax and extraordinary items of ₹ 77.44 crores during previous year.

xii) Appropriation

Your Company did not transfer any amount to the General Reserves Account during the Financial Year 2017-18.

xiii) Provision for dividend and dividend tax

In view of the restrictions imposed in the Master Restructuring Agreement entered into by the company with its Lenders during the last Financial Year, the Board of Directors of the Company have not recommended payment of any dividend for the year under review.

xiv) Fixed assets

(₹ in crores)

Particulars	FY18	FY17	Change	Change %
Gross block	**1502.17**	1472.45	29.72	2.01
Less depreciation	**218.10**	138.05	80.05	57.98
Net block	**1284.07**	1334.40	-50.33	-3.77
Capital WIP and pre-op expenses	**88.59**	58.92	29.67	50.36
Net fixed assets	**1372.66**	1393.32	-20.66	-1.48

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

xv) Inventories

The overall value of inventory of raw materials including stock in transit increased to ₹ 229.64 crore as on March 31, 2018 as compared to ₹ 105.16 crore as on March 31, 2017. The average level of holding of raw material stood at 66 days of consumption as compared to a level of 36 days during the previous year. Raw Material inventory kept at increased level in view of the increasing trend in the prices.

xvi) Sundry debtors

The debtors outstanding as on 31st March, 2018 were 18 days of sales as compared to 17 days in FY 17, which was in normal range.

xvii) Short-term loans and advances

Loans and advances as on 31st March 2018 stood at ₹ 212.13 crores as against ₹ 224.29 crores on 31st March 2017, which was mainly due to advances to vendors and due to increase in advances for coal procurement to South Eastern Coal-fields Ltd. and other vendors and increase in unsecured loan was mainly on account of provision of interest.

xviii) Other current and financial liabilities

Overall current and financial liabilities increased from ₹ 164.11 crore to ₹ 273.77 crore mainly due to current maturities of long term borrowings and GST payable. Details of current liabilities were as follows:

(₹ in crores)

Particulars	FY 18	FY 17
Trade payables	**142.01**	101.38
Advances from customers	**7.44**	11.78
Creditors for capital goods	**NIL**	1.12
Current maturities of long-term borrowings	**84.10**	18.91
Others	**40.22**	30.92
Total	**273.77**	**164.11**

xix) Secured and unsecured loans

At the end of the year, secured term loans (including non-convertible debentures) totaled ₹ 1285.01 crores as against ₹ 1360.61 crore in FY 2017. The decrease is owing to repayment of restructured credit facilities as per Master Restructuring Agreement.

xx) Deferred tax assets

The deferred tax assets as on March 31, 2018 was ₹ 57.61 crores as compared to ₹ 1.90 crores during the previous year.

xxi) Key financial indicators:

The key financial ratios of the Company are given below:

Particulars	FY 18	FY 17
EBIDTA to net sales (%)	**20.46**	11.44
Profit/(Loss) after tax to net sales (%)	**9.54**	(5.01)
Earning per share (Basic)	**51.64**	(23.64)
Earnings per share (Diluted)	**51.64**	(23.64)
Net worth per share	**254.27**	200.71
Current ratio	**1.76:1**	1.81:1
Debt-equity ratio	**1.84:1**	2.01:1
Return on Net worth (%)	**20.98**	(11.31)
Interest Service Coverage Ratio	**2.38**	1.00

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial results of the Company included results from the operations of subsidiary companies i.e. Ardent Steel Ltd, Godawari Green Energy Ltd and associate companies Hira Ferro Alloys Ltd and Jagdamba Power and Alloys Ltd and Joint Venture Companies namely Raipur Infrastructure Company Ltd and Chhattisgarh Captive Coal Mining Ltd. Results of JV Companies consolidated are unaudited, which has no major impact on overall financials of the Company.

The Company achieved consolidated gross revenue from operations of ₹ 2588.84 crore during the year under review as compared to ₹ 1994.08 crore during the previous year registering growth of 29.83% and EBITDA of ₹ 605.56 crore as compared to ₹ 306.07 crore during previous year, which grew by 97.85%. The EBITDA Margins increased to 23.39% as compared to 15.35% during previous year. The Company has registered a consolidated net profit of ₹ 214.69 crore as compared net loss after tax of ₹ 73.62 crore in the previous year, demonstrating overall turn around in operations & financial performance of the Company.

The operations of major subsidiary Companies and associates are discussed below:

Ardent Steel Limited (ASL):

During the year, ASL produced 590876 MTs of iron ore pellets & sold 584459 MTs of pellets in the market. The Company achieved net sales of ₹ 296.13 crores, EBIDTA of ₹ 76.42 Crores & PAT of ₹ 28.18 crores during year as compared to net sales of ₹ 147.05 crore, EBIDTA of ₹ 27.97 crore & net loss of ₹ 3.23 crore during the previous year. The net debt of the Company at the end of the year stood at ₹ 149.45 crore which is a reduction of ₹ 10.22 crore from last year net debt of ₹ 159.67 crore.

Godawari Green Energy Limited (GGEL)

During the year, the GGEL generated 96.54 million units (CUF 22.04%) which is 6% lower as compared to generation in FY17. The generation was lower on account of grid failure in the month of May’17. Now, the plant is connected to 220 KVA grid along with 132 KVA grid earlier so that the interruption in generation due to grid failure can be avoided. The net revenue, EBIDTA & PAT of the Company stood at ₹ 105.36 crore, ₹ 89.86 crore & ₹ 0.62 crore respectively during the year as compared to ₹ 111.35 crore, ₹ 102.52 crore & ₹ 6.48 crore respectively during previous year. The net debt of the Company at the end of the year stood at ₹ 480.36 crore which is a reduction of ₹ 30.43 crore from last year net debt of ₹ 510.79 crore.

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 increase in the realizations of ferro alloys during the current year as compared to previous year have resulted in increase in profitability of the company. The Company achieved operating revenues of ₹ 252.35 crores during the year as compared to operating revenue of ₹ 199.53 crores in previous year. The Company’s operations resulted into net profit after tax of ₹ 5.76 crores as compared to net profit after tax of ₹ 2.94 crores during previous year.

Risk management

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

Economy risk

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

Risk mitigation:

GPIL correctly anticipated that the challenge of the future would revolve around the timely availability and affordability of resources and raw materials, which translated into timely backward integration initiatives. As a part of this backward integration, the Company manufactures products that are consumed within and also sold to customers; the ability to provide a large and growing customer base from within has helped reduce marketing and costs of inventory, enhancing overall viability. Besides, the savings from captive supply has helped make the product more competitive for external sale, creating a unique win-win proposition. The Company generates significant per cent of its overall resource, raw material or power requirements by value from within, strengthening its overall competitiveness. As a result, integration is not incidental to the Company's existence; it represents its very core.

Industry/Demand risk

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

Risk mitigation:

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

Technology risk

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

Risk mitigation:

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

Input risk

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

Risk mitigation:

The Company's integrated business model which makes it possible for the end product of one business to be positioned as the raw material of another, creating a self-feeding ecosystem within minimal inventory, costing and logistic issues. The Company has also secured captive iron ore mines, in order to protect the input cost for its main raw material i.e. iron ore.

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

Project management risk

Delay in project completion could lead to cost overrun.

Risk mitigation:

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

This is the Company's project management track record: The Company has successfully commissioned its 1.20 MTPA iron ore Pellet plant in 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 area at Raipur in Chhattisgarh. The Company's mines are located 150 km from the plant and adjacent to a highway, making logistics management convenient. The Company's location makes it easy to access JNPT port in the West (1,200 kms), Vishakhapatnam port in the South 500 kms and Haldia and Paradeep ports in the East (800 and 600 kms respectively) for the export for ferro alloys and coal import. The Company markets 50 per cent of its pellet output within 200 km from its manufacturing units.

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

Similarly the Company's 50 MW Solar Thermal Power Plant is located in Jaisalmer dist in Rajasthan having highest DNI (Solar Resource) in India, which is 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:

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

Education initiatives

1. The Company runs a school (Aakanksha Lions School) for specially-abled students.
2. Provided salary to night guard & teachers of Government Primary and Middle School of village Mandhar, Siltara & Tada and also to Community Teachers appointed in Govt. schools of Kachhe & Parrekodo Gram Panchayat. The Company organised education trip for the students of Govt. School Kachhe & Parrekodo.
3. Provided school fee for meritorious students of village-Siltara for the session-2017.
4. The company has engaged Community Teachers in Govt. Primary, Middle & High schools of nearby Villages of Boria Tibu Mines for the session 2017.
5. Provided Scholarship to students of Govt. Hr. Sec. School of village Mandhar for the session-2017.

Health initiatives

1. Free Health Checkup Camp for students of Village Tada
2. Operating First Aid Health Centre in Peripheral villages of Kachhe Aari Dongri Mines, Dorba.
3. Free Health Checkup of villagers in Gidhali

Drinking water projects

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

Infrastructure development

1. Painting work in Govt. Primary & Middle School of village Tada.
2. Construction of C.C. Road at Tada, Mandhar.
3. Plantation, Beautification & Landscaping work in front of PWD Rest House & Gaurav Path, Kanker.

Environment

1. Engaged manpower for maintenance of Plantation & Garden in Janpad Office Dharsiwa & Dharsiwa Police Station.
2. Expenses incurred in plantation & Labour payment engaged in plantation work at CSIDC Land (60Acre), Siltara & AKVN Land (4 Acre), Tada.
3. Expenditure incurred for Maintenance of Garden & Plantation at Swami Vivekanada International Airport, Raipur.
4. Expenditure incurred for water tankers engaged for maintenance of plantation, dust suppression.
5. Purchased water bottles for celebration of World Ozone Day.
6. Plantation in and around Industrial Area, Raipur.

Community development activities:

Financial assistance to the District Administration for promotion of Community Development and welfare to the local people of surroundings of mining lease area at Kachche village

Women Empowerment

1. Operational cost of Stitching & Tailoring Center at Kachhe & Parrekodo

For and on behalf of Board of Directors

Place: Raipur
Date: 02.05.2018

Chairman

INDEPENDENT AUDITORS' REPORT

To the Members of Godawari Power & Ispat Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Godawari Power & Ispat Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 standalone Ind AS 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 Ind AS 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 standalone Ind AS financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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 section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 it appears from our examination of those books;
   - (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
   - (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
   - (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
   - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

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

i. the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 29 to the standalone Ind AS financial statements;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

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

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

Sanjay Dewangan
Partner
Membership Number: 409524
Raipur, 2nd May, 2018

ANNEXURE - A TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2018, we report that:

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, all major assets except certain low value items viz furniture & fixtures and office equipment have been physically verified by the management at reasonable intervals. According to the information and explanation given to us, no material discrepancies were notice.

(c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company except the immovable properties transferred on amalgamation of the erstwhile RR Ispat Limited and Hira Industries Limited held in their name.

(ii) As explained to us, the physical verification of inventories have been conducted at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.

(iii) The company has granted unsecured 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 compiled with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investment made, and guarantees and security provided by it. The Company has not granted any loans and made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public, in terms of the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and rules framed thereunder; therefore the provisions of clause 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.

(vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed accounts and records, have been made and maintained. We have, however, not made a detailed examination of the records.

(vii) (a) According to the information & explanations given to us, during the year the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods & services tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities though there has been delay observed in some cases. Further, no undisputed amounts of statutory dues as stated above were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, goods & services tax, custom duty, excise duty, value added tax and cess which have not been deposited on account of any dispute except the following:

Name of Statute	Nature of Dues	Period	Amount (₹ in lacs)	Forum where dispute is pending
Central Excise Act,1944	Disallowance of Duty on Structural items (Cement) GPIL	2008-09 to 2009-10	31.30	High Court of CG at Bilaspur.
Central Excise Act,1944	Demand of Excise Duty on alleged clendestine removal of goods during December, 2011	Dec. 2011	28.20	CESTAT, NEW DELHI
Service Tax	Disallowance of Service Tax credit on Iron Ore not received after crushing	2009-10 to 2010-11	4.18	Assistant Commissioner, Central Excise, Raipur
Central Excise Act,1944	Disallowance of Duty on Structural items (Other than Cement) GPIL	2008-09 to 2009-10	111.12	High Court of CG at Bilaspur.
Central Excise Act,1944	Disallowance of Duty on Structural items GPIL	Jan 12 to Dec 12	57.27	Assistant Commissioner, Central Excise, Raipur
Service Tax	Demand of Service Tax on recovery of Incidental charges HIL	2005-06 to 2006-07	107.92	CESTAT, NEW DELHI
Service Tax	Disallowance of Cenvat Credit of Service Tax paid on Industrial & Commercial Construction Service	April 11 to Nov 15	116.67	The Commissioner (Appeals) Raipur
Service Tax	Demand of Service Tax-Suppression of value- retention of Iron ore fines HIL	2011-12	149.40	CESTAT, NEW DELHI

Name of Statute	Nature of Dues	Period	Amount (₹ in lacs)	Forum where dispute is pending
Service Tax	Disallowance of Cenvat Credit of Service Tax paid on Industrial & Commercial Construction Service	Dec 15 to Aug 16	7.20	The Commissioner (Appeals) Raipur
Customs Act, 1962	Demand of Customs duty on imported Coal due to classified as Bituminous Coal GPIL	2012-13	10.00	CESTAT, HYDERABAD
Central Excise Act,1944	Denial of Cenvat credit on Manpower Supply. GPIL	July12 to Jan 16	56.63	Assistant Commissioner, Central Excise, Raipur
Central Excise Act,1944	Demand of duty on related party transaction	2004-05	3.12	CESTAT, NEW DELHI
Service Tax	Demand of ST on charges relating to ECB Loan availed - Penalty U/s 77& 78	2006-07 to 2011-12	239.57	CESTAT, NEW DELHI
Central Excise Act,1944	Demand of alleged excess credit passed on by supplier	April 11 to June 15	9.52	The Commissioner (Appeals) Raipur
Central Excise Act,1944	Denial of Cenvat credit on various inputs (Steel items)	April 08 to Feb 09	16.68	Commissioner Central Excise, Raipur.
Central Excise Act, 1944	Denial of Cenvat credit on various inputs (Steel items)	May 15 to Nov 15	1.06	The Commissioner (Appeals) Raipur
Central Excise Act,1944	Denial of Cenvat credit on Capital goods	2007-08	22.23	Addl. Commissioner Central Excise, Raipur
C.G. Commercial Tax	Non receipt of sales tax declaration form	2011-12	13.92	Chhattisgarh Commercial Tax Tribunal, 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, during the year, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or debenture holders as at the balance sheet date.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). 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 JDS & Co.
(ICAI Firm Regn. No.018400C)
Chartered Accountants

Sanjay Dewangan
Partner
Membership Number: 409524
Raipur, 2nd May, 2018

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Godawari Power & Ispat Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sanjay Dewangan
Partner
Membership Number: 409524
Raipur, 2nd May, 2018

BALANCE SHEET AS AT 31st MARCH, 2018

(₹ in Lacs)

Particulars	Note No	As at 31.03.2018	As at 31.03.2017
ASSETS			
(1) Non -current assets			
(a) Property, Plant and Equipment	3	**128,406.57**	133,439.51
(b) Capital work-in-progress		**8,859.31**	5,892.49
(c) Other intangible assets	4	**12,384.49**	10,075.95
(d) Financial assets			
(i) Investments	5	**28,092.67**	27,976.12
(e) Deferred tax assets (Net)	6	**5,760.96**	189.57
(f) Other non-current assets	7	**510.37**	489.99
(2) Current-assets			
(a) Inventories	8	**38,361.38**	27,023.33
(b) Financial assets			
(i) Trade Receivables	9	**10,784.53**	7,369.25
(ii) Cash and cash equivalents	10	**730.84**	2,102.36
(iii) Bank balances other than Cash and cash equivalents mentioned above	10	**3,251.60**	1,679.59
(iv) Loans	11	**6,858.28**	6,261.27
(c) Current tax assets (net)		**-**	199.22
(d) Other current assets	7	**14,354.55**	16,167.67
Total Assets		**258,355.55**	238,866.33
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	**3,411.12**	3,411.12
(b) Other equity		**83,323.05**	65,055.19
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	**128,501.19**	136,061.27
(b) Provisions	14	**706.56**	579.18
(c) Other non-current liabilities	15	**202.81**	183.34
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	**12,975.90**	17,130.56
(ii) Trade Payables	17	**14,201.25**	10,137.94
(iii) Other Financial Liabilities	18	**8,716.19**	2,420.31
(b) Other current liabilities	19	**4,458.31**	3,853.09
(c) Provisions	14	**43.01**	34.32
(d) Current tax liabilities (Net)		**1,816.16**	-
Total Equity and Liabilities		**258,355.55**	238,866.33
Summary of significant accounting policies	**2**		

The accompanying notes are integral part of the financial statements.

