GODAWARI POWER & ISPAT

Godawari Power & Ispat Limited
Annual Report 2020-21

Dedication, Discipline and Debt-free.

Godawari Power & Ispat Limited is poised to emerge as a sustainable mid-sized steel company

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 substance in connection with any discussion of future performance.

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

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

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Dedication. Discipline. Debt-free

This is the story of how a focus on environment responsibility, social commitment and governance framework is shaping the new personality of Godawari Power & Ispat Limited.

CORPORATE INFORMATION

Godawari Power & Ispat Limited.

Representing a new face of India's mid-sized steel companies.

A company that prioritised the moderation of its carbon footprint.

Focused on deleveraging its Balance Sheet even while focusing on growth.

Extended its business model from profitability to sustainability.

The result: the company has emerged as one of the most exciting proxies of India's mid-sized steel sector.

The company's background

Godawari Power & Ispat Limited is an integrated steel company with a presence across the steel value chain extending from iron ore (two mines) to iron ore pellets and value-added steel products.

The company is stewarded by Mr. B.L. Agarwal, a first-generation entrepreneur, who possesses more than four decades of experience in the steel industry. He is supported by the second generation from the promoter family comprising Mr. Siddharth Agarwal and Mr. Abhishek Agarwal as well as professional managers.

The company had directly employed 2656 individuals towards the end of 2020-21. The average age of employees was 38 years as on 31 March 2021.

Products manufactured by the company

Pellets: Used in the production of steel and alloys. Has gained traction owing to growing demand for high-grade iron content material, which is globally scarce.

Sponge iron: Represents a critical input for the steel industry as energy-efficient feedstock.

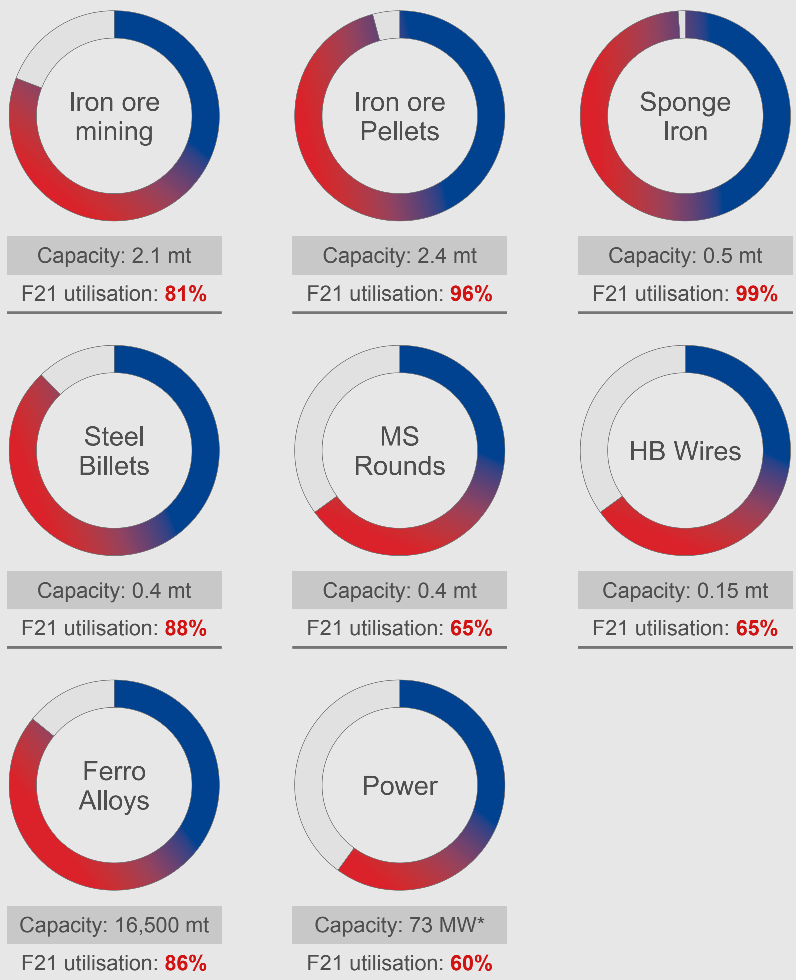
Iron and steel billets: Processed iron or steel with a rectangle or square cross section, used for manufacturing rolled products of different applications in the construction, infrastructure and other industries.

Wire rods: Wire rod is a finished product in a steel plant rolled from the billet in a wire rod mill. It is mainly used for the production of steel wire, which is subjected to further processing.

Hard black wire: Made from rolled steel through wire drawing; serves as raw material in construction and infrastructure.

Ferro alloys: Production of silico manganese is used in steel production.

Unique presence across the steel value chain



Other facilities

Captive mining: Increased captive mining to aid in lowering costs and improving margins.

Power: In-plant power generation capacity of 73 MW. Derived 42 MW captive energy from waste heat recovery + 11 MW from coal thermal plant + 20 MW biomass power capacity. Additional 25 MW from Jagdamba Power. Setting up additional solar power capacity

Water: Agreement with Chhattisgarh Ispat Bhoomi Ltd to draw 10,000 KL of water/day.

CORPORATE INFORMATION

Our recognition

2009: Secured third position in the Open Plantation Award organised by Urla Industrial Association, Chhattisgarh.

2013: Bagged Best Project in Go Green & Conserve Environment

2013: Entrepreneur of the Year Award to Mr. B.L. Agrawal, MD, by Think Media Inc.

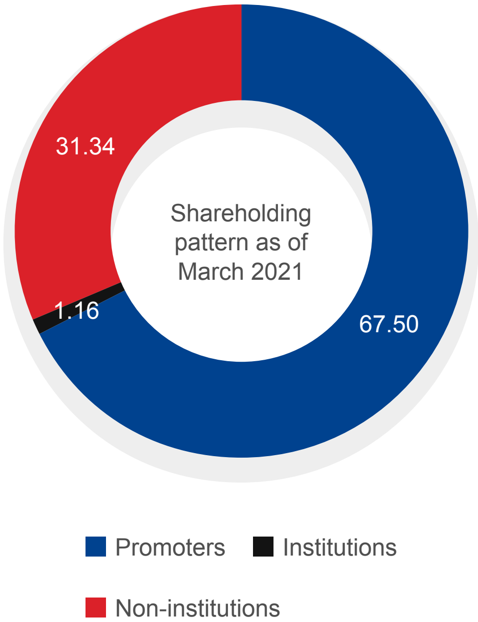
2014: Best CSR Practices Award by Think Media Inc.

2017: Participation Certificate in Secondary Steel Sector Award Scheme.

2017-18 and 2018-19: Awarded for being the highest importer by Concor India Limited (Navratna company) for importing scrap through containers.

2018-19: Awarded for HR Best Practices by National HRD Network, Bhubaneshwar chapter

2018-19: First steel company in India to be awarded ISO 45001:2018 Certificate by SGS India Limited



Our shareholding pattern

Shareholder	% shareholding
Promoters	67.50
Institutions	1.16
Non-institutions	31.34
Total	100

GPIL's performance dashboard

How we performed in FY 2020-21

Best annual performance

- Record operating performance (highest production of iron ore, pellets and billets)
- Record annual financial performance (highest ever revenues and PAT)
- Declared maiden dividend after five years in Q2; final dividend of INR 13.5/share (total dividend for FY21 INR 18.5/share)

Record business performance

- Largest debt reduction: long-term gross debt (standalone) reduced from INR 1,055 Crores to INR 457 Crores (further reduced to INR 193 Crores as on 25 May 2021)
- Net debt-to-equity ratio strengthened from 1.1x in FY20 to 0.42x
- Average debt cost at 8% compared to 11% in FY20

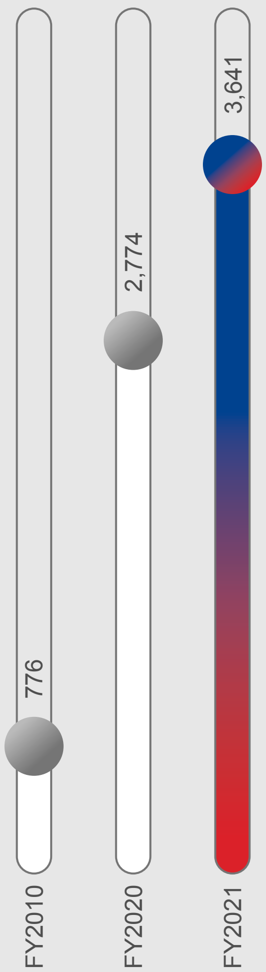
Strategic initiatives

- Achieved debt-free carbon-neutral growth (setting up captive solar PV capacity)
- Capacity debottlenecked in iron ore mining, benefication and steel melting
- Maximised sales of high-grade pellets to maximise profitability
- Signed MOU with Chhattisgarh government for growth projects

How we have **grown across the decade**

Revenues

(₹ Crores)

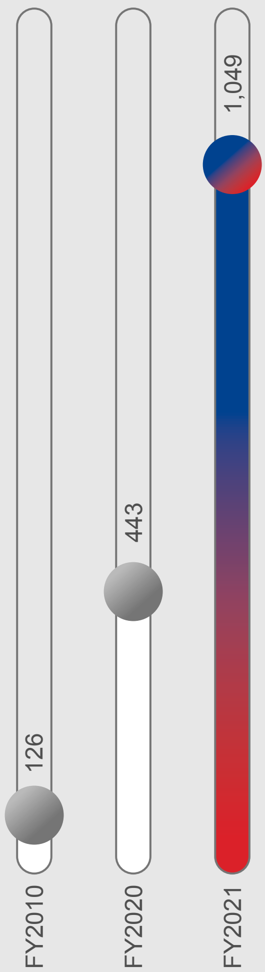


CAGR growth of 15% between FY 2010 and FY 2021

Growth of 31% between FY 2020 and FY 2021

EBITDA

(₹ Crores)