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

per Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 02.05.2018

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

B. L. Agrawal
Managing Director

Abhishek Agrawal
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lacs)

Particulars	Notes	2017-18	2016-17
INCOME			
Revenue from operations (Gross)	20	**218,461.40**	173,565.82
Other Income	21	**820.77**	1,373.72
TOTAL REVENUE (I)		**219,282.17**	174,939.54
EXPENDITURE			
Cost of raw material and component consumed	22	**127,211.98**	106,189.04
Purchase of Traded Goods		**716.90**	618.24
(Increase)/decrease in inventories of finished goods work-in-progress and traded goods	23	**2,094.98**	888.32
Excise Duty on sales		**5,871.95**	18,963.85
Employees benefits expenses	24	**8,007.58**	6,676.55
Finance costs	25	**18,481.07**	17,670.34
Depreciation and amortization expenses	26	**8,949.07**	7,818.04
Other Expenses	27	**31,330.74**	23,916.02
TOTAL EXPENDITURE (II)		**2,02,664.26**	1,82,740.39
Profit/(loss) before exceptional item and tax		**16,617.91**	(7,800.85)
Exceptional items (net) (refer note 37)		**551.59**	-
Profit/(loss) before tax		**16,066.33**	(7,800.85)
Tax expenses			
Current tax		**3,440.00**	-
Deferred Tax		**(5,568.44)**	(57.03)
Total tax expenses		**(2,128.44)**	(57.03)
Profit/(loss) for the year from contining operations		**18,194.77**	(7,743.82)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Acturial gain or loss on defined benefit plans, net of taxes		**(16.97)**	(16.53)
B (i) Items that will be reclassified to profit or loss			
Fair value of financial assets, net of taxes		**90.05**	20.87
Total Comprehensive Income for the period Comprising Profit/(Loss) and Other Comprehensive Income for the period)		**18,267.85**	(7,739.47)
Earnings per equity share [nominal value of share @ ₹ 10/- (31st March, 2017 ₹ 10)]	28		
Basic		**51.64**	(23.64)
Diluted		**51.64**	(23.64)
Summary of significant accounting policies	**2**		

The accompanying notes are integral part of the financial statements.

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

per Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 02.05.2018

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lacs)

Particulars		2018	2017
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		**16,066.33**	(7,800.85)
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation/amortization		**8,949.07**	7,818.04
Loss/(profit) on sale of fixed assets		**(3.47)**	(162.29)
Loss/(profit) on sale of non-current investments		**-**	(90.00)
Provision for employee benefits		**151.38**	207.26
Provision/Allowances for credit loss on debtors		**(5.71)**	(24.46)
(Gain)/loss on Derivative interest swap		**(27.56)**	(183.86)
Interest Expenses		**18,481.07**	17,670.34
Interest Income		**(813.62)**	(1,058.22)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**42,797.48**	16,375.95
Movements in working capital :			
Increase/(decrease) in trade payables		**4,063.30**	(33,008.29)
Increase/(decrease) in other financial liabilities		**(220.16)**	(93.51)
Increase/(decrease) in other current liabilities		**605.22**	371.15
Increase/(decrease) in Other non-current liablities		**19.47**	(53.30)
Decrease/(increase) in trade receivables		**(3,415.28)**	1,254.76
Decrease/(increase) in inventories		**(11,338.06)**	11,538.64
Decrease/(increase) in loans		**(597.00)**	(583.20)
Decrease/(increase) in other current assets		**1,813.12**	(3,269.05)
Decrease/(increase) in other non-current assets		**(20.38)**	(145.72)
Cash generated from/(used in) operations		**33,707.72**	(7,612.57)
Direct taxes paid (net of refunds		**(1,424.62)**	111.86
Net Cash flow from/(used in) operating activities	**A**	**32,283.10**	(7,500.71)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets, including intangible assets and CWIP		**(9,262.47)**	(6,167.14)
Proceeds from sale of fixed assets		**74.46**	1,844.28
Proceeds from sale of non-current investments		**6.68**	120.00
Increase in non-current investments		**(35.12)**	-
Investments in subsidiary company		**-**	(339.00)
Investments in bank deposits (having original maturity of more than three months)		**(1,574.32)**	-
Proceeds from bank deposits (having original maturity of more than three months)		**-**	2,954.42
Interest received		**813.62**	1,058.22
Net cash flow from/(used in) investing activities	**B**	**(9,977.16)**	(529.22)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lacs)

Particulars		2018	2017
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital including premium		-	3,100.00
Redemption of debenture		(103.46)	(2,459.83)
Proceeds from long-term borrowings		-	39,745.72
Repayment of long-term borrowings		(938.28)	(4,591.34)
Proceeds from short-term borrowings		(4,154.66)	-
Repayment of short-term borrowings		-	(10,568.72)
Interest paid		(18,481.07)	(17,670.34)
Net cash flow from/(used in) financing activities	C	**(23,677.46)**	7,555.49
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		**(1,371.53)**	(474.44)
Cash and Cash Equivalents at the beginning of the year		2,102.36	2,576.80
Cash and Cash Equivalents at the end of the year		**730.84**	2,102.36
COMPONENTS OF CASH AND CASH EQUIVALENTS			
Cash in hand		21.87	8.43
With banks- on current account		708.97	2,093.93
		730.84	2,102.36

The Statement of Cash Flow has been prepared using Indirect method as per Ind AS 7.

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

per Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 02.05.2018

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

B. L. Agrawal
Managing Director

Abhishek Agrawal
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2017

Equity Share Capital

(₹ in Lacs)

Balance as at 01.04.2016	Changes in the equity share capital during the year	Balance as at 31.03.2017
3,163.12	**248.00**	**3,411.12**

Other Equity

	Reserves and Surplus					Equity Instruments through Other Comprehensive Income (Net of Tax)	Other itmes of Other Comprehensive Income (Gain/loss on employee benefit) (Net of Tax)	Total
	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings			
Balance at the beginning of the reporting period 01.04.2016	1,695.36	17,932.05	2,015.00	15,751.00	32,755.06	(176.39)	(29.41)	69,942.67
Acturial Gain/loss on employee benefit (Net of Tax)							(16.53)	(16.53)
Equity Instruments through Other Comprehensive Income (Net of Tax)						20.87		20.87
Profit/(loss) for the year					(7,743.82)			(7,743.82)
On issue of equity shares		2,852.00						2,852.00
Balance at the end of the reporting period 31.03.2017	**1,695.36**	**20,784.05**	**2,015.00**	**15,751.00**	**25,011.24**	**(155.53)**	**(45.93)**	**65,055.19**

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

per Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 02.05.2018

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

B. L. Agrawal
Managing Director

Abhishek Agrawal
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018

Equity Share Capital

(₹ in Lacs)

Balance as at 01.04.2017	Changes in the equity share capital during the year	Balance as at 31.03.2018
3,411.12	**-**	**3,411.12**

Other Equity

	Reserves and Surplus					Equity Instruments through Other Comprehensive Income (Net of Tax)	Other itmes of Other Comprehensive Income (Gain/loss on employee benefit) (Net of Tax)	Total
	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings			
Balance at the beginning of the reporting period 01.04.2017	1,695.36	20,784.05	2,015.00	15,751.00	25,011.24	(155.53)	(45.93)	65,055.19
Acturial Gain/loss on employee benefit (Net of Tax)							(16.97)	(16.97)
Equity Instruments through Other Comprehensive Income (Net of Tax)						90.05		90.05
Profit/(loss) for the year					18,194.77			18,194.77
Balance at the end of the reporting period 31.03.2018	**1,695.36**	**20,784.05**	**2,015.00**	**15,751.00**	**43,206.01**	**(65.47)**	**(62.90)**	**83,323.05**

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

per Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 02.05.2018

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

B. L. Agrawal
Managing Director

Abhishek Agrawal
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

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, Mining of Iron Ore and Manufacturing of Iron Ore Pellets, Sponge Iron, Steel Billets, Wire Rods, H.B. Wire and Ferro Alloys.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION AND PRESENTATION

i) The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2015 and guidelines issued by the Securities and Exchange Board of India (SEBI).

ii) The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments) and

- Defined benefit plans - plan assets

iii) Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The company has identified twelve months as its operating cycle.

b) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re- assessing categorisation at the end of each reporting period.

c) Property, Plant and Equipment (PPE)

i) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

ii) The cost of an item of property, plant and equipment is measured at :

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

iii) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

iv) After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

v) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

vi) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/ inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.

vii) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

viii) The company has continued the policy adopted for accounting for exchange differences arising from translation of long term foreign currency monetary items recognized in financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP, as permitted under Ind AS 101, 'First time adoption of Indian Accounting Standards'. Accordingly, the exchange differences arising on translation/settlement of long term foreign currency monetary items pertaining to the acquisition of a depreciable asset have been adjusted to the cost of the asset and are depreciated over the remaining life of the asset.

d) Capital Work in Progress

i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

iii) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

e) Intangible Assets

i) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

ii) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.

iii) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

f) Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

- Leased assets

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

g) Mining Assets

i) Exploration and Evaluation Assets

Upon obtaining the legal rights to explore a specific area but before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the expenditure incurred on finding specific mineral resources are capitalised as Exploration and Evaluation Assets. These expenditure include expenses on acquisition of rights to explore; topographical, geological, geochemical and geophysical studies; exploratory drilling; trenching; sampling; activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource and such other related expenses. When the technical feasibility and commercial viability of extracting a mineral resource are demonstrated, the Exploration and Evaluation Assets are reclassified as part of the right to mine.

At the initial recognition the Exploration and Evaluation Assets are measured at cost. After recognition, the company continues to use the cost model.

Exploration and Evaluation Assets are assessed for impairment when facts and circumstances suggest that the carrying amount of such assets may exceed its recoverable amount.

After the reclassification of the Exploration and Evaluation Assets as part of the Right to Mine, the cost is then amortised over the remaining useful life of the mining rights.

ii) Stripping Activity

During the development phase of the mine (before production begins), stripping costs are capitalised as part of the cost of right to mine.

During the production phase, two benefits accrue from the stripping activity: usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods.

To the extent that the benefit from the stripping activity is realised in the form of inventory produced, the costs of that stripping overburden removal activity is accounted for in accordance with the principles of Ind AS 2, Inventories.

To the extent the benefit is improved access to ore, these costs are recognised as Stripping Activity Asset, if the following criteria are met:-

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow;
- the component of the ore body for which access has been improved can be identified; and
- the costs relating to the stripping activity associated with that component can be measured reliably.

The Stripping Cost capitalised during the development phase or during the production phase is amortised using the units or production method.

h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Based on the Educational Material on Ind AS 18 issued by the ICAI, the company has considered that recovery of excise duty flows to the company on its own account. Therefore it is a liability of the manufacturer and forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the company on its own account, revenue includes excise duty.

However, Sales Tax/Value Added Tax (VAT) and Goods & Service Tax are not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

ii) Interest income

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

iii) Dividends

Revenue is recognised when the company's right to receive payment is established, which is generally when shareholders approve the dividend.

iv) Rendering of services

Revenue from the services is recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

i) Depreciation on Property, Plant & Equipment and Amortization of Intangible Assets

i) Depreciation on Property, Plant & Equipment is provided on Straight Line Method based on estimated useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013 with the exception of the following:

- spares classified as plant and equipment are depreciated over 3 to 15 years based on the technical evaluation of useful life done by the management.
- assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

ii) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.

iii) The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

iv) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.

v) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery or their useful life whichever is lower.

vi) Leasehold land is amortised annually on the basis of tenure of lease period. Freehold land is not depreciated.

vii) Expenditure incurred on Right to Mine are amortised over useful life of the mines or lease period whichever is shorter.

viii) Other Intangible assets are amortized over technically useful life of the assets.

j) Inventories :

i) Inventories are valued at lower of cost and net realizable value, after providing for obsolences, if any.

ii) Cost of Raw Materials, Stores & Spares, Work in Progress, Finished Goods and Stock-in-Trade are computed on Moving Average basis.

iii) Cost of Work in Progress and Finished Goods includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.

iv) The cost is determined using moving average cost formula and net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

k) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l) Income Taxes

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In which case the tax is also recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

m) Foreign Currency Transactions

i) Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date.

ii) Exchange differences arising on translation or settlement of monetary items are recognised as income or expenses in the period in which they arise in the Statement of Profit and loss.

n) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Contributory Pension Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The company has recognized the gratuity payable to the employees as per the Payment of Gratuity Act,1972 and Leave Encashment Benefits as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

p) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

q) Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

Treasury shares held in the Trust are deducted from the equity.

r) Financial Intruments

i) Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment in subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

D. Other Equity Investments

All other equity investments are measured at fair value through Other Comprehensive Income with value changes recognised therein.

E. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through OCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

ii) Financial Liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derivative financial instruments and Hedge Accounting

The Company uses derivative financial instruments such as interest rate swaps and forward contracts to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

A. Cash flow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

B. Fair Value Hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates and foreign exchange rates.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

iv) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

s) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

t) Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the Company's shareholders.

u) Statement of Cash Flows

i) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, Bank overdrafts are classified within borrowings in current liabilities.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

v) Segment Reporting Policies

Identification of segments :

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The Operating segments have been identified on the basis of the nature of products.

Inter segment Transfers :

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items :

The Corporate and Other segment includes general corporate income and expense items which are not allocated to any business segment.

2.3 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The estimated useful lives and residual values of the assets are reviewed annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes and other related matters. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Measurement of defined benefit obligations

The measurement of defined benefit and other post-employment benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

3. PROPERTY, PLANT AND EQUIPMENT

(₹ in lacs)

	Freehold Land	Leasehold Land	Site & Land Development	Factory Shed & Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Total
Gross Block								
Carrying Value								
At 1 April 2016....................	3,703.83	146.64	1,370.09	20,243.24	108,221.81	225.67	510.79	134,422.08
Additions............................	51.19	-	57.41	2,575.66	10,477.76	11.35	38.94	13,212.30
Disposals............................	18.70	-	11.85	1,014.54	708.84	-	58.30	1,812.24
Other adjustments								
- Exchange differences.........	-	-	-	-	(659.66)	-	-	(659.66)
- Borrowing costs.................	-	-	-	810.46	1,271.61	-	-	2,082.07
At 31 March, 2017	3,736.33	146.64	1,415.64	22,614.82	118,602.67	237.02	491.43	147,244.54
Additions............................	259.13	-	-	54.57	2,556.75	6.76	120.60	2,997.81
Disposals............................	-	-	-	-	53.02	-	41.21	94.24
Other adjustments								
- Borrowing costs.................	-	-	-	-	68.64	-	-	68.64
At 31 March, 2018.............	**3,995.45**	**146.64**	**1,415.64**	**22,669.38**	**121,175.04**	**243.79**	**570.81**	**150,216.75**
Depreciation								
At 1 April 2016....................	-	1.00	-	1,123.52	5,595.11	43.51	88.46	6,851.60
Charge for the year..............	-	1.56	-	1,128.55	5,831.94	36.37	85.24	7,083.67
(Disposals)/Adjustment.........	-	-	-	27.05	79.47	-	23.73	130.25
At 31 March, 2017	-	2.56	-	2,225.03	11,347.58	79.88	149.98	13,805.03
Charge for the year..............	-	1.56	-	1,068.39	6,845.25	35.00	78.21	8,028.40
(Disposals)/Adjustment.........					4.81		18.44	23.25
At 31 March, 2018.............	**-**	**4.12**	**-**	**3,293.42**	**18,188.02**	**114.87**	**209.75**	**21,810.18**
Net Block								
At 31 March, 2017	3,736.33	144.07	1,415.64	20,389.79	107,255.09	157.14	341.45	133,439.51
At 31 March, 2018.............	**3,995.45**	**142.51**	**1,415.64**	**19,375.96**	**102,987.02**	**128.91**	**361.07**	**128,406.57**

Capitalized borrowing costs

The borrowing cost capitalized during the year ended 31st March,2018 was ₹ 68.64 lacs (31st March, 2017:₹ 2082.07 Lacs). The company capitalized the borrowing cost in the capital work-in-progress (CWIP) ₹ 557.54 lacs (31st March,2017: ₹ 371.03 Lacs). The amount of borrowing cost shown as other adjustments in the above note reflects the amount of borrowing cost transferred from Capital Work In Progress.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

4. OTHER INTANGIBLE ASSETS

(₹ in lacs)

	Computer software	Right to Mine	Total
Gross Block			
Carrying Value			
At 1 April 2016	112.05	8,985.13	9,097.18
Purchase/additions	815.28	1,320.21	2,135.49
At 31 March, 2017	927.33	10,305.34	11,232.67
Purchase/additions	-	3,229.20	3,229.20
At 31 March, 2018	**927.33**	**13,534.55**	**14,461.88**
Amortization			
At 1 April 2016	29.34	393.01	422.35
Charge for the year	29.79	704.58	734.37
At 31 March, 2017	59.13	1,097.59	1,156.72
Charge for the year	110.87	809.80	920.67
At 31 March, 2018	**170.00**	**1,907.39**	**2,077.39**
Net Block			
At 31 March, 2017	868.20	9,207.75	10,075.95
At 31 March, 2018	**757.33**	**11,627.16**	**12,384.49**

5. INVESTMENTS

(₹ in lacs)

Particulars	Face value per unit in ₹	No. of Shares/ Units	As at 31.03.2018	As at 31.03.2017
Trade investments				
Valued at cost				
Investment in subsidiaries				
Unquoted equity instruments, fully Paid up				
*Godawari Green Energy Ltd.	10	17,847,000	**17,802.00**	17,802.00
**Godawari Energy Ltd.	10	11,800,000	**1,180.00**	1,180.00
Godawari Clinkers & Cement Ltd.	10	50,000	**-**	5.00
***Ardent Steel Ltd.	10	8,065,000	**4,764.00**	4,764.00
Godawari Integrated Steels (I) Ltd.	10	50,000	**-**	5.00
Krishna Global Minerals Ltd.	10	50,000	**-**	5.00
Investment in joint ventures				
Valued at cost				
Investment in equity instruments, fully Paid up (unquoted)				
Raipur Infrastructure Company Ltd	10	130,700	**210.70**	210.70
Chhattisgarh Capitive Coal Mining Ltd	10	342,824	**473.54**	473.54
Godawari Natural Resources Ltd.	10	16,940	**-**	1.69
Investment in associates				
Valued at cost				
Investment in equity instruments, fully Paid up (unquoted)				
Hira Ferro Alloys Ltd.	10	9,491,000	**2,234.26**	2,234.26
Jagdamba Power & Alloys Ltd	10	2,605,000	**260.50**	260.50
Chhattisgarh Ispat Bhoomi Ltd	10	2,810,000	**489.40**	489.40

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

Particulars	Face value per unit in ₹	No. of Shares/ Units	As at 31.03.2018	As at 31.03.2017
Trade investments (valued at cost)				
Carried at Fair Value through OCI				
Investment in equity instruments, fully Paid up (unquoted)				
Hira Steels Limited	10	2,240,100	**623.29**	527.36
Hira Energy Ltd	10	14,000	**1.40**	1.40
Shourya Diamonds Ltd	10	10,000	**0.61**	0.61
Investment in mutual fund, fully Paid up (unquoted)				
Carried at Fair Value through OCI				
Baroda Pioneer Mutual Fund	10	19,900	**4.00**	3.80
Axis Long Term Equity Fund - Growth		34,349	**13.85**	11.86
Canara Robeco Potential Mutual Fund	10	350,000	**35.12**	-
			28,092.67	27,976.12
Aggregate amount of quoted investments and market value thereof			**52.98**	15.66
Aggregate amount of Unquoted investments			**28,039.69**	27,960.46
Investment carried at cost			**27,414.40**	27,431.10
Investment carried at fair value through OCI			**678.27**	545.02

Investments given as security

* Out of 17847000 equity shares, 11957970 (7520970) equity shares pledged for the credit facilities sanctioned to Godawari Green Energy Limited.

** 11800000 (0) equity shares are pledged for the credit facilities availed by the company.

* Out of 8065000 equity shares, 4113150 (0) equity shares are pledged for the credit facilities sanctioned to Ardent Steel Limited.

6. DEFFERED TAX ASSETS

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Deferred Tax Assets/(Liability)		
Temporary differences on account of PPE & Other intangible assets	**(16,541.74)**	(16,801.81)
Temporary differences on account of fair valuation of Investments	**(43.82)**	(12.25)
Temporary differences on account of Employee Benefits	**259.41**	189.57
Unused MAT Credit	**9,994.43**	6,746.35
Others	**12,092.68**	10,067.70
Net deferred tax Assets/(Liabilities)	**5,760.96**	189.57
RECONCILIATION OF DEFERRED TAX Assets/(Liabilities) (NET)		
Deferred Tax (Assets)/Liabilities		
Deferred tax liability / (assets) at the beginning of the year	**189.57**	125.53
Deferred tax liability / (assets) during the year on account of timing difference	**1,864.56**	64.04
Recognition of unrecognized tax loss	**(4,187.87)**	-
MAT Credit utilized/(arised)	**(3,248.07)**	-
DEFERRED TAX LIABILITIES / (ASSETS) AT THE END OF THE YEAR	**5,760.96**	189.57

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

7. OTHER ASSETS (UNSECURED, CONSIDERED GOOD)

(₹ in lacs)

	Non-Current		Current	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Advances other than capital advances				
Advance to Vendors			**12,645.35**	11,197.61
Prepaid expenses			**37.45**	1,073.28
Balance with statutory/govt. authorities			**1,671.75**	3,896.79
Security deposit with govt. & others	**510.37**	489.99	**-**	-
Total	**510.37**	489.99	**14,354.55**	16,167.67

8. INVENTORIES (VALUED AT LOWER OF COST AND NET REALIZABLE VALUE)

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Raw Materials and components	**22,963.59**	10,516.43
Work-in-progress	**1,362.57**	324.40
Finished goods & by-products	**6,837.13**	9,970.27
Stock-in-trade	**2.29**	2.29
Stores & spares	**7,195.81**	6,209.94
	38,361.38	27,023.33

9. TRADE RECEIVABLES

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Unsecured, considered good unless stated otherwise		
Trade receivables	**11,119.39**	7,709.83
Less: Provision for doubtful receivables	**334.86**	340.58
	10,784.53	7,369.25

10. BANK, CASH AND CASH EQUIVALENTS

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Cash and cash equivalents		
Balances with banks:		
On current accounts	**708.97**	2,093.93
Cash on hand	**21.87**	8.43
	730.84	2,102.36
Other bank balances		
Unpaid dividend account	**11.78**	14.09
Deposits with original maturity for more than 3 months but less than 12 months	**3,239.81**	1,665.50
	3,251.60	1,679.59
	3,982.43	3,781.95

Out of total Deposits, deposits of ₹3239.80 lacs (previous year ₹1665.50 lacs) are pledged with various banks for availing LC, Bank Guarantee, OD facilities, margin money and pledged with other Govt. Departments.

11. LOANS (UNSECURED, CONSIDERED GOOD)

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Loans and advances to subsidiary companies	**6,858.28**	6,261.27
	6,858.28	6,261.27

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

12. EQUITY SHARE CAPITAL

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Authorized		
49800000 (31st March, 2017: 49800000) equity shares of ₹10/- each	**4,980.00**	4,980.00
	4,980.00	4,980.00
Issued, subscribed and fully paid-up		
35236247 (31st March, 2017: 35236247) equity shares of ₹ 10/- each fully paid-up	**3,411.12**	3,411.12

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

	As at 31.03.2018		As at 31.03.2017	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period	**35,236,247**	**3,411.12**	32,756,247	3,163.12
Issued during the period	**-**	**-**	2,480,000	248.00
Outstanding at the end of the period	**35,236,247**	**3,411.12**	35,236,247	3,411.12

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribtion of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by Associate company

Out of equity shares issued by the company, shares held by its associate company are as below: (₹ in lacs)

Particulars	As at 31.03.2018	As at 31.03.2017
Equity shares of ₹10/- each fully paid		
1200000 (1200000) nos. of shares held by Hira Ferro Alloys Ltd	**120.00**	120.00
	120.00	120.00

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

	As at 31.03.2018		As at 31.03.2017	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 10/- each fully paid				
Hira Infra-tek Limited	**1790652**	**5.08**	1790652	5.08
Dinesh Agrawal	**1846347**	**5.24**	1846347	5.24
B.L. Agrawal	**1731398**	**4.91**	1731398	4.91
B.L. Agrawal (HUF)	**2738932**	**7.77**	2738932	7.77
Vinay Agrawal	**1875466**	**5.32**	1875466	5.32
Kumar Agrawal	**2460678**	**6.98**	2460678	6.98
	12443473	**35.31**	12443473	35.31

e. Apart from authorised equity share capital, the company is also having authorised preference share capital consisting 3200000 preference shares of ₹10/-each as on 31.03.2018 and 31.03.2017.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

13. BORROWINGS

(₹ in lacs)

Particulars	Non-current portion		Current maturities	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Debentures				
209 (31 March,2017: 209) A Series 12% Redeemebale Non -Convertible Debentures of ₹ 1,000,000/- each (secured)	**1,946.87**	2,040.23	**112.50**	43.11
200 (31 March,2017: 200) B Series 12.75% Redeemebale Non -Convertible Debentures of ₹ 1,000,000/- each (secured)	**1,869.00**	1,946.42	**108.00**	53.58
150 (31 March,2017: 150) C Series 12.90% Redeemebale Non -Convertible Debentures of ₹1,000,000/- each (secured)	**1,362.71**	1,482.77	**79.29**	15.73
Term Loans				
Secured loan from bank	**123,318.65**	121,480.76	**8,085.88**	1,658.02
Foreign currency loan from banks (secured)	**-**	8,088.76	**-**	85.83
Other loans and advances				
Other loans from bank and financial institution (secured)	**3.95**	22.34	**23.99**	35.03
From body corporates (unsecured)	**-**	1,000.00	**-**	-
	128,501.19	136,061.27	**8,409.66**	1,891.31
The above amount includes				
Secured borrowings	**128,501.19**	135,061.27	**8,409.66**	1,891.31
Unsecured borrowings	**-**	1,000.00	**-**	-
Amount disclosed under the head "other financial liabilities" (refer note 18)			**(8,409.66)**	(1,891.31)
Net amount	**128,501.19**	136,061.27	**-**	-

Security and terms & conditions for above loans:

a. 12% redeemable non-convertible debentures 'A' Series 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.

b. 12.75% redeemable non-convertible debentures 'B' Series are secured by Pari passu first charge on the tangible fixed assets of the Company.

c. 12.90% redeemable non-convertible debentures 'C' Series are secured by Pari passu first charge on the fixed assets of the Company & pari passu second charge on the current assets of the Company.

d. The rupee term loans agreegating to ₹1314.05 Cr (Previous year ₹1231.39 Cr) (including current maturities of ₹ 80.87 Cr (Previous year ₹16.58 Cr) classified under 'other financial liabilities' in note 18) are secured by a first pari passu charge over immovable and movable assets of the company, both present and future, subject to prior charge in favour of working capital bankers of the Company over the current assets i.e. stocks of raw materials, finished goods, stock in process, stores & consumables, trade receivables for securing working capital facilities availed from the banks. The rupee term loans are also secured by personal guarantee of promoter directors of the Company & their relatives and by 2nd pari passu charge on pledge of 77,80,245 equity shares of the Company held by the promoters.

e. The foreign currency term loan (ECB) aggregating to ₹ Nil (Previous year ₹ 81.75 Cr) (including current maturities of ₹ Nil (Previous year ₹ 0.86 Cr) classified under 'other financial liabilities' in note 18) 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.

f. Other loans from banks and financial institution are secured by hypothecation and mortgage of specific assets from various banks.

Repayment terms for above loans:

a. The outstanding amount of Non Convertible Debentures are repayable in 168 monthly instalments which shall be ended on 31st March 2032.

b. Rupee term loan outstanding aggregating to ₹ 1230.92 crores are repayable in 168 monthly instalments which shall be ended on 31st March 2032.

c. Rupee term loan outstanding agreegating to ₹ 83.13 crores are repayable in 88 monthly instalments which shall be ended on 31st March 2026.

14. PROVISIONS

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Provision for Employee Benefits	**706.56**	579.18	**43.01**	34.32
	706.56	579.18	**43.01**	34.32

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

15. OTHER NON-CURRENT LIABILITIES

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Retention money payable	**202.81**	183.34
	202.81	183.34

16. BORROWINGS

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Cash Credit facility from banks (secured)	**12,975.90**	17,130.56
The above amount includes	**12,975.90**	17,130.56
Secured borrowings	**12,975.90**	17,130.56

Terms & Conditions of Secured Loans

1. 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.
2. The above credit facilities are also secured by personal guarantee of promoter directors of the Company.
3. The working capital facilities (including cash credit) are also secured in line with rupee term loans by pledge of 77,80,245 equity shares of the company held by the promoters.

17 TRADE PAYABLE

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Trade payables (refer note 42 for details of dues for micro and small enterprises)	**14,201.25**	10,137.94
	14,201.25	10,137.94

18 OTHER FINANCIAL LIABILITIES

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Current maturities of long-term borrowings (secured) (refer note-13)	**8,409.66**	1,891.31
Interest accrued but not due on borrowings	**294.75**	514.91
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	**11.78**	14.09
	8,716.19	2,420.31

19. OTHER CURRENT LIABILITIES

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Other Payable	**2,668.67**	2,562.85
GST payable	**1,046.11**	-
Advances from Customer	**743.53**	1,178.26
Creditors for capital goods	**-**	111.98
	4,458.31	3,853.09

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

20. REVENUE FROM OPERATIONS

(₹ in lacs)

	2017-18	2016-17
Revenue from operations		
Sale of products		
Manufacturing Goods and By-Products	**209,477.88**	171,074.88
Electricity	**193.15**	230.59
Traded Goods	**778.36**	683.18
Others	**6,772.03**	857.63
Sale of services	**1,239.98**	719.55
Revenue from operations (gross)	**218,461.40**	173,565.82

21. OTHER INCOME

(₹ in lacs)

	2017-18	2016-17
Interest Income on		
Bank Deposits	**160.27**	192.45
Others	**653.34**	865.77
Profit on sale of non-current Investments	**-**	90.00
Profit on sale of fixed assets	**3.47**	162.29
Other non-operating income (net of expenses directly attributable to such income)	**3.69**	63.22
	820.77	1,373.72

22. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

(₹ in lacs)

	2017-18	2016-17
Inventory at the beginning of the year	**10,516.43**	19,148.08
Add: purchases	**139,659.14**	97,557.39
	150,175.57	116,705.47
Less : Inventory at the end of the year	**22,963.59**	10,516.43
Cost of raw material and components consumed	**127,211.98**	106,189.04

23. (INCREASE)/DECREASE IN INVENTORIES

(₹ in lacs)

	2017-18	2016-17	(Increase)/ Decrease
Inventories at the end of the year			**2017-18**
Finished goods and by-products	**6,837.13**	9,970.27	3,133.14
Work-in-progress	**1,362.57**	324.40	(1,038.16)
Traded goods	**2.29**	2.29	-
	8,201.99	10,296.96	2,094.98
Inventories at the beginning of the year			**2016-17**
Finished goods and by-products	**9,970.27**	10,864.07	893.80
Work-in-progress	**324.40**	318.93	(5.48)
Traded goods	**2.29**	2.29	-
	10,296.96	11,185.29	888.32
Net (increase)/decrease in inventories	**(2,094.98)**	(888.32)	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

24. EMPLOYEE BENEFITS EXPENSES

(₹ in lacs)

	2017-18	2016-17
Salaries, wages and bonus	**6,969.48**	5,907.44
Contribution to provident and other fund	**590.06**	401.26
Gratuity Expense	**111.84**	95.39
Workmen and staff welfare expenses	**336.20**	272.46
	8,007.58	6,676.55

25. FINANCE COSTS

(₹ in lacs)

	2017-18	2016-17
Interest		
- on debentures	**688.81**	768.07
- on term loans	**14,897.54**	8,027.33
- on working capital	**1,466.65**	5,933.94
- on others	**148.41**	385.03
Exchange difference to the extent considered as an adjustment to borrowing costs	**-**	51.80
Bank charges	**1,279.65**	2,504.16
	18,481.07	17,670.34

26. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in lacs)

	2017-18	2016-17
Depreciation on tangible assets	**8,028.40**	7,083.67
Amortization of intangible assets	**920.67**	734.37
	8,949.07	7,818.04

27. OTHER EXPENSES

(₹ in lacs)

	2017-18	2016-17
Consumption of stores and spares	**8,091.73**	6,898.37
(Increase)/decrease of excise duty on inventory	**(445.07)**	(205.36)
Grid Parallel operation charges	**72.63**	240.98
Power & Fuel	**10,852.85**	8,530.50
Water Charges	**375.07**	294.51
Other manufacturing expenses	**5,590.60**	4,359.41
CDM Expenses	**2.87**	4.35
Rent	**62.86**	91.68
Rates and taxes		
- Entry tax	**29.42**	82.27
- Excise duty	**12.21**	-
- Electricity duty cess	**945.83**	292.24
- Others	**32.77**	3.81
Insurance	**99.79**	64.40

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

	2017-18	2016-17
Repairs and maintenance		
- Plant and machinery	455.97	518.71
- Buildings	185.08	145.97
- Others	104.69	97.18
Rebate, shortage claims & other deductions	1,529.00	428.89
Commission - Other than Sole selling agents	598.35	267.14
Provision/Allowances for credit loss on debtors	(5.71)	(24.46)
Traveling and conveyance	309.16	243.92
Communication expenses	85.00	62.99
Printing and stationery	36.46	24.68
Legal and professional fees	397.73	410.75
Directors' sitting fees	22.92	9.31
Directors' remuneration	440.61	106.84
Payment to Auditor (Refer details below)	30.16	18.56
Freight and forwarding charges	311.46	7.56
Security service charges	250.03	257.75
Loss on sale of investments	10.02	-
Loss/(gain) on Foreign exchange	(27.56)	(183.86)
Corporate Social Responsibility	291.07	221.65
Miscellaneous expenses	582.75	645.29
	31,330.74	23,916.02

Payment to Auditor	2017-18	2016-17
As auditor :		
Audit fee	27.50	17.31
Tax Audit fee	2.50	1.25
In other capacity		
Taxation matters	0.16	-
	30.16	18.56

28. EARNINGS PER SHARE (EPS)

(₹ in lacs)

	2017-18	2016-17
Net profit/(loss) as per statement of profit and loss	18,194.77	(7,743.82)
Net profit/(loss) attributable to Equity Shareholders	18,194.77	(7,743.82)
Nominal Value of Equity Shares (₹)	10	10
Weighted average number of equity shares in calculating Basic EPS	35,236,247	32,830,987
Weighted average number of equity shares in calculating Diluted EPS	35,236,247	32,830,987
Basic & Diluted EPS		
- Basic earning per share	51.64	(23.64)
- Diluted earning per share	51.64	(23.64)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

29. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS ARE NOT PROVIDED FOR IN RESPECT OF :-

i) Counter Guarantees given to banks against Bank guarantees issued by the Company Banker aggregate to ₹ 2754 lacs (Previous Year ₹ 1304 lacs.)

ii) Disputed liability of ₹ 681.59 lacs (Previous Year ₹ 302.21 lacs) on account of Service Tax against which the company has preferred an appeal.

iii) Disputed liability of ₹ 280.53 lacs (Previous Year ₹ 63.00 lacs) on account of CENVAT against which the company has preferred an appeal.

iv) Disputed liability of ₹ 413.90 lacs (Previous Year ₹ 22.87 lacs) on account of Sales Tax against which the company has preferred an appeal.

v) Disputed liability of ₹ 39.35 lacs (Previous Year ₹ 390.76) on account of Income Tax against which the company has preferred an appeal.

vi) Disputed liability of ₹10 lacs (Previous Year ₹ 43.64 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 ₹ 4224.19 lacs (Previous Year ₹ 3740.60 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 Supereme Court, which is pending for final disposal.

viii) Disputed demand of ₹ 758 lacs (Previous Year ₹ 758 lacs) from Chhattisgarh State Power Distribution Company Limited relating to cross subsidy on power sold under open access during the financial year 2009-10. The company has contested the demand and obtained stay from CSERC and expect a favourable decision in favour of company.

ix) Disputed demand of ₹ 522.24 lacs from Mining Department of Chhattisgarh against which the company has preferred an appeal.

x) Estimated amount of contracts remaining to be executed on capital accounts ₹ 2902 lacs (Previous Year ₹ 2095 lacs).