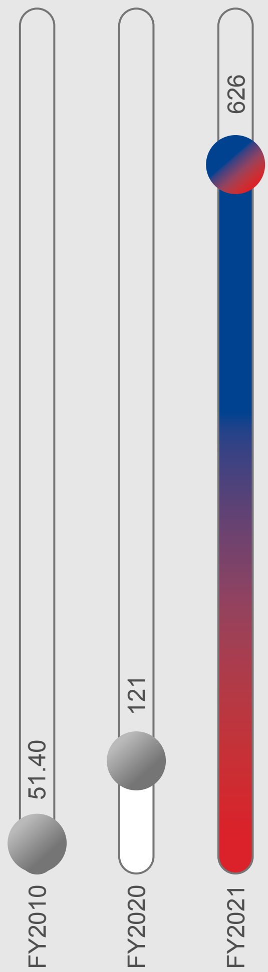


CAGR growth of 21% between FY 2010 and FY 2021

Growth of 137% between FY 2020 and FY 2021

Net profit

(₹ Crores)

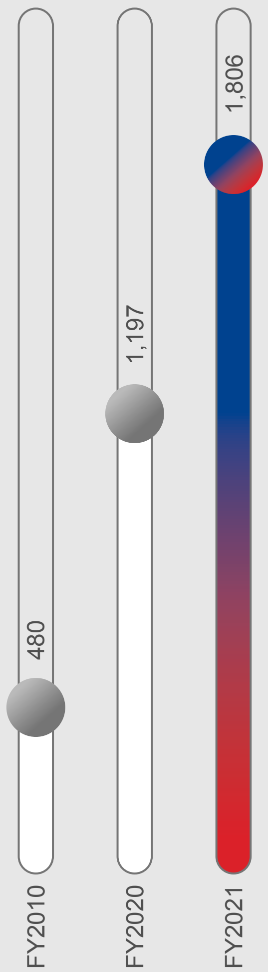


CAGR growth of 26% between FY 2010 and FY 2021

Growth of 417% between FY 2020 and FY 2021

Net worth

(₹ Crores)

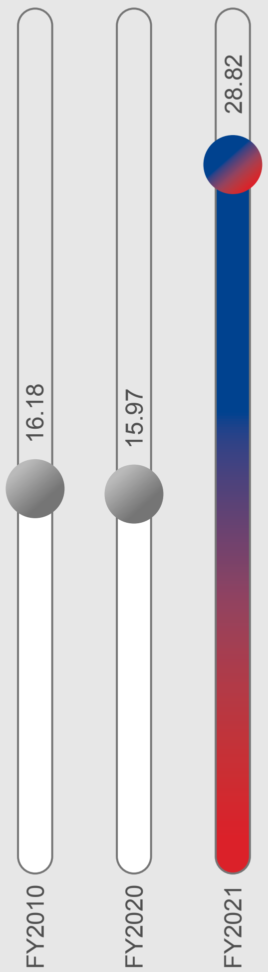


CAGR growth of 13% between FY 2010 and FY 2021

Growth of 51% between FY 2020 and FY 2021

EBIDTA margin

(%)

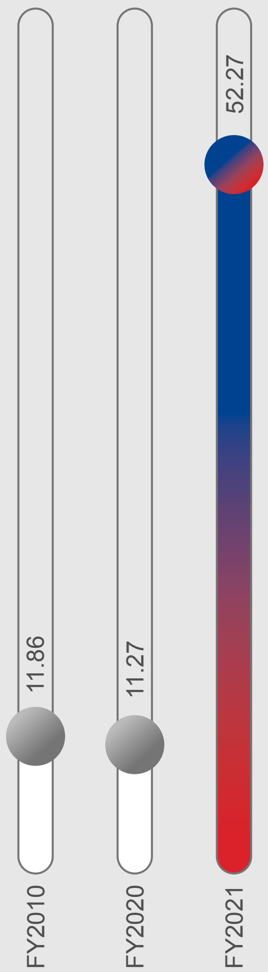


Growth of 1264 bps between FY 2010 and FY 2021

Growth of 1285 bps between FY 2020 and FY 2021

ROE

(%)

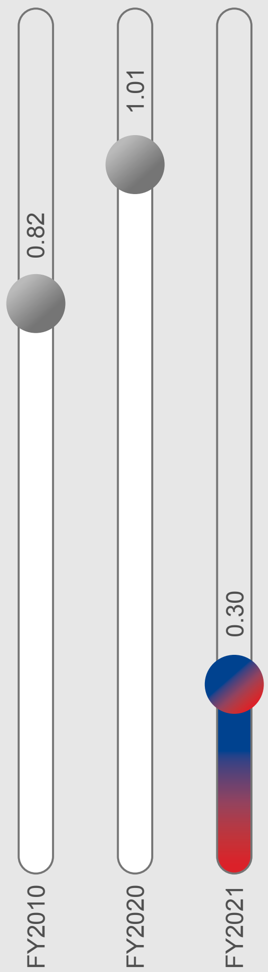


Growth of 4041 bps between FY 2010 and FY 2021

Growth of 4100 bps between FY 2020 and FY 2021

Gearing

(x)



Improvement of -5200 bps between FY 2010 and FY 2021

Improvement of -7100 bps between FY 2020 and FY 2021

Building a modern, nimble and future-facing mid-sized steel company

India is one of the most attractive long-term markets in the global steel industry.

India is marked by the second largest consumer market on one hand and one of the most extensively under-penetrated steel consumption realities in the world.

India is a rare country marked by the coming together of a centuries-old steel making tradition, as well as the abundant availability of iron ore and coking coal.

India appears to be at the cusp of multi-decade growth on account of the coming together of growing millennial spending, sustained income rise, aspirations growth and infrastructure investments.

The companies that are likely to capitalise most extensively across the decades will need a number of competitive advantages.

They will need their own ore. Their own power. Their own downstream value chain. Competitive cost structure. And no debt.

One company possesses all these.

Godawari Power & Ispat Limited. The Company is poised to participate in the next growth phase of the steel Industry in a sustainable manner.

Promises made

Promises kept

A few years ago, we had made a few commitments to our stakeholders. This is a report of how we lived up to them

What we promised: We would focus primarily on debt repayment to become net debt-free.

Status as on 31 March 2021: We repaid a substantial portion of our long-term debt, a validation of our commitment, and likely to become debt-free by Q2 FY 22.

What we had promised: We would not engage in any sizable capital expenditure until we had repaid all long-term debt

Status as on 31 March 2021: We have not invested a single rupee in building fresh or sizable capacity beyond normal maintenance expenditure, growing our capacities through prudent debottlenecking.

What we are

- Among India's one amongst the best mid-sized steel companies (by product quality, margins, material efficiency, asset utilisation and worker productivity)
- Dependable raw material provider to various downstream steel users
- Presence in sectoral building blocks with high addressable room
- Growing performance counter-cyclicality
- Attractive credit-rating
- Strong Balance Sheet, with zero long-term debt

What we wish to be

- Emerge as a sustainable Indian mid-sized steel company across market cycles
- Enhanced profitability through further integration and value-addition
- Moderate carbon footprint; create one of the highest renewable energy back-ups within India's mid-sized steel sector
- Enhance multi-year revenue and EBIDTA visibility
- Stay liquid and viable across market cycles

Godawari 2.0: **Carbon-neutral low debt growth**

Overview

At GPIL, we are entering the next phase of our existence.

In Godawari 2.0, we are graduating to an aspirational business structure where two of the biggest challenges of conventional capital-intensive businesses will be addressed.

The company intends to emerge debt-free from FY 2022, indicating that the business from this year onwards will be sustained largely through internal accruals.

Besides, the company intends to commission a 250 MW captive solar PV power plant to replace its existing thermal capacity across its existing idle land bank of 362 hectares.
The INR 750 Crores project (to be commissioned in the third quarter of FY23) will be funded primarily through internal accruals, will replace high cost thermal and grid power, generate power for the enhanced billet capacity and deliver an attractively short payback of less than five years.

At GPIL, we believe that the combination of low debt and carbon neutrality will enhance the company's respect as a governance-driven future-facing company that intends to enhance stakeholder value in a responsible and sustainable manner.

Godawari 2.0: Engaged in expanding responsibly and sustainably

Overview

At GPIL, we moderated debt as a decisive step to to protect and create shareholder value in the last few years.

The time has come for us to increase our existing capacities with the objective to enhance value across the foreseeable future.

Over the next one year, we will be engaged in growing every segment of our business through capacity debottlenecking and low-cost capacity expansion.

The expansions will be commissioned within our existing facilities, leveraging existing infrastructure. This will ensure that our expansion is funded at a relatively low cost, strengthening our competitiveness.

Besides, these expansions will be funded largely out of accruals, moderating our break-even point and strengthening long-term profitability.

Proposed low-cost capacity expansions

	Capacity FY21 (Million Tons Per Annum)	Capex (Amount INR in Crores)	Capacity FY22 (Million Tons Per Annum)
Iron ore mining	2.100	75	3.000
Iron ore beneficiation	1.100	25	3.300
Iron ore pellets	2.100	0	2.400
Sponge iron	0.495	0	0.594
Steel billets	0.400	35	0.700

Godawari 2.0: Graduating towards becoming a fully integrated steel company

Overview

At GPIL, we believe that the time has come to build on the broad-based iron ore foundation of our business.

In line with this strategic direction, the company signed an MoU with the Chhattisgarh government for projects to be commissioned in the future.

This decision represents a natural transition of the company's existing business into a fully integrated steel personality.

We believe that this progressive integration will enhance the flexibility of our portfolio to respond to diverse market dynamics.

This flexibility will enhance our competitiveness across market cycles, reinforcing our positioning as a relatively stable company in a cyclical sector.

By the virtue of protecting our downside and maximising our upside, the company is expected to enhance value for stakeholders in a sustainable manner.

Managing Director's overview

Overview

At GPIL, we are endeavouring to build a truly sustainable mid-sized steel company that remains viable and profitable across all market cycles.

We embarked on this exercise a few years ago and I am pleased to communicate that the first – and most decisive – phase of our approach is likely to reach its logical conclusion in the near future. In doing so, your company will create a secure robust foundation that will make it possible to grow the business across market cycles in a manner that enhances value for all stakeholders.

Strategic imperatives

When we embarked on building a multi-cycle sustainable mid-sized steel company a few years ago, we recognised the five defining ways of getting there.

ESG commitment: At GPIL, we recognised that the direction of global opinion makers was moving from 'What is the maximum you can manufacture?' to 'What is the maximum you can manufacture in the most responsible manner?' In line with this direction, GPIL began to invest in businesses (renewable energy), equipment, talent and targets with the objective to moderate its carbon footprint. I am pleased to communicate that the company was among the first in India's mid-sized sector to have invested years ago in renewable energy; this direction will only be strengthened across the foreseeable future in the company's quest to emerge as a responsible 'green steel' manufacturer.

Upstream rather than downstream: At GPIL, we recognised the need to build a secure upstream strategy on which to build the business. This entailed an investment in the production of resources and raw materials that would go into steel building. This approach was contrary to what most steel manufacturers had professed until then; most had invested in the front-end of the business which left them vulnerable and exposed on the raw material side of their business. The result was that in the event of a commodity up-cycle, such companies were extensively impaired by a sharp increase in their raw material costs. During such occasions, steel realisations also increased but with a lag, leaving the steel companies always attempting to play catch-up with the increase in their resource costs, perpetually mismatched time-lag and need to mobile a larger outlay of expensive working capital.

At GPIL, we selected to be contrarian. Even as we recognised that by going the upstream route, we would always be a materials provider to large downstream steel companies for a number of years, we felt that this was the only way in a long-term journey to remain liquid and viable while engaged in the pursuit of one's mission.

I believe that the decision to venture upstream rather than downstream was possibly the most decisive initiative to have kept us in business through one of the most extended steel sector downtrends seen in the last decade.

Integration: At GPIL, we recognised that going upstream and staying there would work for only a limited period. If we sustained this approach, we would have become a low margin resource provider to larger downstream steel companies with moderate scope of any meaningful value-addition. To integrate the business, the Company signed an MoU with the State Government of Chhattisgarh to set up a 1.5-million-ton per annum steel plant. The Company is working towards making GPIL a 1.5 million tonnes per annum integrated steel Company in about three years by diversifying into the manufacture of flat products.

That recognition resulted in GPIL building an integrated downstream approach. The iron ore that we mined – the building block of our business - would be beneficiated and converted into pellets. The company commissioned a sizable capacity that would eliminate the possibility of selling iron ore in its raw form; the company became, for all practical purposes, a quality pellets company that enhanced value over mined ore. Some years ago, the company took its integration ahead by utilising sponge iron for the manufacture of billets, a step closer to emerging as a front-end steel company. I am pleased to communicate that GPIL is now India's largest high grade quality pellets manufacturing company among secondary steel producers. The company's customers comprise small and mid-sized companies; the company marketed 34% of its domestic production within a mere 200 kms, exported 66% to China, Malaysia and South Korea and emerged as one of leading pellet exporters from Central India.

> The Company is now embarking on setting up a 250 MW solar power plant with an investment of INR 750 Crores that will not only replace the high-cost, low-efficiency thermal power with a clean, cost-effective, sustainable energy source for manufacturing finished steel products and also provide the company with predictable annuity revenue.

Moderating carbon footprint: At GPIL, we recognised that the respected steel companies of the future would be those that would have invested in people, process, best practices and plants with the objective to moderate their carbon footprint. The company invested in waste heat recovery generation.

The Company is now embarking on setting up a 250 MW solar power plant with an investment of INR 750 Crores that will not only replace high-cost, low-efficiency thermal power with a clean, cost-effective, sustainable energy source for manufacturing finished steel products but also provide the company with predictable annuity revenue. The initiative will not only lead to substantial savings in energy costs and improve operating margins but also make the Company the first Indian carbon-neutral company in the iron and steel sector.

Deleveraging: At GPIL, we believed that the most visible intent of our need to emerge as a sustainable company would be reflected in our commitment to reduce the long-term debt on our books. This need to moderate debt was in response to extensive changes in the market environment. Across the last two decades, the global economic order has been increasingly marked by unforeseen development, often referred to as Black Swans. During these phases, one of the first casualties has been a decline in public and private spending, affecting the offtake of steel products. These events have, in turn, affected the debt and interest repayment capability of the debt-burdened steel companies, turning some of them sick and some towards ownership transfer.

At GPIL, we realised that it is imperative to moderate debt to remain solvent in our capital-intensive sector. The company became increasingly focused on using credit discipline, with a premium on the ability to moderate debt and live with a cleaner Balance Sheet. In view of this, the company resolved to repay all its long-term debt (except for its solar energy business where the accruals more than covered the interest liability) before investing afresh in any greenfield capital expenditure.

The decision was not as easy as one would think: it meant that GPIL would have to remain content with only debottlenecking-driven growth that would at best be moderate; it meant that our market presence and market shares would continue to be at around much of the same levels as in the previous years; from a culture of asset accretion, the company would now be required to focus on liabilities reduction.

I am pleased to communicate that by the virtue of treating debt as a factor of production as critical as coal, energy or consumables, the company repaid or prepaid ₹914 Crores in the four years ending 31 March 2021.

With the prevailing sectoral momentum, the company was able to repay all its long-term debt in the current financial year. This transpired on account of a singular discipline to utilise every rupee of earnings (after maintenance expenditure and working capital needs) in drawing down the liabilities on our Balance Sheet.

At a time when post-pandemic opportunities in India's steel sector will widen following the government's increased infrastructure spending and the world's growing mandate for responsible steel manufacture, we believe that GPIL will be at the right place at the right time.

The future of GPIL will be to integrate the manufacture of steel at one end and resource at the other. The company is also likely to be more liquid, more profitable and more sustainable across good and bad steel markets. We do not just expect to be among the first set of companies to turn increasingly profitable during a sectoral recovery; we also expect to remain among the last ones standing during an industry downtrend.

Besides, we believe that henceforth our broad-based foundation – we are enhancing our production capacities across the foreseeable future – will be key to our growth, reducing our dependence on cyclical commodity price swings to enhance stakeholder value.

This is how we intend to deepen our presence as a relatively non-cyclical company in a commodity sector, residing at the core of our aspiration of emerging as a truly sustainable Indian iron and steel company across market cycles.

B.L. Agarwal,
Managing Director

Proposed capacity expansion programmes

- 1.4 Million tonnes, iron ore mining capacity in 2020-21 to be increased to 2.3 Million tonnes in FY 22
- 2.1 Lac TPA of pellet capacity in 2019-20 to 2.4 Lac TPA of pellet capacity FY 21
- 4.9 Lac TPA of sponge iron capacity in 2020-21 to be increased to 5.95 Lac TPA of sponge iron capacity in FY 22
- 4.00 Lac TPA of steel billet capacity in 2020-21 to be increased to 7.0 Lac TPA of steel billet capacity in FY 23.

Our fiscal efficiency

- Cost leadership
- Enhance presence in niches
- Strengthen liquidity (interest cover)
- Maximise free cash flows from operations
- Enhance RoCE and RoE

The competitive advantages of debt-free growth

- Utilise only accruals for reinvestment
- Wider margins
- Quicker project payback
- Rising profits and cash flows
- Stronger market valuation
- Increased core revenue and profits

How we intend to build long-term shareholder value

Long-term insourcing security

- Captive mining lease for 50 years (38 years of remaining mine life)
- Captive power generation capacity (73 MW and 25 MW from an associate company)
- Access to 10,000 KL of water per day
- Substantial iron ore cost advantage.
- Last iron ore auctions at 90-140% premium on the IBM price

Portfolio integration

- Extensive value chain (iron ore, pellets, sponge iron, billets, wire rods and HB Wires)
- Flexibility to sell anything across the steel value chain as per market needs
- Ability to enhance value from INR 3 per kg iron ore to INR 50 per kg of finished steel

Portfolio quality

- Movement towards value-addition (iron ore pellets 65%+ Fe)
- Use of high-grade pellets in billets/ wire rods to enhance quality at par with primary steel companies
- Enhanced production of value-added products from sponge iron to finished steel.
- Foray into flat products in the next phase of growth.

Operational efficiencies

- All major plants operated over 90% capacity utilisation in FY 21.
- High-capacity utilisation moderates production costs increase operating efficiency.
- High Return on Gross Block of 33.17% in FY 21.
- Increase sustainable EBITDA and PAT through debottlenecking, increased efficiencies and by setting up a solar power project.