30. During the financial year 2015-16, a search operation was conducted in the premises of the company u/s 132 of the Income Tax Act, 1961. The settlement proceedings are pending before the competent authority. The company does not foresee any further liability on this account.

31. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 EMPLOYEE BENEFITS:

a. Defined Contribution Plan:

Amount of ₹ 590.06 lacs (P.Y. ₹ 401.26 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 24).

(₹ in lacs)

Benefit (Contribution to):	2017-18	2016-17
Contribution to Provident and other fund	590.06	401.26
Total	**590.06**	401.26

b. Defined benefit plan:

Gratuity:

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service subject to a maximum of Rs.20 Lacs. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

(₹ in lacs)

	Particulars	Gratuity		Leave Encashment	
		2017-18	2016-17	2017-18	2016-17
		Non-Funded	Non-Funded	Non-Funded	Non-Funded
I	**Change in Present value of defined benefit obiligation during the year:**				
	Present value of defined benefit obiligation at the beginning of the year	**510.01**	406.24	**103.49**	58.89
	Interest Cost	**38.96**	32.50	**6.60**	4.71
	Current Service Cost	**72.88**	62.90	**40.84**	76.43
	Past Service Cost	**-**	-	**-**	-
	Benefit paid directly by employer	**(14.68)**	(20.29)	**(36.65)**	(31.80)
	Acturial Changes arising from changes in financial assumption	**(16.42)**	26.98	**(2.79)**	5.37
	Acturial Changes arising from changes in expirence assumption	**55.89**	1.68	**(8.56)**	(10.11)
	Present value of defined benefit obiligation at the end of the year	**646.64**	510.01	**102.93**	103.49
II	**Change in fair value of plan assets during the year:**				
	Fair value of plan assets at the beginning of the year	**-**	-	**-**	-
	Contribution paid by the employer	**14.68**	20.29	**36.65**	31.80
	Benefit paid from the fund	**(14.68)**	(20.29)	**(36.65)**	(31.80)
	Fair value of plan assets at the end of the year	**-**	-	**-**	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

	Particulars	Gratuity		Leave Encashment	
		2017-18	2016-17	2017-18	2016-17
		Non-Funded	Non-Funded	Non-Funded	Non-Funded
III	**Net asset / (liability) recognised in the balance sheet:**				
	Present Value of defined benefit obligation at the end of the year	**646.64**	510.01	**102.93**	103.49
	Fair value of plan assets at the end of the year	**-**	-	**-**	-
	Amount recognised in the balance sheet				
	Net asset / (liability) - Current	**36.41**	27.64	**6.60**	6.68
	Net asset / (liability) - Non Current	**610.23**	482.37	**96.33**	96.81
IV	**Expenses recognized in the statement of profit and loss for the year:**				
	Current Service Cost	**72.88**	62.90	**40.84**	76.43
	Interest Cost on benefit obligation (Net)	**38.96**	32.50	**6.60**	4.71
	Total expenses included in employee benefits expenses	**111.84**	95.40	**47.44**	81.14
V	**Recognized in other comprehensive income for the year:**				
	Actuarial Changes arising from changes in financial assumption	**(16.42)**	26.98	**(2.79)**	5.37
	Actuarial Changes arising from changes in experience assumption	**55.89**	1.68	**(8.56)**	(10.11)
	Recognized in other comprehensive income for the year:	**39.47**	28.66	**(11.35)**	(4.74)
VI	**Maturity profile of defined benefit obligation:**				
	Within the next 12 months (next annual reporting period)	**40.03**	30.81	**7.03**	7.04
	Between 2 and 5 years	**170.68**	133.56	**28.01**	27.66
	Between 6 and 10 years	**250.72**	183.76	**38.32**	36.64
VII	**Quantitative Sensitivity analysis for significant assumption is as below:**				
1	1% point increase in discount rate	**584.07**	459.09	**92.86**	93.19
	1% point decrease in discount rate	**720.53**	570.45	**114.88**	115.77
	1% point increase rate of salary Increase	**721.98**	570.52	**115.51**	116.37
	1% point decrease rate of salary Increase	**581.33**	457.85	**92.19**	92.53
	1% point increase rate of employee turnover rate	**657.64**	518.09	**104.80**	105.15
	1% point decrease rate of employee turnover rate	**634.04**	500.66	**100.80**	101.60

2 Sensitivity Analysis Method:

Sensitivity Analysis is determined based on the expected movement in liability if the assumption were not proved to be true on different count.

	Particulars	Gratuity		Leave Encashment	
		2017-18	2016-17	2017-18	2016-17
		Non-Funded	Non-Funded	Non-Funded	Non-Funded
VIII	**Actuarial assumptions:**				
1	Discount rate	**7.75%**	7.50%	**7.75%**	7.50%
2	Salary escalation	**6.00%**	6.00%	**6.00%**	6.00%
3	Mortality rate during employment	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)
4	Mortality post retirement rate	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)
5	Rate of Employee Turnover	**1% to 8%**	1% to 8%	**1% to 8%**	1% to 8%

Expected contribution to the defined plan for the next reporting period:

Notes:

(i) The actuarial valuation of plan assets and the present value of the defined obligation were carried out at 31st March, 2018. The present value of the defined benefit obligation and the related current service cost and past service cost,were measured using the projected Uniit Credit Method.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

32. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013.

Investment made are given under the respective heads. Further the company has not given any guarantee.

Loan given by the Company in respect of loans as at 31st March, 2018 (₹ in lacs)

Name of Company	As at 31.03.2018	As at 31.03.2017
Godawari Energy Ltd.	6858.28	6261.27
	6858.28	6261.27

33. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also enters into derivative contracts.

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk
- Currency risk
- Price risk

The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties non performance or default on their obligations. The Company's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. The Company's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this the Company periodically reviews the finanial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

Trade receivables

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

Loans and Advances

Financial assets in the form of loans and advances are written off when there is no reasonable expectations of recovery. Where recoveries are made, these are recognise as income in the statement of profit and loss. The company measures the expected credit loss of dues based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and passed trends. Based on historical data, loss on collection of dues is not material hence no additional provisions considered.

Bank, Cash and cash equivalents

Bank, Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(₹ in lacs)

	31-Mar-18	31-Mar-17
Trade receivables	10,784.53	7,369.25
Loans and advances	6,858.28	6,261.27
Bank, Cash and cash equivalents	3,982.43	3,781.95

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

	31-Mar-18	31-Mar-17
Impairment losses		
Trade receivables (measured under life time excepted credit loss model)		
Opening balance	**340.58**	365.04
Provided during the year	**-**	-
Reversal of provision	**5.71**	24.46
Unwinding of discount	**-**	-
Closing balance	**334.87**	340.58

	31-Mar-18	31-Mar-17
Ageing analysis		
Upto 3 months	**9,792.46**	5,486.38
3-6 months	**365.22**	457.51
More than 6 months	**626.85**	1,425.37
	10,784.53	7,369.25

No significant changes in estimation techniques or assumptions were made during the reporting period

Liquidity risk

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

(₹ in lacs)

	31-Mar-18	31-Mar-17
Cash Credit facilities	**4,527.40**	-

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

(₹ in lacs)

As at 31 March 2018	**Less than 1 year**	**1-5 years**	**More than 5 years**	**Total**
Borrowings	**21,385.56**	**37,890.75**	**90610.44**	**149,886.75**
Trade payables	**14,201.25**	**-**	**-**	**14,201.25**
Other financial liabilities	**306.53**	**-**	**-**	**306.53**
	35,893.34	**37,890.75**	**90,610.44**	**164,394.53**

As at 31 March 2017	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	19,021.88	47,624.77	88,436.49	155,083.14
Trade payables	10,137.94	-	-	10,137.94
Other financial liabilities	529.00	-	-	529.00
	29,688.83	47,624.77	88,436.49	165,750.09

Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversley effect the borrowing cost of the company. The Company is exposed to long term and short-term borrowings, Commercial Paper Program. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

(₹ in lacs)

	31-Mar-18	31-Mar-17
Variable rate borrowings	**149,858.81**	154,025.77
Fixed rate borrowings	**27.94**	1,057.37

b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

(₹ in lacs)

	Impact on profit after tax	
	31-Mar-18	31-Mar-17
Interest rates - increase by 70 basis points	**(931.79)**	(1,070.85)
Interest rates - decrease by 70 basis points	**931.79**	1,070.85

FOREX EXPOSURE RISK

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through purchases from overseas suppliers in various foreign currencies.

Foreign currency exchange rate exposure is partly balanced by purchasing of goods in the respective currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies to foreign currency risk.

PARTICULARS	Currency	Currency in Lacs	
		2017-18	2016-17
Borrowings	USD	**-**	126.08
Trade Payables	USD	**85.70**	0.06

Profit or loss estimate to higher/lower as a result of changes in foreign exchange rates-

(₹ in lacs)

	Impact on profit after tax	
	2017-18	2016-17
Foreign exchange rates - increase by 1%	**55.77**	83.55
Foreign exchange rates - decrease by 1%	**(55.77)**	(83.55)

PRICE RISK:

The entity is exposed to equity price risk, which arised out from FVTPL quoted equity shares and FVTOCI quoted and unquoted equity shares including preference instrument. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

Sensitivity Analysis for Price Risk:

Equity Investments carried at FVTOCI are not listed on the stock exchange. For equity investments classified as at FVTOCI, the impact of a 2 % in the index at the reporting date on profit & loss would have been an increase of ₹12.86 lacs (2016-17: ₹ 10.90 lacs); an equal change in the opposite direction would have decreased profit and loss.

34. CAPITAL MANAGEMENT

The Company's main objectives when managing capital are to:

- ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business;
- ensure compliance with covenants related to its credit facilities; and
- minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions.
- safeguard its ability to continue as a going concern
- to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity

(₹ in lacs)

	31 March 2018	31 March 2017
Total liabilities	136,910.85	137,952.58
Less : Bank, Cash and cash equivalent	3,970.65	3,767.86
Net debt	**132,940.20**	134,184.72
Total equity	86,734.17	68,466.32
Net debt to equity ratio	**1.53**	1.96

During the year the company has complied with major covenants of the terms of sanction of the loan facilities throughout the year.

35. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniquie:

Level 1 : quoted (unadjusted)prices in active markets for identical assets or liabilities

Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly of indirectly

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

(₹ in lacs)

	Carrying amount			
	As at 31.03.2018	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments	27414.40			
Trade receivables	10784.53	-	-	-
Loans	6858.28			
Bank, Cash and bank balances	3982.43	-	-	-
	49039.64	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	678.27	52.98	625.29	-
Total	678.27	52.98	625.29	-
Financial liabilities at amortised cost:				
Long term borrowings	128501.19	-	-	-
Short term borrowings	12975.90	-	-	-
Trade payables	14201.25	-	-	-
Other financial liabilities	8716.19	-	-	-
Total	164394.53	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

	Carrying amount			
	As at 31.03.2017	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments	27431.10			
Trade receivables	7369.25	-	-	-
Loans	6261.27			
Bank, Cash and bank balances	3781.95	-	-	-
	44843.57	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	545.02	15.66	529.37	-
Total	545.02	15.66	529.37	-
Financial liabilities at amortised cost:				
Long term borrowings	136061.27	-	-	-
Short term borrowings	17130.56	-	-	-
Trade payables	10137.94	-	-	-
Other financial liabilities	2420.31	-	-	-
Total	165750.09	-	-	-

During the reporting period ending 31st March, 2018 and 31st March, 2017, there were no transfers between Level 1 and Level 2 fair value measurements.

36. The company is entitled to Renewable Energy Certificates (REC) against captive generation & consumption of Bio-Mass Power. The floor price for trading of REC's was earlier determined by Central Electricity Regulatory Commission (CERC) @ ₹ 1500 per REC, However, CERC has revised the floor price of REC @ ₹ 1000/- per REC w.e.f.1st April, 2017, which has been subesequently challenged in a petition in the Appellate Tribunal. The Hon'able Supreme Court in response to the petition filed by Green Energy Association had granted stay on CERC order for revision in price till final verdict of the Appellate Tribunal. The Appellate Tribunal recently vide its order dated 12th April,2018 has upheld the earlier order of CERC with respect to revision of price from ₹1500/- to ₹ 1000/-. However, an appeal is being preferred before Hon'ble Supereme Court against the order of the Appellate Tribunal. In view of recent Appellate Tribunal order and as a matter of abandon caution, the company has accounted for the difference in the value of REC to the net realizable value during the year and charged ₹ 19.08 crores as an exceptional expense related to RECs generated upto 31.03.2017 and ₹ 4.28 crores related to current financial year to the revenue account.

37. The exceptional items of ₹ 5.52 crores (net) includes income of ₹ 13.56 crores pertains to compensation received from equipment supplier under the performance contract and expense of ₹19.08 crores on account of RECs as stated in note-36 above.

38. INFORMATION ON RELATED PARTY DISCLOSURES ARE GIVEN BELOW :

i) Related Parties

a) Subsidiaries

Godawari Green Energy Limited

Godawari Clinkers & Cement Limited (Wholly owned) (Closed)

Krishna Global Minerals Limited (Wholly owned) (Closed)

Godawari Integrated Steels (India) Limited (Wholly owned) (Closed)

Godawari Energy Limited

Ardent Steel Limited

b) Associates

-- Jagdamba Power & Alloys Limited

-- Chhattisgarh Ispat Bhumi Limited

-- Hira Ferro Alloys Limited

c) Other Related Parties

-- Hira Cement Limited

-- Raipur Complex

d) Joint Ventures

-- Raipur Infrastructure Company Limited

-- Chhattisgarh Captive Coal Mining Limited

e) Key Management Personnel

-- Shri B.L. Agrawal (Managing Director)

-- Shri Abhishek Agrawal (Whole Time Director)

-- Shri Dinesh Agrawal (Whole Time Director)

-- Shri Vinod Pillai (Whole Time Director)

-- Shri Sanjay Bothra (CFO)

-- Shri Y.C. Rao (Company Secretary)

-- Shri Vivek Agrawal (Chief Operational Officer)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

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

(₹ in lacs)

			2017-18	2016-17
a)	**Subsidiaries**	Sale of Materials	**99.91**	221.28
		Interest Received	**569.93**	732.93
		Interest Paid	**114.76**	104.55
		Investments in Equity Shares	**-**	339.00
		Income From Services / Misc other receipts	**75.28**	9.91
		Sale of fixed assets	**-**	157.30
		Purchase of fixed assets	**27.73**	-
		Advance received	**-**	1,000.00
		Repayment of Advance received	**1,000.00**	-
		Advance given	**535.07**	401.47
		Repayment received of advance given	**451.00**	477.90
		Outstandings		
		Receivables	**6,858.28**	6,261.27
		Payables	**0.00**	1,000.00
b)	**Associates**	Sale of Materials	**435.14**	399.36
		Purchase of Materials	**2,127.04**	2,126.39
		Interest received	**5.91**	6.03
		Other charges paid	**380.91**	318.55
		Other charges received	**71.32**	82.60
		Purchase of fixed assets	**106.13**	30.01
		Outstandings		
		Receivables	**652.22**	442.61
		Payables	**208.23**	136.82
c)	**Other Related Parties**	Purchase of Materials	**230.84**	76.88
		Sale of Materials	**24.14**	9.48
		Other charges paid	**166.62**	394.39
		Other charges received	**0.25**	0.03
		Rent Paid	**6.61**	23.42
		Outstandings		
		Receivables	**14.69**	0.00
		Payables	**0.13**	50.89
d)	**Joint Ventures**	Service Charges Paid	**609.09**	330.42
		Outstandings		
		Payables	**289.44**	259.35
e)	**Key Management Personnel**	Remuneration/salary Paid	**606.37**	165.73

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

		2017-18	2016-17
a)	**Purchase of Materials:**		
	Hira Ferro Alloys Limited	**2,127.04**	1,003.34
	Hira Cement Limited	**230.84**	76.88
b)	**Service Charges Paid:**		
	Raipur Infrastructure Company Limited	**609.09**	330.42
	Chhattisgarh Ispat Bhumi Limited	**377.98**	315.79
	Hira Cement Limited.	**166.62**	394.39

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

		2017-18	2016-17
c)	**Sale of Materials:**		
	Hira Ferro Alloys Limited.	**416.97**	397.81
	Ardent Steel Limited.	**97.49**	221.28
d)	**Repayment of advance received:**		
	Godawari Green Energy Limited	**1,000.00**	-
e)	**Purchase of Fixed Assets:**		
	Ardent Steel Limited	**27.73**	-
	Hira Ferro Alloys Limited	**106.13**	30.01
f)	**Sale of Fixed Assets:**		
	Ardent Steel Limited	**-**	157.30
g)	**Interest received:**		
	Godawari Energy Limited	**569.93**	702.12
h)	**Interest paid:**		
	Godawari Green Energy Limited	**114.76**	104.00
i)	**Investment Made:**		
	Ardent Steel Limited.	**339.00**	339.00
j)	**Advance Received:**		
	Godawari Green Energy Limited	**-**	1,000.00
k)	**Loan/Advance Given:**		
	Ardent Steel Limited.	**450.00**	348.93
	Godawari Energy Limited	**85.07**	52.54
l)	**Repayment receipt of Loan/Advance given:**		
	Ardent Steel Limited	**450.00**	469.90
	Godawari Energy Limited	**1.00**	8.00
m)	**Rent Paid:**		
	Raipur Complex	**6.61**	4.98
n)	**Remuneration**		
	Shri B. L. Agrawal	**180.00**	60.00
	Shri Dinesh Agrawal	**98.61**	18.00
	Shri Abhisekh Agrawal	**144.00**	18.00
	Shri Sanjay Bothra	**51.61**	34.38
	Shri Y. C. Rao	**46.39**	24.51
	Shri Vivek Agrawal	**67.76**	73.55