Capital efficiency

- All capex to be mainly funded through internal accruals and low debt

Broad-based foundation

- Projected increase in upstream and downstream capacities
- Increased production of iron ore sharply from 0.44 mnt in FY15 and 1.66 mnt in FY20.
- Broad-basing to reduce dependence on commodity price swings.
- Signed MoU with Chhattisgarh Government for 1.5 Mn MT integrated steel plant

Responsibility

- Strengthening an ESG-compliant business model
- Robust governance and disclosures
- Positioned to become carbon-neutral
- Large use of low cost renewable energy for captive requirement.

Our governance responsibility

At GPIL, our governance responsibility comprises clarity on the way we will grow our business from this point onwards.

Controlled growth: In the business of steel manufacture, there is a temptation to be aggressive in growth seeking, with the objective to recover investments with speed. At GPIL, we had invested debt and accruals to capitalise on market realities, but going ahead, much of the company's investments will be driven by internal accruals and low debt.

Best over big: In the business of steel manufacture, there has been a consistent focus on maximising scale with the objective to enhance fixed cost amortisation more efficiently and enhance competitiveness. At GPIL, we believe that a combination of business breadth (integration) and reasonable scale will prove effective. Passionately run mid-sized steel companies can deliver operating efficiencies better than larger competitors (as in our case).

No speculative positions: In the business of steel manufacture, marked by price swings for resources and end products, there is a temptation to 'play' these swings and generate attractive short-term profitability. At GPIL, we have consistently resisted participating in these volatile and sharp price movements. Our competence lies in the efficient conversion of resource or raw material into finished products. We have focused on this core competence with the objective to manufacture steel of the best of quality, selling as much as we can and as fast as we can.

Integration: In the business of steel manufacture, a number of companies focused on building a steel customer-facing presence while sourcing resources from vendors. At GPIL, we did the reverse: we built a mining presence coupled with the manufacture of intermediate steel products and only when this was secured did the company extend to the manufacture of further downstream products. This sequence and integration helped moderate costs (one end product becoming raw material of the other) and enhance value-addition.

Building block: In the business of steel manufacture, there is an option to manufacture from a range of available choices. At GPIL, we focused on iron ore mine and pellet manufacturing as the foundation of our business. We believe we are ahead of the curve; the day is not far off when this responsible and resource-efficient route of steel making is statutorily recommended. The company invested in the manufacture of a larger proportion of high-grade pellets (higher Fe content), addressed by only a handful of global players and addressing the more demanding needs of downstream customers.

Flexible portfolio: In the business of steel manufacture, one can focus completely on a single product (specialisation) or widen one's portfolio. At GPIL, even as we possess the capacity to manufacture a range of products, we possess the flexibility to move from one product to another (producing less of one but more of the other), based on the prevailing market dynamics. This flexibility has made it possible for us to exercise a relatively product-agnostic strategy with the singular objective to enhance our margins.

No aggressive capex: In the business of steel manufacture, it is imperative to keep investing in the business with the objective to enhance scale and moderate costs. At GPIL, we took a contrarian position: we selected to freeze sizable capital expenditure and focus on debt repayment instead. The company meanwhile focused on capacity debottlenecking marked by with a quicker payback.

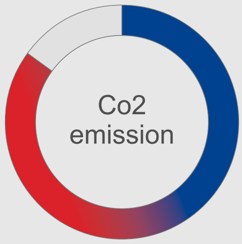
Environment responsibility: In the business of steel manufacture, there is a growing priority to be perceived as being more environmentally responsible than the statutory requirement. At GPIL, we believe that investments in environment responsibility are usually more than re-couped through higher employee morale, community respect, lender confidence, shareholder assurance and a superior credit-rating.

Simplification: In the business of steel manufacture, there is a possibility of growing the business through progressive investments in a number of subsidiaries (some of which could become redundant). At GPIL, we simplified our organisational structure with the objective to close a number of subsidiaries or merge them into GPIL. We believe that this restructuring will enhance simplicity and transparency.

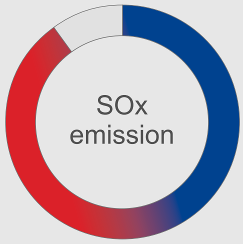
Pandemic protection initiatives, 2020-21

- Introduced customised workplace safety & sanitation standards;
- Thermal screening of all employees and visitors at the entry gates of office and factories;
- Hand sanitisation facility at all entry gates, sections, offices, canteens and administrative building;
- Additional buses deployed to reduce passengers per bus to keep safe distance;
- Protocol to submit medical examination certificate after two days of leave before resumption;
- Disinfection machines for all paper documents provided across all offices;
- Free vaccination provision for all employees;
- Implementation of work from home strategy wherever possible;
- Free supply of medicine, injections, oxygen & other essential to state authorities

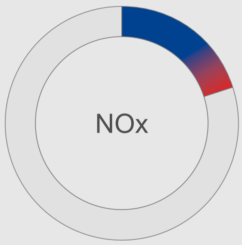
GPIL's pelletisation advantages



85% reduction in Co2 emission



90% reduction in SOx emission



20% reduction in NOx

30% energy savings

Company Information

CIN: L27106CT1999PLC013756

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. Prakhar Agrawal	Executive Director (w.e.f. 11.8.2020)
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.

SECURITY /DEBENTURE TRUSTEE

Axis Trustee Services Limited
IDBI Trusteeship Services Limited

REGISTERED OFFICE & WORKS

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

CORPORATE OFFICE

First Floor, Hira Arcade, Near New Bus Stand, Pandri,
Raipur – 492 004, Chhattisgarh, India
Tel.: +91 – 771 – 4082004; Fax: 4057601
Email: yarra.rao@hiragroup.com

Director's Report

To
The Members,

Your Directors have pleasure in presenting the 22nd Annual Report on the business & operations of the Company together with the Standalone and Consolidated Audited Financial Statement for the year ended 31st March 2021.

1. FINANCIAL HIGHLIGHTS:

(₹ in crores)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Gross Revenue from operations	**3640.87**	**2774.01**	**4071.92**	**3,288.53**
Other Income	5.20	2.88	4.04	4.65
Total Revenue	**3646.07**	**2776.89**	**4075.96**	**3,293.18**
Operating expenses	**2596.86**	**2333.99**	**2843.03**	**2664.28**
Profit before Interest, Depreciation, Tax and Amortization (EBIDTA)	**1049.21**	**442.90**	**1232.93**	**628.90**
Finance Costs	109.99	153.66	153.94	211.93
Depreciation and amortization expenses	96.49	91.60	138.45	136.90
Profit/(loss) before exceptional item and tax	**842.73**	**197.64**	**940.54**	**280.07**
Exceptional item	63.00	-	-	10.28
Profit/(Loss) Before Taxation	**905.73**	**197.65**	**940.54**	**269.79**
Taxation (including Deferred Tax)	279.97	76.24	316.05	95.36
Profit/(Loss) after Taxation (PAT)	**625.76**	**121.40**	**624.49**	**174.43**
Add: Share of Profit/(Loss) of Associates & Joint Ventures (after tax)	-	-	30.03	2.81
Other Comprehensive Income	0.62	(1.68)	34.69	(11.13)
Total Comprehensive Income for the period comprising profit/(loss) and other comprehensive income for the period	**626.38**	**119.72**	**689.21**	**166.11**

2. REVIEW OF PERFORMANCE:

The Steel industry suffered a setback due to the prevailing COVID19 pandemic and the consequent lockdowns. The industry's key customer sectors like automobiles, construction and oil & gas drillers struggled hard to survive due to prolonged shutdowns, disrupted supply chains, collapsing confidence and delayed investment. Despite all these adverse circumstances, your company had out performed during the current financial year in all its operations achieving optimum utilization of its capacities.

Your Company's performance during the year has been very much satisfactory, in view of higher demand for iron ore & iron ore pellets in international and domestic market. During the year the realizations of all the products have also increased especially in iron ore pellets as compared to previous year which in turn contributed towards increased operating margins/EBIDTA margins of the Company. As communicated in our last reports, the Company's efforts for making grade pellet has been successful and started selling in the domestic and international markets. Your company is aiming to make 100% of high-grade pellet going forward. Given the above backdrop, the highlight of standalone & consolidated results are given below:

Standalone Operations:

- Revenue from operations for the year increased by 31.24% to ₹3640.87 Crores as compared to ₹2774.01 Crores achieved during previous Financial Year.
- EBITDA for the year increased by 136.89% to ₹1049.21 Crores as compared to EBITDA of ₹442.90 Crores achieved in previous Financial Year.
- Profit after tax increased by 415.46% to ₹625.76 Crores as compared to net profit of ₹121.40 Crores in previous Financial Year.
- Net debt of the Company at the end of year stood at ₹457 Crores as against ₹1055 Crores in previous year, reduction by ₹598 crores.

Consolidated Operations:

- Revenue from operations for the year increased by 23.82% to ₹4071.92 Crores as compared to ₹3288.53 Crore during the previous Financial Year;
- EBITDA for the year increased by 96.04% to ₹1232.93 Crores as compared to EBITDA of ₹628.90 Crores achieved during previous Financial Year.
- Profit after tax during the year increased by 258.01% to ₹624.49 Crores as compared to net profit after tax of ₹ 174.43 Crores during previous Financial Year.
- The net debt on consolidated basis stood at ₹817 Crores at the end of the year as compared to ₹1540 crores at the end of previous year, a reduction of ₹723 crores.

3. DIVIDEND:

Your Company has paid an interim dividend of ₹5 per equity share during the financial year 2020-21. The outflow on account of interim dividend was ₹17.62 crores. Further your Directors are pleased to recommended final dividend of ₹13.50 per equity share for the Financial Year 2020-21 in addition to the interim dividend. The final dividend, if approved, by the shareholders of the company in the ensuing Annual General Meeting, the same will be paid as per the applicable provisions. The final dividend will result in cash outflow of ₹47.57 crores.

4. FINANCE:

The management of your Company has decided to considerably reduce the debt and utilize the majority of net cash flow from operations for debt repayment and bring the debt of the Company to considerably low level and even to make it debt free. Your Company has made significant progress towards debt reduction and accordingly the Company and its subsidiaries have substantially reduced their debt. Ardent Steel Limited, an associate of your company has become totally debt free. Besides repayment of scheduled installments of term loans along with interest thereon, Your Company along with its subsidiary has made prepayment of debt of ₹806.59 crores during the year (Previous year ₹187.66 crores) on consolidated level.

5. SHARE CAPITAL:

There is no change in the capital structure of the company during the year under review.

As on 31st March, 2021, the paid up Equity Share Capital of the company was ₹35.24 Crores divided into 3,52,36,247 Equity Shares of ₹10 each/-.

During the year under review, the Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity. As on 31st March, 2021, the company has not issued any convertible instruments and none of the Directors of the Company hold convertible instruments of the Company.

The equity shares of the company representing 99.99% of the share capital are dematerialized as on 31st March, 2021. The dematerialization facility is available to the shareholders of the company from both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Depositories has allotted the ISIN: INE177H01013 to the Company for dematerialization of shares of the company.

6. EXPANSION/NEW PROJECTS:

Your Company over the last few years has adopted strategy to increase the volume of business by debottlenecking the existing manufacturing capacities and improving the product quality to produce high grade iron & steel products, without resorting to large capital expenditure in line with Company's strategy to reduce the long term debt of the Company.

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

The proposal for demerger of 25 MW Power generation facility of JPAL (JPAL Power Plant) and merger of the same with your Company (GPIL), was approved by the Board of Directors of both GPIL and JPAL, in their respective meetings held on 24.12.2019 and subsequently by the stock exchanges in the month of April, 2020. Subsequently the application has been filed with NCLT, Cuttack bench for convening the meetings of the shareholders and creditors of the company and further formalities in connection with the merger process shall be completed in due course.

In view of your Company's requirement of additional electric power at competitive cost for its integrated steel plant in Chhattisgarh and in view of strategic location the JPAL power plant, the management of your Company decided to acquire the JPAL power plant under a share swap deal. Upon the completion of the process, the captive power generation capacity of your Company shall stand increased to 98MW. Your Company is already holding 33.96% stake in the JPAL and the supply of electricity from JPAL power plant started during the previous year under a Power Purchase Agreement with JPAL under captive arrangement, which has resulted into de-bottlenecking of power capacity for captive consumption in the steel plant of your Company.

8. ANNUAL RETURN:

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at http://godawaripowerispat.com/performance/shareholders/annual-return/

9. NUMBER OF MEETINGS OF BOARD:

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

10. DIRECTORS' RESPONSIBILITY STATEMENT:

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

a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) That your Directors have selected such accounting policies and applied them consistently, and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;

c) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d) That your Directors have prepared the annual accounts on a going concern basis;

e) That your Directors have laid down proper internal financial controls to be followed by the Company and that such financial controls are adequate and were operating effectively; and

f) That your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTOR:

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

12. SEPERATE MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors held their separate meeting on 20th April, 2021 inter alia, to discuss:

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

13. NOMINATION AND REMUNERATION COMMIITEE AND ITS POLICY:

Company's Policy on Directors Appointment and Remuneration including criteria for determining qualification, positive attributes, independence of directors and other matters provided under section 178(3) of the Companies Act, 2013 is also placed at the website of the Company at www.godawaripowerispat.com.

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

14. AUDITORS:

Statutory Auditors

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

Cost Auditors

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

Internal Auditors

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

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Tanveer Kaur Tuteja, Practising Company Secretary, (FCS 7704, CP 8512) to undertake the Secretarial Audit of the Company.

15. 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 2020-21 and hence does not require any explanations or comments by the Board.

- **Frauds reported by the Auditors:**

  No frauds have been reported by the Auditor during the Financial Year 2020-21.

- **Secretarial Audit**

  The Secretarial Audit Report received from the Secretarial Auditor of the Company for the Financial Year 2020-21 is annexed herewith as **ANNEXURE 01.**

The Company's subsidiary company namely Godawari Green Energy Limited (GGEL) being the material subsidiary of the Company, in accordance with Regulation 24A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 has also obtained Secretarial Audit Reports which is annexed herewith as **ANNEXURE 02**.

There are no qualifications, reservations, adverse remarks or disclaimers in the Secretarial Auditor's Report on secretarial and other applicable legal compliances to be made by the Company and its Material Subsidiary Company for the Financial Year 2020-21 and hence does not require any explanations or comments by the Board.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

17. TRANSFER TO RESERVES:

Your Company has not transferred any amount to the General Reserves Account during the Financial Year 2020-21.

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

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

During the year under review, the Company has credited ₹3,69,723/- 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 relating to the Dividend paid by the Company for FY 2012-13.

During the year under review, the Company has also transferred 2186 Equity Shares to the Investor Education and Protection Fund (IEPF) relating to 45 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, as on 25th September 2020 (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).

The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the members consecutively since 2012-13.

The Nodal Officer for the purpose of IEPF is Company Secretary and the website address is www.godawaripowerispat.com.

19. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION:

There are no materials changes and commitments affecting the financial position of the Company occurred between the 01st April, 2021 and date of this report.

20. 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 03**.

21. 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.

22. AUDIT COMMITTEE COMPOSITION:

The Audit Committee consists of following four Independent Directors all having financial literacy.

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

More details are given in the Corporate Governance Report.

23. 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. Two more members namely Mr. Sanjay Bothra, Chief Financial Officer and Mr. Vivek Agrawal, Chief Operating Officer of the company have been inducted as the additional members on the said Risk Management Committee with effect from 05.11.2020. The Risk Management Committee now consists of Three Independent Directors, Two Executive Directors and Two Key Managerial Personnel of the company. The detailed composition of the members of the Risk Management Committee at present is given below:

S. No.	Name	Designation
1.	Mr. Biswajit Choudhuri	Chairman (Independent Non-Executive Director)
2.	Mr. B.L. Agrawal	Member (Managing Director)
3.	Mr. Abhishek Agrawal	Member (Executive Director)
4.	Mr. Bhrigu Nath Ojha	Member (Independent Non-Executive Director)
5.	Mr. Shashi Kumar	Member (Independent Non-Executive Director)
6.	Mr. Sanjay Bothra	Member (Chief Financial Officer)
7.	Mr. Vivek Agrawal	Member (Chief Operating Officer)

The committee met three times during the year 2020-21 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member and Date of Meeting	20.06.2020	27.10.2020	23.01.2021
Mr. Biswajit Choudhuri	Present	Present	Present
Mr. B.L. Agrawal	Present	Absent	Absent
Mr. Abhishek Agrawal	Absent	Absent	Absent
Mr. Bhrigu Nath Ojha	Present	Present	Present
Mr. Shashi Kumar	Present	Present	Present
Mr. Sanjay Bothra (w.e.f. 05.11.2020)	Not applicable	Not applicable	Present
Mr. Vivek Agrawal (w.e.f. 05.11.2020)	Not applicable	Not applicable	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.

24. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

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

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

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

The committee met twice during the year 2020-21 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member and Date of Meeting	20.06.2020	27.10.2020
Mr. Shashi Kumar	Present	Present
Mr. Abhishek Agrawal	Present	Absent
Mr. Vinod Pillai	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.

25. ANNUAL REPORT ON CSR ACTIVITIES:

The Annual Report on CSR activities initiated and undertaken by the Company during the year under review is annexed herewith as an **ANNEXURE-04**.

26. 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.

27. 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.

28. 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. The Company is also engaged in generation & sale of Solar Power under long term PPA through subsidiary Company. There is no change in the nature of business of the Company during the year under review.

29. CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONNELS:

There are no changes in the Directors and Key Managerial Personnel of the company after last report in the Company.

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

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

Your company has sold 40,66,200 equity shares held in Ardent Steel Limited and transferred 31,70,450 equity shares on 14.01.2021 to the purchaser and the balance 895750 equity shares shall be transferred subsequent to release of pledge by the lenders on 28.04.2021. As a result of this the company's holding in equity share capital of Ardent Steel Limited has been reduced from 8065000 (76.34%) to 4894550 (46.33%) and will be further reduced to 3998800 (37.85%) consequent upon transfer of pledged shares. Thus, Ardent Steel Limited has ceased to be subsidiary of the company and became associate of the company. Consequently Hira Energy Limited, a subsidiary of Ardent Steel Limited also ceased to be step down subsidiary of the company.

Other than above, your Company has also not entered into any new Joint Venture nor terminated any existing Joint Venture during the year under review.

31. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARY, ASSOCIATES AND JOINT VENTURE COMPANIES:

Godawari Green Energy Limited (GGEL)

During FY21, the GGEL generated gross 104.26 million units as compared to 90.98 million units generation in FY20 registering a growth of 14.59%. The generation was better on account of better DNI during year. The net revenue, EBIDTA & Profit after Tax for the period of the Company stood at ₹114.27 crore, ₹92.54 crore & ₹14.22 crore respectively during the year as compared to ₹100.25 crore, ₹74.54 crore & ₹ (0.21) crore respectively during previous year. The outstanding debt of the Company at the end of the year stood at ₹360.24 crore which is a reduction of ₹49.75 crore from last year debt of ₹409.99 crore.