39. SEGMENT-WISE REVENUE RESULTS :

Basis of preparation :

i) 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.

ii) 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	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
A) REVENUE								
Steel Segment	**213404.13**	172477.61	**0.00**	0.00	**0.00**	0.00	**213404.13**	172477.61
Electricity Segment	**5057.27**	1088.21	**21966.31**	20268.73	**(21966.31)**	(20268.73)	**5057.27**	1088.21
Total Segment Revenue	**218461.40**	173565.82	**21966.31**	20268.73	**(21966.31)**	(20268.73)	**218461.40**	173565.82

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in Lacs)

B) RESULTS	**2017-18**	2016-17
Segment Operational Profit		
Steel Segment	**28,506.89**	1,415.74
Electricity Segment	**10310.12**	11129.55
Total Segment Results	**38817.00**	12545.29
Un-allocated expenditure net off unallocated income	**(4269.61)**	(2675.80)
Operating Profit	**34,547.39**	9869.49
Interest Expenses	**(18481.07)**	(17670.34)
Tax Expense	**(2128.44)**	(57.03)
Net Profit/(Loss)	**18,194.77**	(7743.82)

C) OTHER INFORMATION	**2017-18**	2016-17
Segment Assets		
Steel Segment	**218163.90**	196181.52
Electricity Segment	**38058.29**	40314.56
Total Segment Assets	**256222.19**	236496.08
Un-allocable Assets	**2133.36**	2370.26
Total Assets	**258355.55**	238866.33
Segment Liabilities and Provisions		
Steel Segment	**144371.28**	145379.44
Electricity Segment	**16174.47**	16692.01
Total Segment Liabilities & Provisions	**160545.75**	162071.45
Un-allocable Liabilities and Provisions	**11075.63**	8328.57
Total Liabilities and Provisions	**171621.38**	170400.02
Capital Expenditure		
Steel Segment	**9186.48**	6156.63
Electricity Segment	**26.85**	0.00
Un-allocable Capital Expenditure	**49.14**	10.51
Total Capital Expenditure	**9262.47**	6167.14
Depreciation & Amortisation		
Steel Segment	**8457.90**	7371.80
Electricity Segment	**491.17**	446.24
Total Segment Depreciation & Amortisation	**8949.07**	7818.04

40. UNHEDGED FOREIGN CURRENCY EXPOSURE

Foreign currency exposure that are not hedged by any derivative instruments or Forward Contracts as at 31st March,2018 amount to ₹ 2598.07 lacs (Previous Year ₹ 8174.60 lacs)

41. During the year the company has incurred ₹ 291.07 lacs on account of Corporate Social Responsibility Activities. According to provisions of section 135 of the Companies Act, 2013, the company is not required to spent any amount based on the average net profits/loss of the previous three years. The break-up of amount spent during the year are as follows:

Particulars	**In Cash**	**Yet to be paid in cash**	**Total**
Constructions/acquisition of any assets	0.00	0.00	0.00
On purpose other than above	291.07	0.00	291.07

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

42. The Company has identified the amount due to Micro, Small and Medium Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March, 2018:

(₹ in lacs)

		2017-18	2016-17
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March, 2018		
	Principal Amount	**32.41**	47.27
	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, 2018	**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, 2018	**0.00**	0.00
v)	The amount of further interest remaining due and payable for the earlier years	**0.00**	0.00

Note : The information has been given in respect of such suppliers to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company.

43. The Board of Directors of the company has approved the scheme of amalgamation of its associate company "Jagdamba Power & Alloys Ltd" from appointed date 01.04.2017 in the meeting held on 20.02.2018 subject to obtaining of necessary regulatory approvals. Pending such approvals no adjustment has been made in the books of account during the year.

44. DISCLOSURE PURSUANT TO REGULATION 34 (3) AND 53(F) AND PARA A OF SCHEDULE-V OF SEBI (LODR) REGULATION, 2015:

Loans and Advances in the nature of loans given

(₹ in lacs)

Name of the Company	Amount outstanding as at 31.03.2018	Maximum amount outstanding during the year	Investment by the loanee in the shares of the company
Godawari Energy Limited	6858.28	6858.28	0.00
Ardent Steel Limited	0.00	350.00	0.00

45. PREVIOUS YEAR FIGURES HAVE BEEN REGROUPPED OR REARRANGED WHEREVER NECESSARY.

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

per Sanjay Dewangan
Partner
Membership No. 409524

Place : Raipur
Date : 02.05.2018

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

INDEPENDENT AUDITORS' REPORT

To the Members of Godawari Power & Ispat Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Godawari Power & Ispat Limited** ("the Holding Company") and its subsidiaries (collectively referred to as "the Company" or "the Group"), its associates and jointly controlled entities, which comprise the consolidated balance sheet as at 31 March 2018, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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 including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS 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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group, as at 31 March 2018 and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year then ended.

Other Matters

We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of Rs.1078.95 crore and net assets of Rs.360.64 crore as at 31st March, 2018, total revenues of Rs.405.85 crores, net profit of Rs.28.63 crore and net cash flows amounting to Rs.11.94 crores for the year ended on that date and also the financial statements of one associate in which the share of profit of Rs.0.33 crore as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.

The financial statements include the Group's share of net profit of Rs.0.22 crore for the year ended 31st March, 2018, as considered in the consolidated financial statements, in respect of one associate and two jointly controlled entities, 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, 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 Ind AS financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

   (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March 2018 from being appointed as a Director of that company 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

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

      i. the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 30 to the consolidated Ind AS financial statements;

      ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

      iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

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

Sanjay Dewangan
Partner
Membership number: 409524
Raipur, 2nd May, 2018

ANNEXURE - A TO THE AUDITORS' REPORT

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of Godawari Power & Ispat Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Sanjay Dewangan
Partner
Membership number: 409524
Raipur, 2nd May, 2018

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2018

(₹ in lacs)

Particulars	Note No	As at 31.03.2018	As at 31.03.2017
ASSETS			
(1) Non -current assets			
(a) Property, Plant and Equipment	3	**213,767.67**	222,207.13
(b) Capital work-in-progress		**17,103.71**	13,549.41
(c) Other intangible assets	4	**12,674.51**	10,423.26
(d) Intangible assets under development		**-**	44.75
(e) Investments in associates and joint ventures	5	**12,407.28**	10,268.77
(f) Financial assets			
(i) Investments	6	**700.07**	567.39
(ii) Other financial assets	7	**50.96**	156.03
(g) Deferred tax assets (net)	8	**6,549.13**	1,506.96
(h) Other non-current assets	9	**1,102.52**	809.09
		264,355.87	259,532.78
(2) Current assets			
(a) Inventories	10	**43,230.38**	30,436.17
(b) Financial assets			
(i) Trade Receivables	11	**15,583.56**	11,355.89
(ii) Cash and cash equivalents	12	**966.29**	3,369.40
(iii) Bank Balances other than cash and cash equivalents mentioned above	12	**4,254.04**	1,743.63
(c) Current tax assets (net)		**196.20**	246.00
(d) Other current assets	9	**16,587.23**	18,638.91
		80,817.69	65,790.00
Total Assets		**345,173.56**	**325,322.79**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	**3,411.12**	3,411.12
(b) Other equity		**88,920.56**	66,282.31
Equity attributable to owners of the Company		**92,331.68**	69,693.44
Non-controlling interest		**16,038.79**	15,332.11
Total equity		**108,370.48**	85,025.55
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	**187,294.50**	197,986.29
(b) Provisions	15	**827.42**	634.24
(c) Other non-current liabilities	16	**202.81**	183.34
		188,324.73	198,803.86
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	**13,440.62**	19,549.82
(ii) Trade Payables	18	**16,114.08**	12,467.49
(iii) Other Financial Liabilities	19	**12,021.15**	5,050.13
(b) Other current liabilities	20	**4,680.70**	4,243.53
(c) Provisions	15	**51.50**	37.27
(d) Current tax liabilities (net)		**2,170.30**	145.14
		48,478.36	41,493.37
Total Equity and Liabilities		**345,173.56**	325,322.79
Summary of significant accounting policies	2		

The accompanying notes are integral part of the financial statements.

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

per Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 02.05.2018

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

B. L. Agrawal
Managing Director

Abhishek Agrawal
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

Particulars	Notes	2017-18	2016-17
INCOME			
Revenue from operations	21	**258,883.59**	199,407.95
Other Income	22	**865.70**	1,530.40
TOTAL REVENUE (I)		**259,749.29**	200,938.35
EXPENSES			
Cost of raw material and component consumed	23	**137,900.86**	111,717.05
Purchase of Traded Goods		**716.90**	618.24
(Increase)/decrease in inventories of finished goods work-in-progress and traded goods	24	**1,899.49**	720.30
Excise Duty on sales		**6,145.33**	18,966.75
Employees benefits expenses	25	**9,675.42**	7,701.83
Finance costs	26	**26,331.19**	25,914.88
Depreciation and amortization expenses	27	**13,179.60**	12,008.56
Other Expenses	28	**42,855.79**	30,608.12
TOTAL EXPENSES (II)		**238,704.58**	208,255.72
Profit/(loss) before share of associates & joint ventures and exceptional items		**21,044.71**	(7,317.38)
Add: Share of profit/(loss) of associates and Joint Ventures (after tax)		**340.01**	26.97
Profit/(loss) before exceptional items and tax		**21,384.72**	(7,290.41)
Exceptional Items (net) (refer note-37)		**551.59**	-
Profit/(loss) before tax		**20,833.13**	(7,290.41)
Tax expenses			
Current tax		**4,397.69**	207.92
Deferred Tax		**(5,033.99)**	(136.07)
TOTAL TAX EXPENSES		**(636.30)**	71.85
Profit/(loss) for the year		**21,469.43**	(7,362.26)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Acturial gain or loss on defined benefit plans		**(42.47)**	(15.97)
Share of other comprehensive income in associates and Joint Ventures to the extent not to be classified into profit or loss		**(2.32)**	6.41
Income tax relating to items that will not be reclassified to profit or loss		**15.98**	5.95
		(28.81)	(3.61)
B (i) Items that will be reclassified to profit or loss			
Fair value of financial assets		**151.40**	21.43
Share of other comprehensive income in associates and Joint Ventures to the extent to be classified into profit or loss		**1,852.54**	(61.41)
Income tax relating to items that will not be reclassified to profit or loss		**(7.80)**	(0.34)
		1,996.14	(40.32)
Total Comprehensive Income for the period Comprising Profit/(Loss) and Other Comprehensive Income for the period		**23,436.76**	(7,406.20)
Profit/(loss) attributable to:			
Equity holders of the parents		**20,762.75**	(7,450.64)
Non-controlling interests		**706.68**	88.37
		21,469.43	(7,362.26)
Other Comprehensive Income attributable to:			
Equity holders of the parents		**1,969.40**	(45.50)
Non-controlling interests		**(2.07)**	1.56
		1,967.32	(43.94)
Total Comprehensive Income attributable to:			
Equity holders of the parents		**22,732.15**	(7,496.13)
Non-controlling interests		**704.61**	89.93
		23,436.76	(7,406.20)
Earnings per equity share [nominal value of share @ ₹ 10/- (31st March, 2017 ₹ 10)	29		
Basic		**58.92**	(22.69)
Diluted		**58.92**	(22.69)
Summary of significant accounting policies	2		

The accompanying notes are integral part of the financial statements.

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

per Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 02.05.2018

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

B. L. Agrawal
Managing Director

Abhishek Agrawal
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

Particulars		2018	2017
Cash Flow from operating activities			
Profit/(loss) before tax and exceptional items		**21,044.71**	(7,317.38)
Exceptional items		**(551.59)**	-
Profit/(loss) before tax		**20,493.13**	(7,317.38)
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation/amortization		**13,179.60**	12,008.56
Loss/(profit) on sale of fixed assets		**10.21**	(155.66)
Loss/(profit) on sale of non-current other investments		**0.39**	(90.00)
Provision for gratuity		**176.57**	222.08
Provision/Allowances for credit loss on debtors		**5.48**	11.86
(Gain)/loss on Derivative interest swap		-	(183.86)
Interest Expenses		**26,331.19**	25,914.88
Interest Income		**(842.97)**	(1,189.74)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**59,353.59**	29,220.73
Movements in working capital :			
Increase/(decrease) in trade payables		**3,646.59**	(31,924.95)
Increase/(decrease) in other financial liabilities		**(751.97)**	(44.01)
Increase/(decrease) in other current liabilities		**437.17**	42.90
Increase/(decrease) in Other non-current liablities		**19.47**	(53.30)
Decrease/(increase) in trade receivables		**(4,233.15)**	(1,531.89)
Decrease/(increase) in inventories		**(12,794.21)**	10,542.10
Decrease/(increase) in short-term loans and advances		**-**	-
Decrease/(increase) in other current assets		**2,051.68**	(4,284.71)
Decrease/(increase) in other non-current assets		**(293.44)**	(320.48)
Cash generated from/(used in) operations		**47,435.74**	1,646.39
Direct taxes paid (net of refunds)		**(2,322.72)**	(185.75)
Net Cash flow from/(used in) operating activities	**A**	**45,113.02**	1,460.64
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets, including intangible assets and CWIP		**(10,630.10)**	(7,161.77)
Proceeds from sale of fixed assets		**118.93**	1,859.23
Proceeds from sale of non-current other investments		**1.60**	120.00
(Increase)/decrease in non-current other investments		**(35.00)**	-
Proceeds/(investment) from/in bank deposits (having original maturity of more than three months)		**(2,405.34)**	5,354.62
Interest received		**842.97**	1,189.74
Net cash flow from/(used in) investing activities	**B**	**(12,106.94)**	1,361.83

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

Particulars		2018	2017
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital including premium		**-**	3,100.00
Redemption of debenture		**(103.46)**	(2,459.83)
Proceeds from long-term borrowings		**-**	62,090.45
Repayment of long-term borrowings		**(2,865.34)**	(24,355.35)
Proceeds/(Repayment) of short-term borrowings		**(6,109.20)**	(14,526.03)
Interest paid		**(26,331.19)**	(25,914.88)
Net cash flow from/(used in) financing activities	**C**	**(35,409.19)**	(2,065.64)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		**(2,403.11)**	756.83
Cash and Cash Equivalents at the beginning of the year		**3,369.40**	2,612.56
Cash and Cash Equivalents at the end of the year (refer note-12)		**966.29**	3,369.40
Components of cash and cash equivalents			
Cash in hand		**25.85**	17.92
Stamp in hand		**1.23**	1.23
Balances with banks:			
On current accounts		**813.59**	3,350.25
Deposits with original maturity of less than 3 months		**125.61**	-
		966.29	3,369.40

The Statement of Cash Flow has been prepared using Indirect method as per Ind AS 7.

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

per Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 02.05.2018

For and on behalf of the Board of Directors of
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B. L. Agrawal
Managing Director

Abhishek Agrawal
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

Equity Share Capital

Balance as at 01.04.2016	Changes in the equity share capital during the year	Balance as at 31.03.2017
3,163.12	248.00	3,411.12

Equity Share Capital

Balance as at 01.04.2017	Changes in the equity share capital during the year	Balance as at 31.03.2018
3,411.12	-	3,411.12

Other Equity

	Reserves and Surplus					Equity Instruments through Other Comprehensive Income (Net of Tax)	Share of Other Comprehensive Income (Net of Tax) in associates and Joint Ventures	Other itmes of Other Comprehensive Income (Gain/loss on employee benefit) (Net of Tax)	Total
	Capital Reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings				
Balance at the beginning of the reporting period 01.04.2016	**10,902.26**	**17,932.05**	**2,015.00**	**17,251.00**	**28,272.61**	**(176.17)**	**98.77**	**31.15**	**76,326.67**
Changes in ownership interest/loss of control	-	-	-	-	(5,400.23)	-	-	-	(5,400.23)
Fair value of equity instruments, net of taxes	-	-	-	-	-	21.09	-	-	21.09
Total Other Comprehensive Income for the year	-	-	-	-	-	-	(56.56)	(10.02)	(66.58)
On issue of shares	-	2,852.00	-	-	-	-	-	-	2,852.00
Profit/(loss)for the year	-	-	-	-	(7,450.64)	-	-	-	(7,450.64)
Balance at the end of the reporting period 31.03.2017	**10,902.26**	**20,784.05**	**2,015.00**	**17,251.00**	**15,421.74**	**(155.09)**	**42.21**	**21.13**	**66,282.31**
Changes in ownership interest/loss of control	-	-	-	-	(93.90)	-	-	-	(93.90)
Fair value of equity instruments, net of taxes	-	-	-	-	-	143.79	-	-	143.79
Total Other Comprehensive Income for the year	-	-	-	-	-	-	1,850.22	(24.61)	1,825.60
Profit/(loss)for the year	-	-	-	-	20,762.75	-	-	-	20,762.75
Balance at the end of the reporting period 31.03.2018	**10,902.26**	**20,784.05**	**2,015.00**	**17,251.00**	**36,090.59**	**(11.29)**	**1,892.43**	**(3.48)**	**88,920.56**

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

per Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 02.05.2018

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

B. L. Agrawal
Managing Director

Abhishek Agrawal
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

1. CORPORATE INFORMATION

The Company, its subsidiaries and its associates & joint venture [jointly referred to as the 'Group' herein under] considered in these consolidated financial statements are:

a) Subsidiaries

Name of the Company	Country of incorporation	Proportion (%) of equity interest	
		As at 31.03.2018	As at 31.03.2017
Godawari Energy Limited	India	**51.30%**	51.30%
Godawari Green Energy Limited	India	**76.12%**	76.12%
Godawari Clinkers & Cement Limited	India	**0.00%**	100.00%
Krishna Global & Minerals Limited	India	**0.00%**	100.00%
Godawari Integrated Steel (India) Limited	India	**0.00%**	100.00%
Ardent Steel Limited	India	**76.34%**	76.34%

b) Associates

Name of the Company	Country of incorporation	Proportion (%) of equity interest	
		As at 31.03.2018	As at 31.03.2017
Hira Ferro Alloys Limited	India	**48.45%**	48.45%
Jagdamba Power & Alloys Limited	India	**33.96%**	26.00%
Chhattisgarh Ispat Bhumi Limited	India	**35.36%**	35.36%

c) Joint Venture

Name of the Company	Country of incorporation	Proportion (%) of equity interest	
		As at 31.03.2018	As at 31.03.2017
Raipur Infrastructure Company Ltd.	India	**33.33%**	33.33%
Chhattisgarh Captive Coal Mining Ltd	India	**25.93%**	25.93%
Godawari Natural Resources Ltd.	India	**0.00%**	33.88%

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION AND PRESENTATION

i) These Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules,2015 and guidelines issued by the Securities and Exchange Board of India (SEBI).

ii) The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments) and
- Defined benefit plans - plan assets

iii) Subsidiaries are entities where the group exercise or controls more than one-half of its total share capital. The net assets results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements upto their date of disposal, being the date of control ceases.

iv) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered.

v) The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Çapital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

vi) Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

vii) Non-controlling interests in the net assets of consolidated subsidiaries consists of:

a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and

b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

viii) Investments in associates and joint venture are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in the profit & loss, and the Company's share of other comprehensive income of the investee in the other comprehensive income.

ix) Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the forseeable future.

x) Group's financial statements are presented in Indian Rupees (₹), which is also its functional currency.