Ardent Steel Limited (ASL):

During FY 2020-21, ASL produced 705804 MTs of iron ore pellets as compared to 687360 MTs in FY 2019-20 & sold 689882 MTs of pellets in FY 2020-21 as compared to 742232 MTs in FY 2019-20. The Company achieved gross sales of ₹538.29 crores, EBIDTA of ₹176.97 Crores & PAT of ₹111.14 crores during year as compared to gross sales of ₹417.05 crores, EBIDTA of ₹101.29 Crores & PAT of ₹52.68 crores during the previous year. The outstanding debt of the Company at the end of the year on 31st March, 2021 stood at NIL as against ₹76.52 crore outstanding as on 31st March, 2020 which is a reduction of ₹76.52 crore from last year.

Hira Ferro Alloys Limited (HFAL):

During FY 2020-21, HFAL produced 35304.050 MTs of Ferro Alloys as compared to 34852.650 MTs in FY 2019-20 & sold 36513.02 MTs of Ferro Alloys in FY 2020-21 as compared to 34076.54 MTs in FY 2019-20. During FY 2020-21, HFAL also generated 158276400 units of power in its Thermal Power Plant as compared to 136089400 units in FY 2019-20, 81247560 units of power in its Bio-mass Power Plant as compared to 60973200 units in FY 2019-20 and 2924697 units of power in its Wind Power as compared to 3131229 units in FY 2019-20.The Company achieved gross sales of ₹314.46 crores, EBIDTA of ₹33.66 Crores & PAT of ₹21.14 crores during year as compared to gross sales of ₹301.77 crores, EBIDTA of ₹15.73 Crores & PAT of ₹3.83 crores during the previous year.

Jagadamba Power and Alloys Limited (JPAL)

During FY21, the JPAL generated 162.75 million units as compared to 117.14 million units generation in FY20 registering a growth of 38.93%. The net revenue, EBIDTA & Loss for the period of the Company stood at ₹63.82 crore, ₹9.84 crore & ₹5.08 crore respectively during the year as compared to ₹53.10 crore, ₹10.51 crore & ₹ 2.44 crore respectively during previous year.

The performance and financial position of the Company's subsidiaries namely Godawari Green Energy Limited and Godawari Energy Limited, Associate Companies namely Ardent Steel Limited; Jagdamba Power & Alloys Limited; Hira Ferro Alloys Limited for the Financial Year 2020-21 are also given in **ANNEXURE 05**.

The results of Associate Company viz., Chhattisgarh Ispat Bhumi Limited and Joint Venture Companies namely Raipur Infrastructure Company Limited and Chhattisgarh Captive Coal Mining Private Limited were not audited at the time of finalization of the Financial Statements of the company are not given since they have insignificant impact on the overall consolidated position of the Company.

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

32. 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.

33. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

There were no contracts, arrangements or transactions entered into during fiscal 2021. Hence the information as required under the Companies Act, 2013 in the prescribed Form AOC-2 is not applicable.

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

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

35. INTERNAL FINANCIAL CONTROLS:

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

36. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

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

37. MAINTENANCE OF COST RECORDS:

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

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary, Training) are covered under this Policy. However, no complaints have been received during the year 2020-21.

39. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Board of Directors have established 'Whistle Blower Policy' and 'Code of Conduct' for the directors & employees of the Company as required under the provisions of Sec. 177 of the Companies Act, 2013 read with Rule 7 of the

Companies (Meeting of Board and its powers) Rules, 2014 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

40. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 (12) read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is given in **ANNEXURE 06**. 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 2020-21 except Mr. B.L Agrawal (Managing Director), Mr. Abhishek Agrawal (Executive Director) and Mr. Dinesh Agrawal (Executive Director) whose details are given below:

Particulars	Details		
Name	Mr. Bajrang Lal Agrawal	Mr. Abhishek Agrawal	Mr. Dinesh Agrawal
Designation	Managing Director	Whole Time Director	Whole Time Director
Remuneration Paid	₹2.40 Crore per annum	₹1.92 Crore per annum	₹1.92 Crore per annum
Nature of employment, Whether contractual or otherwise	Permanent	Permanent	Permanent
Qualifications and Experience of the employee	B.E (Electronic) and has a experience of more than 40 years in cement, steel, power and mining sectors.	B.E. (Electronics) & M. Sc International Business from University of Leeds and has experience of more than 8 years.	Electronic Engineer and experience in business for over 15 years.
Date of commencement of employment	17.08.2002	09.11.2011	21.09.1999
The age of such employee	67	37	50
The last employment held by such employee before joining the Company	N.A.	N.A.	N.A.
The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) above	Individually Holding:4.91% Spouse Holding: 4.33% Total holding along with spouse: 9.24%	Individually Holding:0.24%	Individually Holding:5.24%
Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager	Shri Abhishek Agrawal and Shri Siddharth Agrawal	Shri Bajrang Lal Agrawal and Shri Siddharth Agrawal	None

41. CORPORATE GOVERNANCE REPORT:

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance and a certificate of non-disqualification of directors from Practicing Company Secretary forming an integral part of this Report is given as **ANNEXURE 07**.

42. BUSINESS RESPONSIBILITY REPORT:

The 'Business Responsibility Report' (BRR) of your Company for the year 2020-21 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as **ANNEXURE 08**. Your Company strongly believes that sustainable and inclusive growth is possible by using the levers of environmental and social responsibility while setting targets and improving economic performance to ensure business continuity and rapid growth.

43. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate management discussion and analysis report which forms an integral part of this Report is given as **ANNEXURE 09**.

44. DETAILS OF APPLICATIONS MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016:

There are no applications made during the financial year 2020-21 by or against the company and there are no proceedings pending under the Insolvency and Bankruptcy Code 2016.

45. DETAILS OF DIFFERENCES BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

Your company has not made any one time settlement with any of its lenders.

46. BOARD POLICIES:

The details of the policies approved and adopted by the Board as required under the Companies Act, 2013 and SEBI Regulations are provided in **ANNEXURE 10**.

47. 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: 25.05.2021	**B.L. Agrawal** Managing Director	**Abhishek Agrawal** Executive Director

ANNEXURE-01 TO DIRECTORS' REPORT 2020-21

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[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

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s Godawari Power & Ispat Limited's books, paper, minute books, forms, and return filed and other records maintained by the company ,to the extent information provided by the company, its officers, agents and authorized representative during the conduct of secretarial audit and as per the explanations given to me and the representation made by the management, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March , 2021 generally complied with the statutory provisions listed hereunder and also that company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter

I 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, 2021 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;
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 of Capital and Disclosure Requirements) Regulations, 2018;

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

   a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
   b. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
   c. The Securities and Exchange Board of India (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999;
   d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
6. The following Act, are specifically applicable to the Company
   1. Mines Act, 1952
   2. Mines & Minerals (Development & Regulation) Act 1957;
   3. Iron Ore Mines, Manganese Ore Mines & Chrome Ore Mines Labour Welfare Cess Act 1976;
   4. Electricity Act, 2003 &The Electricity Rules, 2005;
   5. Indian Electricity Rules, 1956;
   6. Energy Conservation Act, 2011;
   7. Central Electricity Authority (Safety requirements for construction, operation and maintenance of electrical plants and electric lines) Regulations, 2011;
   8. Indian Electricity Grid Code;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited and

During the period under review and as per the explanations and clarifications given to me and the representation made by management, the company has generally complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. I further report that compliance of applicable financial laws including Direct & Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by Statutory Auditors and other designated Professionals.

I further report that the Board of Directors, the Audit Committee and Remuneration Committee of the company were duly constituted with the proper balance of Executive, 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.

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

I 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 except the proposal for demerger of 25 MW Power generation facility of Jagdamba Power & Alloys Limited (JPAL Power Plant and merger of the same with Godawari Power & Ispat Limited was approved by the Board of Directors of both GPIL and JPAL, in their respective meetings held on 24.12.2019 and subsequently by the stock exchanges in the month of April, 2020. However, due to outbreak of the COVID 19 and its aftermath affect, the order of the NCLT for convening the meetings of the shareholders and creditors of the Company is awaited.

Tanveer Kaur Tuteja
Practicing Company Secretary
M. No.:7704
C. P. No.:8512
PR: 1027/2020
UDIN: F007704C000341697

Place: Raipur
Date: 18.05.2021

This report is to be read with my 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

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

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

Tanveer Kaur Tuteja
Practicing Company Secretary
M. No.:7704
C. P. No.:8512
PR: 1027/2020
UDIN: F007704C000341697

Place: Raipur
Date: 18.05.2021

SECRETARIAL COMPLIANCE REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

To,
The Members,
Godawari Power & Ispat Limited

I have examined:

(a) All the documents and records made available to us and explanation provided by **Godawari Power & Ispat Limited, (CIN:L27106CT1999PLC013756)**

(b) The filings/ submissions made by the listed entity to the stock exchanges,

(c) Website of the listed entity,

(d) any other document & filing, as may be relevant, which has been relied upon to make this certification.

For the year ended 2020-2021("Review Period") in respect of compliance with the provisions of :

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations,circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the and Securities Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) Securities and Exchange Board of India(Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations,2013;

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

And based on the above examination, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that, during the Review Period :

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under,

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.

(c) There are no actions taken against the listed entity, its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

(d) The listed entity has taken the following actions to comply with the observations made in previous reports: NOT APPLICABLE

Tanveer Kaur Tuteja
Practicing Company Secretary
M. No.:7704
C. P. No.:8512
PR: 1027/2020
UDIN: F007704C000341697

Place: Raipur
Date: 18.05.2021

ANNEXURE-02 TO DIRECTORS' REPORT 2020-21

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

(Pursuant to Section 204 (1) of the companies act, 2013 and rule No.9 of the companies (Appointment and Remuneration of Managerial Personal) rules, 2014)

To,
The Members,
Godawari Green Energy Limited

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

Based on my verification of the Godawari Green Energy Limited's books, paper, minute books, forms, and return filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representative during the conduct of secretarial audit and as per the explanations given to me and the representation made by the management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March , 2021 generally complied with the statutory provisions listed hereunder and also that company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Godawari Green Energy Limited for the financial year ended on 31st March, 2021 according to the applicable provision of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
3. The following Act, are specially applicable to the Company
   a) Electricity Act, 2003 & The Electricity Rules, 2005;
   b) Indian Electricity Rules, 1956;
   c) Energy Conservation Act, 2011;
   d) Central Electricity Authority (Safety requirements for construction, operation and maintenance of electrical plants and electric lines) Regulations, 2011;
   e) Indian Electricity Grid Code;
4. Other laws applicable to the company as per the representations made by the Management.
5. The following Enactments, Agreements and Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable:-
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018,
   d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993,
   e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
   f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
   h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
   i. The Securities and Exchange Board of India (Employees Stock Option Scheme & Employees Stock Purchase Scheme) Guidelines, 1999
   j. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   k. The Listing Agreements;
   l. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

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

During the period under review and as per the explanations and clarifications given to me and the representation made by management, the company has generally complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. I further report that compliance of applicable financial laws including Direct & Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by Statutory Auditors and other designated Professionals.

I further report that the Board of Directors, the Audit Committee and Remuneration Committee of the company were duly constituted with the proper balance of Executive, 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 was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

Tanveer Kaur Tuteja
Practicing Company Secretary
M. No.:7704
C. P. No.:8512
PR: 1027/2020
UDIN: F007704C000236647

Place: Raipur
Date: 04.05.2021

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

ANNEXURE-A

To,
The Members
Godawari Green Energy Limited

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

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

Tanveer Kaur Tuteja
Practicing Company Secretary
M. No.:7704
C. P. No.:8512
PR: 1027/2020
UDIN: F007704C000236647

Place: Raipur
Date: 04.05.2021

ANNEXURE-03 TO DIRECTORS' REPORT 2020-21

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

(A) CONSERVATION OF ENERGY-

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

Steps Taken:

1) Variable Frequency Drive (VFD) provided for ABC HP Pump Kiln- 2 Sponge Iron Division (SID) Phase-1.
2) Variable Frequency Drive provided for ABC Fan Kiln- 2 Sponge Iron Division Phase-1.
3) Replacement of High Pressure Sodium Vapour lights with LED lights in Sponge Iron Division.
4) Replacement of Water Cooled AC to Air Cooled AC in Sponge Iron Division Phase-2Control Room.
5) Started Consuming low Gangue DRI Pellet instead of high Gangue DRI Pellet.
6) Installation of Sonic soot blower in Waste Heat Recovery Boiler-1 & 4.
7) Replacement of conventional lighting with LED lights.
8) Change in Motor Pump Rating from 75KW Motor to 45 KW Motor.
9) Change in Starter Method from Star Delta Motor Starter to Variable Frequency Drive.

The impact of above measures:-

1) By providing VFD for ABC HP Pump Kiln-2 SID Ph-1 there was a saving of 188100 units of Power annually.
2) By providing VFD for ABC Fan Kiln-2 SID Ph-1 there was saving of 189420 units of Power annually.
3) By replacing of HPSV lights with LED lights in SID there was saving of 103114 units per year.
4) By replacement of Water Cooled AC to Air Cooled AC in SID-2 Control Room there was saving of 153578 units per year.
5) Consuming Low Gangue DRI Pellet instead of High Gangue DRI Pellet reduced the heat timings due to which Power Consumption Reduced.
6) Installation of Sonic soot blower reduced Electricity and Coal consumption.
7) Replacement of conventional lighting with LED lights saved electricity 16000KWH per year.

(ii)	**The steps taken by the company for utilizing alternate sources of energy**	**None**
(iii)	**Capital investment on energy conservation equipments**	**₹ In Lacs**
1.	VFD provided for ABC HP Pump Kiln- 2 SID Ph-1.	8.00
2.	VFD provided for ABC Fan Kiln- 2 SID Ph-1.	2.50
3.	Replacement of HPSV lights with LED lights in SID Ph-1 & 2.	4.40
4.	Replacement of Water Cooled AC to Air Cooled AC in SID-2 Control Room.	11.00
5.	Installation of Sonic soot blower.	12.00
6.	Replacement of CT make up pumps.	0.20
7.	VFD Purchased 2 nos. 55KW Schneider make	2.35
	TOTAL INVESTMENTS	**40.45**
SAVINGS:		
1.	Savings by providing VFD for ABC HP Pump Kiln-2 Ph-1 (@ ₹5/- Per unit)	9.40
2.	Savings by providing VFD for ABC Fan Kiln-1 SID Ph-1 (@ ₹5/- Per unit).	9.40
3.	Savings by Replacement of HPSV lights with LED lights in SID (@ ₹5/- Per unit).	5.10
4.	Savings by Replacement of Water Cooled AC to Air Cooled AC in SID-2 Control Room.	7.60
5.	Savings in electricity by Started Consuming Low Gangue DRI Pellet instead of High Gangue DRI Pellet as compared to previous FY 2019-2020 :-	451.00
6.	Savings on coal 40MT (@ ₹ 350/MT) and electricity saving 32200 KWH.	3.00
7.	Savings in electricity by replacement of conventional lightining to LED is 16000 KWH per year (@ ₹ 5 /- Per unit).	0.80
8.	Savings in KWH consumptions per day by 429 units	6.18
	TOTAL SAVINGS	**492.78**

(B) TECHNOLOGY ABSORPTION

(i) the efforts made towards technology absorption;	Changing Furnaces from high Frequency to low in Steel Melting Division.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	Productivity improved, Heat Cycle is reduce in Steel Melting Division; Resulting Reduction in Specific Power Consumption in Steel Melting Division;
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)-	None
(a) the details of technology imported;	N.A.
(b) the year of import;	N.A.
(c) whether the technology been fully absorbed;	N.A.
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.
(iv) the expenditure incurred on Research and Development.	None

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year	₹125264.62 Lacs
Foreign Exchange outgo during the year in terms of actual outflows.	₹25114.94 Lacs

ANNEXURE-04 TO THE DIRECTORS' REPORT 2020-21

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company- 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.
2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meeting of CSR Committee attended during the year
1.	Mr. Shashi Kumar	Chairman (Independent Director)	2	2
2.	Mr. Abhishek Agrawal	Member (Whole-time Director)	2	1
3.	Mr. Vinod pillai	Member (Whole-time Director)	2	2

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company -http://godawaripowerispat.com/investors-information/policies.
4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)- Not applicable.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any -

Sl. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
1	2019-20	NIL	NIL
2	2018-19	NIL	NIL
3	2017-18	NIL	NIL
	Total	**NIL**	**NIL**

6. Average net profit of the company as per section 135(5)- ₹23609.89 lacs
7. (a) Two percent of average net profit of the company as per section 135(5)- ₹472.20 lacs
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years- NIL
   (c) Amount required to be set off for the financial year if any- NIL
   (d) Total CSR obligation for the financial year 2020-21 (7a+7b-7c)- ₹472.20 Lacs
8. (a) CSR amount spent or unspent for the financial year 2020-21:

<table>
<tr><th rowspan="3">Total Amount Spent for the Financial Year (₹ In lacs)</th><th colspan="5">Amount Unspent (₹ in lacs)</th></tr>
<tr><th colspan="2">Total Amount transferred to Unspent CSR Account as per section 135(6).</th><th colspan="3">Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).</th></tr>
<tr><th>Amount</th><th>Date of Transfer</th><th>Name of the Fund</th><th>Amount.</th><th>Date of transfer</th></tr>
<tr><td>510.45</td><td>103.00</td><td>30.04.2021</td><td>NA</td><td>NIL</td><td>NA</td></tr>
</table>