2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets are classified as non-current.

A liability is current when it is:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has identified twelve months as its operating cycle.

b) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value.

However, when the Group determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This categorisation is based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial assets and financial liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re- assessing categorisation at the end of each reporting period.

c) Property, Plant and Equipment (PPE)

i) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

ii) The cost of an item of property, plant and equipment is measured at :

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

iii) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

iv) After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

v) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as “stores & spares” forming part of the inventory.

vi) If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/ inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.

vii) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

viii) The Group has continued the policy adopted for accounting for exchange differences arising from translation of long term foreign currency monetary items recognized in financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP, pursuant to para 46A/46AA and D13AA of Ind AS 101, ‘First time adoption of Indian Accounting Standards’. Accordingly, the exchange differences arising on translation/settlement of long term foreign currency monetary items pertaining to the acquisition of a depreciable asset have been adjusted to the cost of the asset and are depreciated over the remaining life of the asset.

d) Capital Work in Progress

i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

ii) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.

iii) Capital Expenditure incurred for creation of facilities, over which the Group does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

e) Intangible Assets

i) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

ii) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.

iii) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

f) Leases

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

- Leased assets

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

g) Mining Assets

i) Exploration and Evaluation Assets

Upon obtaining the legal rights to explore a specific area but before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the expenditure incurred on finding specific mineral resources are capitalised as Exploration and Evaluation Assets. These expenditure include expenses on acquisition of rights to explore; topographical, geological, geochemical and geophysical studies; exploratory drilling; trenching; sampling; activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource and such other related expenses. When the technical feasibility and commercial viability of extracting a mineral resource are demonstrated, the Exploration and Evaluation Assets are reclassified as part of the right to mine.

At the initial recognition the Exploration and Evaluation Assets are measured at cost. After recognition, the Group continues to use the cost model.

Exploration and Evaluation Assets are assessed for impairment when facts and circumstances suggest that the carrying amount of such assets may exceed its recoverable amount.

After the reclassification of the Exploration and Evaluation Assets as part of the Right to Mine, the cost is then amortised over the remaining useful life of the mining rights.

ii) Stripping Activity

During the development phase of the mine (before production begins), stripping costs are capitalised as part of the cost of right to mine.

During the production phase, two benefits accrue from the stripping activity: usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods.

To the extent that the benefit from the stripping activity is realised in the form of inventory produced, the costs of that stripping overburden removal activity is accounted for in accordance with the principles of Ind AS 2, Inventories.

To the extent the benefit is improved access to ore, these costs are recognised as Stripping Activity Asset, if the following criteria are met:-

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow;
- the component of the ore body for which access has been improved can be identified; and
- the costs relating to the stripping activity associated with that component can be measured reliably.

The Stripping Cost capitalised during the development phase or during the production phase is amortised using the units or production method.

In accordance with Ind AS 101 First Time Adoption of Ind AS, the previously recognised asset balance that resulted from stripping activity undertaken during the production phase ('predecessor stripping asset' classified as Iron Ore Mines under Intangible Assets) is reclassified as a part of an existing asset i.e Right to Mine to which the stripping activity relates, to the extent that there remains an identifiable component of the ore body with which the predecessor stripping asset can be associated. Such balances will be amortised over the remaining expected useful life of the Right to Mine.

h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Group has considered that recovery of excise duty flows to the Group on its own account. Therefore it is a liability of the manufacturer and forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty.

However, Sales Tax/Value Added Tax (VAT) are not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

ii) Interest income

Interest income is recognised using the effective interest rate (EIR) method.

iii) Dividends

Revenue is recognised when the Group's right to receive payment is established, which is generally when shareholders approve the dividend.

iv) Rendering of services

Revenue from the services is recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

i) Depreciation on Property, Plant & Equipment and Amortization of Intangible Assets

i) Depreciation on Property, Plant & Equipment is provided on Straight Line Method based on estimated useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013 with the exception of the following:

- spares classified as plant and equipment are depreciated over 3 to 15 years based on the technical evaluation of useful life done by the management.
- assets costing ₹ 5,000 or less are fully depreciated in the year of purchase.

ii) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.

iii) The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

iv) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.

v) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery or their useful life whichever is lower.

vi) Leasehold land is amortised annually on the basis of tenure of lease period. Freehold land is not depreciated.

vii) Expenditure incurred on Right to Mine are amortised over useful life of the mines or lease period whichever is shorter.

viii) Intangible assets having finite-life are amortised on a straight line basis over the period of their expected useful lifes and indefinte lifes intangible assets are not amortised but are tested for impairment.

j) Inventories :

i) Inventories are valued at lower of cost and net realizable value, after providing for obsolences, if any.

ii) Cost of Raw Materials, Stores & Spares, Work in Progress, Finished Goods and Stock-in-Trade are computed on Moving Average basis.

iii) Cost of Work in Progress and Finished Goods includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.

iv) The cost is determined using moving average cost formula and net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

k) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l) Income Taxes

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income. In which case the tax is also recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

m) Foreign Currency Transactions

i) Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date.

ii) Exchange differences arising on translation or settlement of monetary items are recognised as income or expenses in the period in which they arise in the Statement of Profit and loss.

n) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund and Contributory Pension Fund. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Group has recognized the gratuity payable to the employees as per the Payment of Gratuity Act,1972 and Leave Encashment Benefits as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a consolidated asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

p) Impairment of non-financial assets - property, plant and equipment and intangible assets

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

q) Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

Treasury shares held in the Trust are deducted from the equity.

r) Financial Intruments

i) Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL.

C. Other Investments

Other investments are measured at fair value through Other Comprehensive Income with value changes recognised therein.

D. Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through OCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

ii) Financial Liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derivative financial instruments

The Group uses derivative financial instruments such as interest rate swaps and forward contracts to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

iv) Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

s) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

t) Dividend Distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Group's shareholders.

u) Statement of Cash Flows

i) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, stamp in hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

v) Segment Reporting Policies

Identification of segments :

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements. The Operating segments have been identified on the basis of the nature of products.

Inter segment Transfers :

The Group generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items :

The Corporate and Other segment includes general corporate income and expense items which are not allocated to any business segment.

w) Business Combination

Business combinations are accounted for using the acquisition accounting method as at the date of acquisition, which is the date at which control is transferred to the Group. The consideration transferred in the acquition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss.

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1st April,2015. As such, Previous GAAP balances related to business combinations entered into before that date have been carried forward as at the date of transition to Ind AS.

2.3 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The estimated useful lives and residual values of the assets are reviewed annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes and other related matters. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Measurement of defined benefit obligations

The measurement of defined benefit and other post-employment benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

3. Property, Plant and Equipment

(₹ in lacs)

	Freehold Land	Leasehold Land	Site & Land Development	Factory Shed & Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Total
Gross Block								
Carring Value								
At 1 April 2016	5,176.23	351.69	6,455.57	23,753.59	194,112.16	614.40	695.65	231,159.29
Additions	51.19	-	57.41	2,772.38	10,901.13	17.15	47.06	13,846.33
Disposals	23.48	-	11.85	1,014.54	721.06	-	73.96	1,844.89
Other adjustments								-
- Exchange differences	-	-	-	-	(659.66)	-	-	(659.66)
- Borrowing costs	-	-	-	810.46	1,271.61	-	-	2,082.07
At 31 March, 2017	**5,203.95**	**351.69**	**6,501.12**	**26,321.88**	**204,904.18**	**631.55**	**668.75**	**244,583.13**
Additions	259.13	-	-	65.42	3,346.83	8.59	142.73	3,822.70
Disposals	-	-	-	-	133.64	-	93.97	227.61
Other adjustments								
- Borrowing costs	-	-	-	-	68.64	-	-	68.64
At 31 March, 2018	**5,463.08**	**351.69**	**6,501.12**	**26,387.30**	**208,186.02**	**640.14**	**717.51**	**248,246.86**
Depreciation								
At 1 April 2016	-	2.10	-	1,748.26	9,339.93	90.12	118.45	11,298.86
Charge for the year	-	2.66	-	1,373.56	9,643.99	83.20	115.04	11,218.46
(Disposals)/Adjustment	-	-	-	27.05	84.31	-	29.96	141.32
At 31 March, 2017	**-**	**4.77**	**-**	**3,094.77**	**18,899.61**	**173.33**	**203.52**	**22,376.00**
Charge for the year	-	2.66	-	1,337.65	10,673.77	81.34	106.23	12,201.66
(Disposals)/Adjustment	-	-	-	-	50.90	-	47.57	98.47
At 31 March, 2018	**-**	**7.43**	**-**	**4,432.42**	**29,522.48**	**254.67**	**262.19**	**34,479.19**
Net Block								
At 31 March, 2017	**5,203.95**	**346.92**	**6,501.12**	**23,227.11**	**186,004.57**	**458.22**	**465.23**	**222,207.13**
At 31 March, 2018	**5,463.08**	**344.26**	**6,501.12**	**21,954.88**	**178,663.54**	**385.47**	**455.33**	**213,767.67**

Capitalized borrowing costs

The borrowing cost capitalized during the year ended 31st March,2018 was ₹ 68.64 lacs (31st March, 2017: ₹ 2082.07 lacs). The company capitalized the borrowing cost in the capital work-in-progress (CWIP) ₹ 557.54 lacs (31st March,2017: ₹ 371.03 Lacs). The amount of borrowing cost shown as other adjustments in the above note reflects the amount of borrowing cost transferred from Capital Work In Progress.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

4. Other Intangible assets

(₹ in lacs)

	Computer software	Right to Mine	Know How	Total
Gross Block				
Carrying Value				
At 1 April 2016	173.91	8,985.13	400.00	9,559.04
Purchase/additions	815.28	1,320.21	-	2,135.49
At 31 March, 2017	**989.19**	**10,305.34**	**400.00**	**11,694.53**
Purchase/additions	-	3,229.20	-	3,229.20
At 31 March, 2018	**989.19**	**13,534.55**	**400.00**	**14,923.73**
Amortization				
At 1 April 2016	36.62	393.01	50.00	479.63
Charge for the year	37.07	704.58	50.00	791.64
At 31 March, 2017	**73.68**	**1,097.59**	**100.00**	**1,271.27**
Charge for the year	118.15	809.80	50.00	977.95
At 31 March, 2018	**191.83**	**1,907.39**	**150.00**	**2,249.22**
Net Block				
At 31 March, 2017	915.50	9,207.75	300.00	10,423.26
At 31 March, 2018	**797.36**	**11,627.16**	**250.00**	**12,674.51**

5. Investment

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Trade investments		
<u>Investment in associates and joint ventures</u>		
Investments accounted for using the equity method		
Investment in associates		
Unquoted Equity Instruments	**11,506.16**	9,452.73
Investment in joint ventures		
Unquoted Equity Instruments	**901.12**	816.04
	12,407.28	10,268.77
6. Other investments		
Carried at Fair Value through OCI		
Investments in Unquoted Equity Instruments	**625.29**	530.36
Investments in Unquoted Preference Instruments	**15.00**	15.00
Investment in mutual fund, fully Paid up (quoted)	**59.78**	22.03
	700.07	567.39
	13107.35	10836.17
Agrregate amount of quoted investments and market value thereof	59.78	22.03
Agreegate amount of Unquoted investments	13,047.57	10,814.13
Investment carried at cost	12,407.28	10,268.77
Investment carried at fair value through OCI	700.07	567.39

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

7. Other financial Non-Current assets

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Unsecured, considered good unless stated		
otherwise		
Deposit with bank with original maturity for more than 12 months (refer note-12)	**50.96**	156.03
	50.96	156.03

8. Deferred Tax (Assets)/Liabilities

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Deferred Tax (Assets)/Liability		
Temporary differences on account of PPE & Other intangible assets	**24,159.57**	23,180.47
Temporary differences on account of fair valuation of Investments	**44.08**	11.84
Temporary differences on account of Employee Benefits	**(304.89)**	(219.26)
Unused MAT Credit	**(11,851.89)**	(7,693.83)
Others	**(18,596.00)**	(16,786.18)
Net deferred tax (assets)/ liabilities	**(6,549.13)**	**(1,506.96)**

RECONCILIATION OF DEFERRED TAX (ASSETS)/LIABILITIES (NET)

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Deferred Tax (Assets)/Liabilities		
Deferred tax liability / (assets) at the beginning of the year	**(1,506.96)**	(1,364.14)
Deferred tax liability / (assets) during the year on account of timing difference	(5,071.98)	51.56
Recognition of unrecognized tax losses	**4,187.87**	-
MAT Credit utilized/(arised)	**(4,158.06)**	(194.38)
DEFERRED TAX LIABILITIES / (ASSETS) AT THE END OF THE YEAR	**(6,549.13)**	**(1,506.96)**

9. Other assets (unsecured, considered good)

(₹ in lacs)

	Non-Current		Current	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Advances for capital goods	**267.05**	27.35		
Advances other than capital advances				
Advance to Vendors			**13,591.36**	12,124.59
Prepaid expenses			**50.26**	1,102.29
Balance with statutory/govt. authorities			**2,935.89**	**5,317.94**
Interest accrued on FDR			**9.72**	**94.10**
Unamortized expenses	**-**	**1.83**		
Security deposit with govt. & others	**835.47**	**779.91**	**-**	**-**
Total	**1,102.52**	**809.09**	**16,587.23**	**18,638.91**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

10. Inventories (valued at lower of cost and net realizable value)

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Raw Materials and components	25,842.64	11,450.16
Work-in-progress	1,411.04	362.35
Finished goods & by-products	7,222.84	10,166.29
Stock-in-trade	2.29	7.01
Stores & spares	8,751.58	8,450.35
	43,230.38	30,436.17

11. Trade receivables

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Unsecured, considered good unless stated otherwise		
Trade receivables	16,036.79	11,803.53
Less: Provision for doubtful receivables	453.23	447.64
	15,583.56	11,355.89

12. Bank, Cash and cash equivalents

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Cash and cash equivalents				
Balances with banks:				
On current accounts			813.59	3,350.25
Deposits with original maturity of less than three months			125.61	-
Stamp in hand			1.23	1.23
Cash on hand			25.85	17.92
			966.29	3,369.40
Other bank balances				
Unpaid dividend account			11.78	8.43
Deposits with original maturity for more than 12 months	50.96	156.03		
Deposits with original maturity for more than 3 months but less than 12 months			4,242.25	1,735.20
	50.96	156.03	4,254.04	1,743.63
Amount disclosed under other financial assets (note 7)	50.96	156.03		
	-	-	5,220.32	5,113.03

Out of total Deposits, deposits of ₹ 4418.83 lacs (31st March,2017: ₹ 1891.23 lacs) are pledged with various banks for availing LC, Bank Guarantee, OD facilities, margin money and pledged with other Govt. Departments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

13. Equity Share capital

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Authorised		
49800000 (31st March, 2017: 49800000)	**4,980.00**	4,980.00
equity shares of ₹10/- each	**4,980.00**	4,980.00
Issued, subscribed and fully paid-up		
35236247 (31st March, 2017: 35236247)		
equity shares of ₹ 10/- each fully paid-up	**3,411.12**	3,411.12

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

	As at 31.03.2018		As at 31.03.2017	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period	**35,236,247**	**3,411.12**	32,756,247	3,163.12
Issued during the period	-	-	2,480,000	248.00
Outstanding at the end of the period	**35,236,247**	**3,411.12**	35,236,247	3,411.12

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by Associate company

Out of equity shares issued by the company, shares held by its associate company are as below: (₹ in lacs)

Particulars	As at 31.03.2018	As at 31.03.2017
Equity shares of ₹ 10/- each fully paid		
1200000 (1200000) nos. of shares held by Hira Ferro Alloys Ltd	**120.00**	120.00
	120.00	120.00

d. Details of shareholders holding more than 5% shares in the company: (₹ in lacs)

	As at 31.03.2018		As at 31.03.2017	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 10/- each fully paid				
Hira Infra-tek Limited	**1790652**	**5.08**	1790652	5.08
Dinesh Agrawal	**1846347**	**5.24**	1846347	5.24
B.L. Agrawal	**1731398**	**4.91**	1731398	4.91
B.L. Agrawal (HUF)	**2738932**	**7.77**	2738932	7.77
Vinay Agrawal	**1875466**	**5.32**	1875466	5.32
Kumar Agrawal	**2460678**	**6.98**	2460678	6.98
	12443473	**35.31**	12443473	35.31

e. Apart from authorised equity share capital, the company is also having authorised preference share capital consisting 3200000 preference shares of ₹ 10/-each as on 31.03.2018 and 31.03.2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

14. Borrowings

(₹ in lacs)

Particulars	Non-current portion		Current maturities	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Debentures				
209 (31 March,2017: 209) A Series 12% Redeemebale Non -Convertible Debentures of ₹ 1,000,000/- each (secured)	**1,946.87**	2,040.23	**112.50**	43.11
200 (31 March,2017: 200) B Series 12.75% Redeemebale Non -Convertible Debentures of ₹1,000,000/- each (secured)	**1,869.00**	1,946.42	**108.00**	53.58
150 (31 March,2017: 150) C Series 12.90% Redeemebale Non -Convertible Debentures of ₹ 1,000,000/- each (secured)	**1,362.71**	1,482.77	**79.29**	15.73
Term Loans				
Secured loan from bank	**182,111.96**	184,401.08	**11,311.24**	3,676.53
Foreign currency loan from banks (secured)	**-**	8,089	**-**	85.83
Other loans and advances				
Other loans from bank and financial institution(secured)	**3.95**	27.04	**23.99**	37.25
	187,294.50	197,986.29	**11,635.02**	3,912.03
The above amount includes				
Secured borrowings	**187,294.50**	197,986.29	**11,635.02**	3,912.03
Unsecured borrowings	**-**	-	**-**	-
Amount disclosed under the head				
"other financial liabilities" (refer note 19)			**(11,635.02)**	(3,912.03)
Net amount	**187,294.50**	197,986.29	**-**	-

15. Provisions

(₹ in lacs)

	Non-current		Current	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Provision for Employee Benefits	**827.42**	634.24	**51.50**	37.27
	827.42	634.24	**51.50**	37.27

16. Other non-current liablities

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Retention money payable	**202.81**	183.34
	202.81	183.34

17. Borrowings

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Cash Credit facility from banks (secured)	**13,440.62**	19,537.82
Loans and advances from body corporate and others (unsecured)	-	12.00
	13,440.62	19,549.82
The above amount includes		
Secured borrowings	**13,440.62**	19,537.82
Unsecured borrowings	**-**	12.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

18. Trade Payable

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Trade payables	**16,114.08**	12,467.49
	16,114.08	12,467.49

19. Other Financial Liabilities

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Current maturities of long-term borrowings (secured) (refer note-14)	**11,635.02**	3,912.03
Interest accrued but not due on borrowings	**374.35**	1,124.01
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	**11.78**	14.09
	12,021.15	5,050.13

20. Other Current Liabilities

(₹ in lacs)

	As at 31.03.2018	As at 31.03.2017
Other Payable	**2,836.89**	2,953.28
GST payable	**1,046.11**	-
Advances from Customer	**788.79**	1,178.26
Creditors for capital goods	**8.91**	111.98
	4,680.70	4,243.53

21. Revenue from operations

(₹ in lacs)

	2017-18	2016-17
Revenue from operations		
Sale of products		
Manufacturing Goods and By-Products	**239,262.74**	185,774.18
Electricity	**10,672.22**	11,354.79
Traded Goods	**778.36**	683.18
Others	**8,012.00**	719.55
Other operating revenue		
Scrap & Other sales	**158.26**	876.25
Revenue from operations	**258,883.59**	199,407.95

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

22. Other Income

(₹ in lacs)

	2017-18	2016-17
Interest Income on		
Bank Deposits	**168.74**	210.01
Others	**674.23**	979.73
Profit on sale of non-current Investments	**-**	90.00
Profit on sale of fixed assets	**-**	155.66
Other non-operating income (net of expenses directly attributable to such income)	**22.74**	94.99
	865.70	1,530.40

23. Cost of raw material and components consumed

(₹ in lacs)

	2017-18	2016-17
Inventory at the beginning of the year	**11,450.16**	19,285.88
Add: purchases	**152,293.33**	103,881.33
	163,743.49	123,167.21
Less : Inventory at the end of the year	**25,842.64**	11,450.16
Cost of raw material and components consumed	**137,900.86**	111,717.05

24. (Increase)/Decrease in Inventories

(₹ in lacs)

	2017-18	2016-17	(Increase)/ Decrease 2017-18
Inventories at the end of the year			
Finished goods and by-products	**7,222.84**	10,171.02	2,948.18
Work-in-progress	**1,411.04**	362.35	(1,048.68)
Traded goods	**2.29**	2.29	-
	8,636.17	10,535.66	1,899.49
Inventories at the beginning of the year			2016-17
Finished goods and by-products	**10,171.02**	10,927.07	756.06
Work-in-progress	**362.35**	326.60	(35.76)
Traded goods	**2.29**	2.29	-
	10,535.66	11,255.96	720.30
Net (increase)/decrease in inventories	**(1,899.49)**	(720.30)	

25. Employee benefits expenses

(₹ in lacs)

	2017-18	2016-17
Salaries, wages and bonus	**8,470.27**	6,834.71
Contribution to provident and other fund	**671.47**	433.09
Gratuity Expense	**136.32**	112.78
Workmen and staff welfare expenses	**397.35**	321.25
	9,675.42	7,701.83

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

26. Finance Costs

(₹ in lacs)

	2017-18	2016-17
Interest		
- on debentures	688.81	768.07
- on term loans	22,457.48	15,474.11
- on working capital	1,613.89	6,624.83
- on others	34.61	559.44
Exchange difference to the extent considered as an adjustment to borrowing costs	-	51.80
Bank charges	1,536.39	2,436.62
	26,331.19	25,914.88

27. Depreciation and amortization expenses

(₹ in lacs)

	2017-18	2016-17
Depreciation on tangible assets	12,201.66	11,405.91
Amortization of intangible assets	977.95	602.65
	13,179.60	12,008.56

28. Other Expenses

₹ in lacs)

	2017-18	2016-17
Consumption of stores and spares	8,901.04	7,467.91
(Increase)/decrease of excise duty on inventory	(445.07)	(213.34)
Grid Parallel operation charges	72.63	240.98
Power & Fuel	16,356.74	11,279.96
Water Charges	375.07	294.51
Other manufacturing expenses	5,795.55	4,481.16
CDM Expenses	9.05	4.35
Rent	79.12	109.01
Rates and taxes	1,104.20	434.13
Insurance	137.77	95.64
Repairs and maintenance		
- Plant and machinery	873.57	695.90
- Buildings	230.58	160.12
- Others	232.71	164.57
Rebate, shortage claims & other deductions	2,120.27	540.01
Commission		
- Other than Sole selling agents	618.61	267.14
Provision/Allowances for credit loss on debtors	5.48	11.86
Travelling and conveyance	369.19	277.82
Communication expenses	99.53	78.68
Printing and stationery	42.00	29.16
Legal and professional fees	680.81	513.86
Directors' sitting fees	25.77	10.36
Directors' remuneration	528.63	121.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

	2017-18	2016-17
Payment to Auditor (Refer details below)	**40.13**	24.11
Frieght and forwarding charges	**3,292.30**	2,437.86
Security service charges	**315.61**	310.39
Loss on sale of fixed assets (net)	**10.21**	-
Loss on sale of investment	**0.39**	-
Loss/(gain) on foreign exchange fluctuation	**(27.56)**	(183.86)
Corporate Social Responsibility	**296.68**	221.65
Miscellaneous expenses	**714.78**	732.36
	42,855.79	30,608.12

Payment to Auditor

(₹ in lacs)

	2017-18	2016-17
As auditor :		
Audit fee	**36.13**	21.74
Tax Audit fee	**3.84**	1.52
In other capacity		
Taxation matters	**0.16**	0.77
Other services	**-**	0.09
	40.13	24.11

29. Earnings per share (EPS)

	2017-18	2016-17
Net profit/(loss) for the year as per the statement of profit and loss	**21,469.43**	(7,362.26)
Net profit/(loss) attributable to equity holders of the parents	**20,762.75**	(7,450.64)
Nominal Value of Equity Shares (₹)	**10**	10
Weighted average number of equity shares in calculating Basic EPS	**35,236,247**	32,830,987
Weighted average number of equity shares in calculating Diluted EPS	**35,236,247**	32,830,987
Basic & Diluted EPS		
- Basic earning per share	**58.92**	(22.69)
- Diluted earning per share	**58.92**	(22.69)

30. Contingent Liabilities and Capital Commitments are not provided for in respect of :-

i) Counter Guarantees given to banks against Bank guarantees issued by the group Banker aggregate to ₹ 2845.63 lacs (Previous Year ₹1395.63 lacs.)

ii) Disputed liability of ₹ 681.59 lacs (Previous Year ₹302.21 lacs) on account of Service Tax against which the group has preferred an appeal.

iii) Disputed liability of ₹ 280.53 lacs (Previous Year ₹ 63.00 lacs) on account of CENVAT against which the Group has preferred an appeal.

iv) Disputed liability of ₹ 665.02 lacs (Previous ₹ 271.65 lacs) on account of Sales Tax against which the Group has preferred an appeal.

v) Disputed liability of ₹ 45.62 lacs (Previous Year ₹ 390.86) on account of Income Tax against which the Group has preferred an appeal.

vi) Disputed liability of ₹10.00 lacs (Previous Year ₹ 43.64 lacs) on account of Custom Duty against which the Group has preferred an appeal.

vii) Disputed energy development cess demanded by the Chief Electrical Inspector, Govt. of Chhattisgarh ₹ 4224.19 lacs (Previous Year ₹ 3740.60 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 Supereme Court, which is pending for final disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

viii) Disputed demand raised by NTPC Vidyut Vyapar Nigam Limited amounting to ₹1783.58 lakhs on account of not meeting the requirement of minimum generation of power as per Power Purchase Agreement. The matter is pending with the appellate authority.

ix) Disputed Claims against the Company under EPC Contract amounting to ₹ 92.95 Crores raised by EPC Contractor. During the previous year, EPC Contractor has invoked the Arbitration under the EPC Contract against the Company in respect of their alleged claim towards invocation of Performance Bank Guarantees by the Company and also towards other claims towards cost overrun etc. amounting to ₹ 92.95 Crores. The Company is contesting the claim in the arbitration and has also lodged its counter claim under the EPC Contract against the EPC Contractor amounting to ₹ 568.62 Crores. The Company has not provided for the liability towards, the amount of claims raised by EPC Contractor against the Company in the arbitration proceedings, in view of strong defence of the Company and the management believes ultimate outcome of the proceedings is expected to be in company's favour.

x) Disputed demand of ₹ 758 lacs (Previous Year ₹758 lacs) from Chhattisgarh State Power Distribution Company Limited relating to cross subsidy on power sold under open access during the financial year 2009-10. The Group has contested the demand and obtained stay from CSERC and expect a favourable decision in favour of Group.

xi) Disputed payment for delayed wages as estimated ₹ 5.57 lacs plus 10 times compensation amounting to ₹ 55.71 lacs is pending under The Payment of Wages Act, 1936 with SDJM, Kendujhar (Odisha).

xii) Disputed demand of ₹ 522.24 lacs from Mining Department of Chhattisgarh against which the company has preferred an appeal.

xiii) Estimated amount of contracts remaining to be executed on capital accounts ₹ 2902 lacs (Previous Year ₹ 2095 lacs).

31. During the financial year 2015-16, a search operation was conducted in the premises of the group u/s 132 of the Income Tax Act, 1961. The settlement proceedings are pending before the competent authority. The group does not foresee any further liability on this account.

32. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS:

a. Defined Contribution Plan:

Amount of ₹ 671.47 lacs (P.Y. ₹ 433.09 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 25).

(₹ in lacs)

	2017-18	2016-17
Benefit (Contribution to):		
Provident & Other Fund	**671.47**	433.09
Total	**671.47**	433.09

b. Defined benefit plan:

Gratuity:

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service subject to a maximum of ₹ 20 Lacs. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

(₹ in lacs)

	Particulars	Gratuity		Leave Encashment	
		2017-18	2016-17	2017-18	2016-17
		(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
I	**Change in Present value of defined benefit obiligation during the year:**				
	Present value of defined benefit obiligation at the beginning of the year	**568.01**	449.41	**111.71**	70.01
	Interest Cost	**43.38**	35.95	**7.13**	5.60
	Current Service Cost	**92.93**	76.83	**45.53**	82.14
	Past Service Cost	**-**	-	**-**	-
	Benefit paid directly by employer	**(16.55)**	(23.04)	**(39.44)**	(34.32)
	Actuarial Changes arising from changes in financial assumption	**(18.40)**	31.07	**(3.22)**	5.79
	Actuarial Changes arising from changes in experience assumption	**65.04**	(2.21)	**(2.51)**	(17.51)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

	Particulars	Gratuity		Leave Encashment	
		2017-18 (Non Funded)	2016-17 (Non Funded)	2017-18 (Non Funded)	2016-17 (Non Funded)
	Present value of defined benefit obiligation at the end of the year	**734.43**	568.01	**119.20**	111.71
II	**Change in fair value of plan assets during the year:**				
	Fair value of plan assets at the beginning of the year	**-**	-	**-**	-
	Contribution paid by the employer	**16.55**	23.04	**39.44**	34.32
	Benefit paid from the fund	**(16.55)**	(23.04)	**(39.44)**	(34.32)
	Fair value of plan assets at the end of the year	**-**	-	**-**	-
III	**Net asset / (liability) recognised in the balance sheet:**				
	Present Value of defined benefit obiligation at the end of the year	**734.43**	568.01	**119.20**	111.71
	Fair value of plan assets at the end of the year	**-**	-	**-**	-
	Amount recognised in the balance sheet	**-**	-	**-**	-
	Net asset / (liability) - Current	**41.83**	30.58	**7.73**	7.24
	Net asset / (liability) - Non Current	**692.60**	537.42	**111.46**	104.47
IV	**Expenses recognized in the statement of profit and loss for the year:**				
	Current Service Cost	**92.93**	76.83	**45.53**	82.14
	Interest Cost on benefit obiligation (Net)	**43.38**	35.95	**7.13**	5.60
	Total expenses included in employee benefits exxpenses	**136.32**	112.78	**52.66**	87.74
V	**Recognized in other comprehensive income for the year:**				
	Actuarial Changes arising from changes in financial assumption	**(18.40)**	31.07	**(3.22)**	5.79
	Actuarial Changes arising from changes in experience assumption	**65.04**	(2.21)	**(2.51)**	(17.51)
	Recognized in other comprehensive income for the year:	**46.65**	28.86	**(5.73)**	(11.72)
VI	**Maturity profile of defined benefit obiligation:**				
	Within the next 12 months (next annual reporting period)	**44.86**	31.29	**8.30**	7.66
	Between 2 and 5 years	**195.89**	139.34	**32.70**	29.88
	Between 6 and 10 years	**284.45**	397.38	**43.67**	39.55
VII	**Quantitative Sensitivity analysis for significant assumption is as below:**				
1	1% point increase in discount rate	**663.18**	509.44	**107.58**	100.62
	1% point decrease in discount rate	**818.65**	637.60	**132.97**	124.91
	1% point increase rate of salary Increase	**820.62**	637.80	**133.70**	125.55
	1% point decrease rate of salary Increase	**659.88**	507.97	**106.80**	99.91
	1% point increase rate of employee turnover rate	**746.24**	576.66	**121.35**	113.48
	1% point decrease rate of employee turnover rate	**720.80**	558.15	**116.74**	109.68

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

2 Sensitivity Analysis Method:

Sensitivity Analysis is determined based on the expected movement in liability if the assumption were not proved to be true on different count.

Particulars		Gratuity		Leave Encashment	
		2017-18	2016-17	**2017-18**	2016-17
		(Non Funded)	(Non Funded)	**(Non Funded)**	(Non Funded)
VIII	**Actuarial assumptions:**				
1	Discount rate	**7.75%**	7.50%	**7.75%**	7.50%
2	Salary escalation	**6.00%**	6.00%	**6.00%**	6.00%
3	Mortality rate during employment	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)
4	Mortality post retirement rate	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)
5	Rate of Employee Turnover	**1% to 8%**	1% to 8%	**1% to 8%**	1% to 8%

Expected contribution to the defined plan for the next reporting period:

Notes:

(i) The actuarial valuation of plan assets and the present value of the defined obligation were carried out at 31st March, 2018. The present value of the defined benefit obligation and the related current service cost and past service cost,were measured using the projected Unit Credit Method.

33. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's principal financial liabilities comprise of loans and borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group also enters into derivative contracts.

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk
- Currency risk
- Price risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.This note presents information about the risks associated with its financial instruments, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Credit Risk

The Group is exposed to credit risk as a result of the risk of counterparties non-performance or default on their obligations. The Group's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Group monitors and limits its exposure to credit risk on a continuous basis. The Group's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this the Group periodically reviews the finanial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

Trade receivables

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

Loans and Advances

Financial assets in the form of loans and advances are written off when there is no reasonable expectations of recovery. Where recoveries are made, these are recognise as income in the statement of profit and loss. The Group measures the expected credit loss of dues based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and passed trends. Based on historical data, loss on collection of dues is not material hence no additional provisions considered.

Bank, Cash and cash equivalents

Bank, Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(₹ in lacs)

	31-Mar-18	31-Mar-17
Trade receivables	15,583.56	11,355.89
Bank, Cash and cash equivalents	5,220.32	5,113.03

Impairment losses

(₹ in lacs)

	31-Mar-18	31-Mar-17
Trade receivables (measured under life time excepted credit loss model)		
Opening balance	447.65	435.89
Provided during the year	5.48	11.76
Reversal of provision	-	-
Closing balance	453.13	447.65

Ageing analysis

(₹ in lacs)

	31-Mar-18	31-Mar-17
Upto 3 months	12,651.11	9,013.61
3-6 months	368.59	875.56
More than 6 months	2,563.86	1,466.70
	15,583.56	11,355.87

No significant changes in estimation techniques or assumptions were made during the reporting period

Liquidity risk

The Group is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Group monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Group has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Group's liquidity risk, the Group's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Group's reputation.

Financing arrangements

The Group has access to following undrawn borrowing facilities at the end of the reporting period: (₹ in lacs)

	31-Mar-18	31-Mar-17
Cash Credit facilities	6,856.68	870.75

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows: . **(₹ in lacs)**

As at 31 March 2018	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	25,075.64	59,342.29	127952.20	212,370.14
Trade payables	16,114.08	-	-	16,114.08
Other financial liabilities	386.13	-	-	386.13
	41,575.85	59,342.29	127,952.20	228,870.35

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

As at 31 March 2017	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	23,461.85	66,154.08	131832.22	221,448.14
Trade payables	12,467.49	-	-	12,467.49
Other financial liabilities	1,138.10	-	-	1,138.10
	37,067.44	66,154.08	131,832.22	235,053.73

Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the Group. The Group is exposed to long term and short-term borrowings, Commercial Paper Program. The Group manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

(₹ in lacs)

	31-Mar-18	31-Mar-17
Variable rate borrowings	**212,342.20**	221,383.86
Fixed rate borrowings	**27.94**	64.28

b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates. (₹ in lacs)

	Impact on profit after tax	
	31-Mar-18	31-Mar-17
Interest rates - increase by 70 basis points	**(859.23)**	(1,545.71)
Interest rates - decrease by 70 basis points	**859.23**	1,545.71

FOREX EXPOSURE RISK

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through purchases from overseas suppliers in various foreign currencies.

Foreign currency exchange rate exposure is partly balanced by purchasing of goods in the respective currencies.

The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like interest rate swap to hedge exposure to foreign currency risk. (₹ in lacs)

PARTICULARS	Currency	Currency in Lacs	
		2017-18	2016-17
Borrowings	USD	**-**	126.08
Trade Payables	USD	**85.70**	0.06

Profit or loss estimate to higher/lower as a result of changes in foreign exchange rates- (₹ in lacs)

	Impact on profit after tax	
	31-Mar-18	31-Mar-17
Foreign exchange rates - increase by 1%	**55.77**	83.55
Foreign exchange rates - decrease by 1%	**(55.77)**	(83.55)

PRICE RISK:

The entity is exposed to equity price risk, which arised out from FVTPL quoted equity shares and FVTOCI quoted and unquoted equity shares including preference instrument. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

Sensitivity Analysis for Price Risk:

Equity Investments carried at FVTOCI are not listed on the stock exchange. For equity investments classified as at FVTOCI, the impact of a 2 % in the index at the reporting date on profit & loss would have been an increase of ₹12.86 lacs (2016-17: ₹10.90 lacs); an equal change in the opposite direction would have decreased profit and loss.

34. CAPITAL MANAGEMENT

The Group's main objectives when managing capital are to:-

ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business;· ensure compliance with covenants related to its credit facilities; and minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions. safeguard its ability to continue as a going concern to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital;

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business;

For the purpose of Group's capital management, capital includes issued capital and all other equity reserves. The Group manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants;

The Group manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity.

(₹ in lacs)

	31 March 2018	31 March 2017
Total liabilities	**198,929.52**	201,898.32
Less : Bank, Cash and cash equivalent	**5,208.54**	5,104.60
Net debt	**193,720.98**	196,793.72
Total equity	**92,331.68**	69,693.44
Net debt to equity ratio	**2.10**	2.82

The Group has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting period.

35. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : quoted (unadjusted)prices in active markets for identical assets or liabilities

Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly of indirectly

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in lacs)

PARTICULARS	Carrying amount As at 31.03.2018	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments	**12407.28**	-	-	-
Trade receivables	**15583.560**	-	-	-
Bank, Cash and bank balances	**5271.289**	-	-	-
	33262.13	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	**700.07**	59.78	640.29	-
Total	**700.07**	59.78	640.29	-
Financial liabilities at amortised cost:				
Long term borrowings	**187294.50**	-	-	-
Short term borrowings	**13440.62**	-	-	-
Trade payables	**16114.08**	-	-	-
Other financial liabilities	**12021.15**	-	-	-
Total	**228870.35**	-	-	-

PARTICULARS	Carrying amount As at 31.03.2017	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments	10268.77	-	-	-
Trade receivables	11355.89	-	-	-
Bank, Cash and bank balances	5269.06	-	-	-
	26893.71	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	567.39	22.03	545.36	-
Total	567.39	22.03	545.36	-
Financial liabilities at amortised cost:				
Long term borrowings	197986.29	-	-	-
Short term borrowings	19549.82	-		-
Trade payables	12467.49	-	-	-
Other financial liabilities	5050.13	-	-	-
Total	235053.73	-	-	-

During the reporting period ending 31st March, 2018 and 31st March, 2017, there were no transfers between Level 1 and Level 2 fair value measurements.

36. The company is entitled to Renewable Energy Certificates (REC) against captive generation & consumption of Bio-Mass Power. The floor price for trading of REC's was earlier determined by Central Electricity Regulatory Commission (CERC) @₹ 1500 per REC, However, CERC has revised the floor price of REC @₹1000/- per REC w.e.f.1st April, 2017, which has been subsequently challenged in a petition in the Appellate Tribunal. The Hon'able Supreme Court in response to the petition filed by Green Energy Association had granted stay on CERC order for revision in price till final verdict of the Appellate Tribunal. The Appellate Tribunal recently vide its order dated 12th April,2018 has upheld the earlier order of CERC with respect to revision of price from ₹1500/- to ₹1000/-. However, an appeal is being preferred before Hon'ble Supereme Court against the order of the Appellate Tribunal. In view of recent Appellate Tribunal order and as a matter of abandon caution, the company has accounted for the difference in the value of REC to the net realizable value during the year and charged ₹19.08 crores as an exceptional expense related to RECs generated upto 31.03.2017 and ₹ 4.28 crores related to current financial year to the revenue account.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

37. The exceptional items of ₹5.52 crores (net) includes income of ₹13.56 crores pertains to compensation received from equipment supplier under the performance contract and expense of ₹19.08 crores on account of RECs as stated in note-36 above.

38. Information on Related Party Disclosures are given below :

i) Related Parties

a) Subsidiaries

Godawari Green Energy Limited

Godawari Clinkers & Cement Limited (Wholly owned) closed

Krishna Global Minerals Limited (Wholly owned) closed

Godawari Integrated Steels (India) Limited (Wholly owned) closed

Godawari Energy Limited

Ardent Steel Limited

Hira Energy Limited

b) Associates

-- Jagdamba Power & Alloys Ltd.

-- Chhattisgarh Ispat Bhumi Limited

-- Hira Ferro Alloys Limited

c) Other Related Parties

-- Hira Cement Ltd.

-- Raipur Complex

d) Joint Ventures

-- Raipur Infrastructure Company Ltd.

-- Chhattisgarh Captive Coal Mining Ltd.

e) Key Management Personnel

-- Shri B.L.Agrawal (Managing Director)

-- Shri Abhishek Agrawal (Whole Time Director)

-- Shri Dinesh Agrawal (Whole Time Director)

-- Shri Vinod Pillai (Whole Time Director)

-- Shri Sanjay Bothra (CFO)

-- Shri Y.C. Rao (Company Secretary)

-- Shri Dinesh Kumar Gandhi (Whole Time Director)

-- Shri Vivek Agrawal (Chief Operational Officer)

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

(₹ in lacs)

			2017-18	2016-17
a)	**Associates**	Sale of Materials	**435.14**	399.36
		Purchase of Materials	**2,127.04**	2,126.39
		Interest received	**5.91**	6.03
		Other charges paid	**380.91**	318.55
		Other charges received	**71.32**	82.60
		Purchase of fixed assets	**106.13**	30.01
		Outstandings		
		Receivables	**652.22**	442.61
		Payables	**208.23**	136.82
b)	**Other Related Parties**	Purchase of Materials	**230.84**	76.88
		Sale of Materials	**24.14**	9.48
		Other charges paid	**166.62**	394.39
		Other charges received	**0.25**	0.03
		Rent Paid	**6.61**	23.42
		Outstandings		
		Receivables	**14.69**	0.00
		Payables	**0.13**	50.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

			2017-18	2016-17
c)	**Joint Ventures**	Service Charges Paid	**609.09**	330.42
		Outstandings		
		Payables	**289.44**	259.35
d)	**Key Management Personnel**	Remuneration Paid	**673.87**	180.73
		Refund of deposit given	**10.00**	0.00
		Rent Paid	**0.00**	7.20

39. Segment-wise Revenue Results :

Basis of preparation :

i) 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.

ii) 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	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
A) REVENUE								
Steel Segment	**243290.22**	187185.11	**0.00**	0.00	**0.00**	0.00	**243290.22**	187185.11
Electricity Segment	**15593.36**	12222.84	**21966.31**	20268.73	**(21966.31)**	(20268.73)	**15593.36**	12222.84
Total Segment Revenue	**258883.59**	199407.95	**21966.31**	20268.73	**(21966.31)**	(20268.73)	**258883.59**	199407.95

B) RESULTS	2017-18	2016-17
Segment Operational Profit		
Steel Segment	**35,027.08**	3,098.30
Electricity Segment	**16171.59**	18305.06
Total Segment Results	**51198.67**	21403.36
Un-allocated expenditure net off unallocated income	**(4374.35)**	(2805.86)
Operating Profit	**46,824.32**	18597.50
Interest Expenses	**(26331.19)**	(25914.88)
Less: Tax Expense	**(636.30)**	71.85
Share of profit/(loss)of associates and JV	**340.01**	26.97
Net Profit/(Loss)	**21,469.44**	(7362.26)
Other Comprehensive income	**1,967.32**	(43.94)
Total Comprehensive income	**23436.76**	(7406.20)

C) OTHER INFORMATION	2017-18	2016-17
Segment Assets		
Steel Segment	**248149.37**	223677.56
Electricity Segment	**94890.82**	99274.97
Total Segment Assets	**343040.20**	322952.53
Un-allocable Assets	**2133.36**	2370.26
Total Assets	**345173.56**	325322.79
Segment Liabilities and Provisions		
Steel Segment	**161893.18**	166600.39
Electricity Segment	**63834.27**	65368.28
Total Segment Liabilities & Provisions	**225727.45**	231968.67

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

C) OTHER INFORMATION	2017-18	2016-17
Un-allocable Liabilities and Provisions	**11075.63**	8328.57
Total Liabilities and Provisions	**236803.08**	240297.24
Capital Expenditure		
Steel Segment	**9907.07**	6407.85
Electricity Segment	**673.89**	743.41
Un-allocable Capital Expenditure	**49.14**	10.51
Total Capital Expenditure	**10630.10**	7161.77
Depreciation & Amortisation		
Steel Segment	**9580.00**	8486.26
Electricity Segment	**3599.60**	3522.30
Total Segment Depreciation & Amortisation	**13179.60**	12008.56

40. During the year the group has incurred ₹ 296.68 lacs on account of Corporate Social Responsibility Activities. According to provisions of section 135 of the Companies Act,2013, the group is not required to spent any amount based on the average net profits/loss of the previous three years. The break-up of amount spent during the year are as follows:

Particulars	In Cash	Yet to be paid in cash	Total
Constructions/acquisition of any assets	0.00	0.00	0.00
On purpose other than above	296.68	0.00	296.68

41. Unhedged Foreign Currency Exposure

Foreign currency exposure that are not hedged by any derivative instruments or Forward Contracts as at 31st March,2018 amount to ₹ 2598.07 lacs (Previous Year ₹ 8174.60 lacs)

42. The Board of Directors of the company has approved the scheme of amalgamation of its associate company "Jagdamba Power & Alloys Ltd" from appointed date 01.04.2017 in the meeting held on 20.02.2018 subject to obtaining of necessary regulatory approvals. Pending such approvals no adjustment has been made in the books of account during the year.

43. Previous year figures have been regroupped or rearranged wherever necessary.

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

per Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 02.05.2018

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

ADDITIONAL INFORMATION RELATED TO CONSOLIDATED FINANCIAL STATEMENT

(₹ in lacs)

Sl. No.	Name of Entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in Profit/Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount (Rs. in lacs)	As % of consolidated net profit or loss	Amount (Rs. in lacs)	As % of consolidated other comprehensive income	Amount (Rs. in lacs)	As % of consolidated total comprehensive income	Amount (Rs. in lacs)
	Parent	55.27%	59899.33	84.75%	18194.77	3.71%	73.08	77.95%	18267.85
	Subsidiaries (Indian)								
1	Ardent Steel Limited	5.95%	6444.12	10.19%	2188.76	-0.15%	-3.02	9.33%	2185.74
2	Godawari Green Energy Limited	11.20%	12140.90	0.22%	47.79	-0.18%	-3.62	0.19%	44.17
3	Godawari Energy Limited	1.33%	1440.06	-0.04%	(8.58)	0.00%	0.00	-0.04%	-8.58
	Non Controlling Interests in all subsidiaries	14.80%	16038.79	3.29%	706.68	-0.11%	-2.07	3.01%	704.61
	Associates (investment as per equity method) (Indian)								
1	Jagdamba Power and Alloys Limited	2.23%	2414.91	0.15%	33.09	0.00%	0.01	0.14%	33.1
2	Chhattisgarh Ispat Bhumi Limited	0.70%	757.05	-0.25%	(53.14)	0.00%	0.00	-0.23%	-53.14
3	Hira Ferro Alloys Limited	7.69%	8334.20	1.33%	285.35	94.05%	1850.23	9.11%	2135.58
	Joint Ventures (investment as per equity method) (Indian)								
1	Raipur Infrastructure Company Limited	0.51%	557.87	0.35%	75.1	2.68%	52.72	0.55%	127.82
2	Chhattisgarh Captive Coal Mining Limited	0.32%	343.25	0.00%	(0.39)	0.00%	0.00	0.00%	-0.39

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

per Sanjay Dewangan
Partner
Membership No. 409524

Place : Raipur
Date : 02.05.2018

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

B. L. Agrawal
Managing Director

Abhishek Agrawal
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

STATEMENT 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}

(₹ in lacs)

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover (Net)	Other Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding
1	Ardent Steel Limited	INR	1056.50	7431.35	26010.31	26010.31	21.80	29886.10	43.10	4294.86	1476.67	2818.19	NIL	76.34%
2	Godawari Green Energy Limited.	INR	2344.70	22411.45	72934.83	72934.83	NIL	10536.10	119.78	76.78	15.47	61.31	NIL	76.12%
3	Godawari Energy Limited...........	INR	2300.00	519.87	9738.27	9738.27	NIL	NIL	0.10	(16.74)	NIL	(16.74)	NIL	51.30%

Names of Subsidiaries which are yet to commence operations -

Sl. No. Name of Companies

1 Godawari Energy Limited

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/ JOINT VENTURES

PART "B" ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in lacs)

Sl. No.	Name of Associate and Joint Ventures	Latest Audited/ Unaudited Balance Sheet	Shares of Associate/Joint Ventures held by the company on the year end (Refer Note- B)			Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. 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 (Rs. in lacs)	Extend of Holding %		Considered in Consolidation (Rs. in lacs)	Not Considered in Consolidation		
Associates										
1	Jagdamba Power and Alloys Limited	31.03.2018	2605000	260.50	33.96%	2414.91	33.09	-	Note- A	-
2	Chhattisgarh Ispat Bhumi Limited.	31.03.2018	2810000	489.40	35.36%	757.05	(53.14)	-	Note- A	-
3	Hira Ferro Alloys Limited	31.03.2018	9491000	2234.26	48.45%	8334.20	285.35	-		-
Joint Ventures										
1	Raipur Infrastructure Company Limited	31.03.2018	130700	210.70	33.33%	557.87	75.10	-		-
2	Chhattisgarh Captive Coal Mining Limited	31.03.2018	342824	473.54	25.93%	343.25	(0.39)	-		-

Note:
A. There is significant influence due to percentage(%) of Share Capital.
B. Shares of Associate/Joint Ventures held by the company is shown as per the audited financial statements of Godawari Power and Ispat Ltd. as on 31.03.2018.

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

per Sanjay Dewangan
Partner
Membership No. 409524

Place : Raipur
Date : 02.05.2018

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

B. L. Agrawal
Managing Director

Abhishek Agrawal
Director

Y. C. Rao
Company Secretary

Sanjay Bothra
CFO

NOTES

HIRA
GODAWARI POWER & ISPAT
An ISO 9001:2008, ISO 14001:2004 & OHSAS 18001:2007 certified company

GODAWARI POWER AND ISPAT LIMITED
CIN: L27106CT1999PLC013756
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

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