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (₹ in Lacs)	Amount spent in the current financial Year (₹ in Lacs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lacs)	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration No.
1.	Construction of 2000 mtr. CC Road from Shalhe Chowk to Kachche village (Work Under Progress)	Infrastructural Development	Yes	Chhattisgarh	In the Nearby Village of Mines		237.00 (approx)	134.26	102.74 (approx)	Yes	NA	NA
	Total						**237.00**	**134.26**	**102.74**			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (₹ in Lacs)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation -Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	Providing safe Drinking Water supply by water tankers in nearby villages during summer, repairing of water pipeline and drain system and Drilling of New Bore Well at Village Dafaipara	Drinking Water	Yes	Chhattisgarh	Gram Panchayat Tanda, Siltara, Mandhar,charoda,Mohadi Dharsiwa, Dafaipara,& Peripheral villages of Boria & Kachhe mines	19.38	Yes	NA	NA
2.	Monthly Salary of 43 Community Teachers and 02 Night Gaurds engaged in the Govt. Schools.	Education	Yes	Chhattisgarh	Govt. schools of Kachhe & Parrekodo Gram Panchayat, Peripheral villages of Boria Mines, Gram Panchayat Siltara, Mandhar & Tada and in nearby Villages of Kachhe Aridongri Iron Ore Mines for the Session 2020	14.76	Yes	NA	NA
3.	Financial Aid provided to Aakanksha Lions School, "Friends of Tribal Society" for Ekal Vidyalaya, Kopalvani child wellfare organization and for Renovation of Govt. Primary School Parsada (Kumhari) for smooth operation of school	Education	Yes	Chhattisgarh	Raipur City and Kumhari	41.62	Yes	NA	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (₹ in Lacs)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation -Through Implementing Agency	
				State	District			Name	CSR Registration No.
5.	Tie-up with Computer center for providing free computer education for students (to promote digital india) of nearby villages of GPIL	Education	Yes	Chhattisgarh	Gram Panchayat Tanda, Siltara, Mandhar , Charoda, Akoli, Mohadi & Dharsiwa	1.05	No	Through data pro plus education & wellfare society	
6.	Expenses on Maintenance of Garden & Plantation.	Environment Conservation	Yes	Chhattisgarh	Raipur City, Gram Panchayat Tada Dharsiwa, Rawabhata & District Kanker	116.82	Yes	NA	NA
7.	Construction of CC Road, Waiting Room, Boundary Wall, School Gate & Rangmach.	Infrastructure Development	Yes	Chhattisgarh	Gram Panchayat of Tanda, Mandhar, Siltara, Neuirdih, Charoda, Dharsiwa, Akoli, Parrekodo & Kachhe.	54.10	Yes	NA	NA
8.	Operating Free First Aid Health Centre & Ambulance Service for villagers	Health Care	Yes	Chhattisgarh	Peripheral villages of Kachhe AariDongri Mines, Boria Mines	63.08	No	Through Red to Green Health services & Shaheed Hospital	
9.	Financial Aid to Zila Panchayat Raipur for Chief Minister Malnutrition Fund 'Mukhyamantri Suposhan Yojana'and to Smt Purnabai Mody Charitable Organization.	Health Care	Yes	Chhattisgarh	Raipur	10.60	Yes	NA	NA
10.	Battery Enabled Wheel Chair given to Ku.Sakshi Gajbhiye &Safety Shoes given to Nagar Nigam Office during Lockdown.	Health Care	Yes	Chhattisgarh	Raipur	1.08	Yes	NA	NA
11.	Installation of LED Street Lights & Street Light Pole Erection.	Infrastructure Development	Yes	Chhattisgarh	Village Tanda, In the Nearby Village of Kache Mines	9.52	Yes	NA	NA
12.	Purchase of Chairs/ Rack for SP Office, Police Dept & Distribution of 30 Nos. Visitors Chair (03-Seater) for Gram Panchayat Kachche	Community Development	Yes	Chhattisgarh	Gram Panchayat Kachche	2.20	Yes	NA	NA
13.	Construction of Community Kitchen Room & Community Store Room at Premises of Sheetala Temple, Parrekodo	Community Development	Yes	Chhattisgarh	Gram Panchayat Kachhe & Parrekodo	1.98	Yes	NA	NA
14.	Distribution of Food Packets, Refreshment & Groceries Items during lockdown to Migrant Labours and their families & Villagers of nearby villages of GPIL	Food Supply for COVID-19 Disaster relief	Yes	Chhattisgarh	Siltara, Mandhar, Tanda, Sankra, Mohadi, Birgaon, Dharsiwa, Charoda Sankra, Kurra, Raita, Dhaneli, & Raipur City	17.22	Yes	NA	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the project**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/No).**	**Location of the project.**		**Amount spent for the project (₹ in Lacs)**	**Mode of Implementation - Direct (Yes/No).**	**Mode of Implementation -Through Implementing Agency**	
				State	**District**			**Name**	**CSR Registration No.**
15.	Financial Aid to the Akshaya Patra Foundation for COVID-19 Relief Feeding Programme	Food Supply for COVID-19 Disaster relief	Yes	Chhattisgarh	Raipur	5.64	Yes	NA	NA
16.	Set-Up of 100 Bedded COVID-19 Isolation Center at Dharsiwa, Distribution of PPE's Kits, Oxygen Concentrator & Vaporizers for Frontline Workers & E-Rickshaw given to Nagar Nigam, Raipur for COVID-19 Awareness Program.	Medical Aid for COVID-19 Disaster relief	Yes	Chhattisgarh	Raipur	14.90	Yes	NA	NA
17.	Operational cost of Free Stitching & Tailoring Center at Kachhe & Parrekodo for tribal women	Women Empowerment	Yes	Chhattisgarh	Gram Panchayat Kachhe & Parrekodo	1.74	Yes	NA	NA
18.	Monthly Financial Aid for livelihood of 04 Girls of village Dhaneli	Livelihood	Yes	Chhattisgarh	Gram Panchayat Dhaneli	0.50	Yes	NA	NA
	TOTAL					**376.19**			

(d) Amount spent in Administrative Overheads- NIL

(e) Amount spent on Impact Assessment, if applicable- Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- ₹613.19 Lacs.

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹472.20 lacs
(ii)	Total amount spent for the Financial Year	₹613.19 lacs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹140.99 lacs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹140.99 lacs

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135 (6), if any.			Amount remaining to be spent in succeed-ing financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2017-18	NIL	NIL	NA	NIL	NA	NIL
2	2018-19	NIL	NIL	NA	NIL	NA	NIL
3	2019-20	NIL	NIL	NA	NIL	NA	NIL
	Total	**NIL**	**NIL**	**NA**	**NIL**	**NA**	**NIL**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID.	Name of the Project	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project Completed /Ongoing.
NOT APPLICABLE								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

(asset-wise details). **NOT APPLICABLE**

(a) Date of creation or acquisition of the capital asset(s)-

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – **Not Applicable**

(Chief Executive Officer or Managing Director or Director)	(Chairman CSR Committee)	**NOT APPLICABLE** (Person specified under clause (d) of sub section (1) of section 380 of the act) (Wherever Applicable)

ANNEXURE-05 TO DIRECTORS' REPORT 2020-21

FINANCIAL RESULTS OF SUBSIDIARIES AND ASSOCIATES FOR THE YEAR ENDED ON 31ST MARCH, 2021

₹ In lacs

Sr. No.	Particulars	Subsidiaries		Associate Companies		
		Godawari Green Energy Limited	Godawari Energy Limited	Ardent Steel Limited	Hira Ferro Alloys Limited	Jagdamba Power and Alloys Limited
		31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021
		Audited	Audited	Audited	Audited	Audited
1	(a) Revenue from Operations (Gross)	11427.74	0.00	53828.58	31446.45	6382.40
	(b) Other Income	64.93	0.00	56.84	250.93	384.11
	Total	**11492.67**	**0.00**	**53885.42**	**31697.38**	**6766.51**
2	Expenditure					
	a) (Increase)/decrease in inventories of finished goods, work in progress, stock in trade and traded goods	0.00	0.00	(1069.42)	708.82	0.00
	b) Cost of raw material and component consumed	0.00	0.00	24124.53	19920.20	4693.50
	c) Purchase of Traded goods	0.00	0.00	355.77	64.11	0.00
	d) Employees Benefit Expenses	849.48	0.00	1472.27	1267.73	353.68
	e) Finance Costs	3985.74	0.70	519.14	549.30	7.38
	f) Depreciation & Amortisation Expenses	2948.64	0.00	1666.79	626.93	221.03
	g) Other Expenditure	1389.00	1.45	11303.69	6370.85	771.00
	Total	**9172.86**	**2.15**	**38372.77**	**29507.94**	**6046.59**
3	**Profit/(Loss) from ordinary activities before exceptional items and Tax (1-2)**	**2319.81**	**(2.15)**	**15512.65**	**2189.44**	**719.92**
4	Exceptional items	0.00	0.00	0.00	0.00	0.00
5	**Profit/(Loss) from ordinary activities before tax (3-4))**	**2319.81**	**(2.15)**	**15512.65**	**2189.44**	**719.92**
6	**Tax Expenses**					
	Current Tax	0.00	0.00	3355.51	375.47	107.55
	Deferred Tax	898.57	0.00	1043.26	(299.89)	104.23
7	**Net Profit/(Loss) from ordinary Activities after tax (5-6)**	**1421.24**	**(2.15)**	**11113.88**	**2113.86**	**508.14**

₹ In lacs

Sr. No.	Particulars	Subsidiaries		Associate Companies		
		Godawari Green Energy Limited	Godawari Energy Limited	Ardent Steel Limited	Hira Ferro Alloys Limited	Jagdamba Power and Alloys Limited
		31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021
		Audited	Audited	Audited	Audited	Audited
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	1.14	0.00	7.77	17.64	1.41
	Income tax relating to items that will not be classified to profit or loss	(0.29)	0.00	(1.95)	(4.90)	(0.39)
	Items that will be reclassified to profit or loss					
	Profit/(loss) on fair value of financial assets, net of tax	0.00	0.00	2.07	7211.45	(2.32)
	Income tax relating to items that will be classified to profit or loss	0.00	0.00	2.44	(217.73)	0.48
9	**Total comprehensive Income for the year, net of tax**	**1422.09**	**(2.15)**	**11124.21**	**9120.32**	**507.32**
10	Paid up equity share capital (face value of shares of ₹10/- each)	2344.70	2300.00	1056.50	1958.85	766.97
11	Other Equity	23702.28	504.80	28850.04	20644.06	7116.87
12	**Earning Per Share**					
	(a) Basic	6.06	(0.01)	105.20	10.79	6.63
	(b) Diluted	5.70	(0.01)	105.20	10.79	6.63

ANNEXURE-06 TO DIRECTORS' REPORT 2020-21

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

1. The Ratio of the remuneration of each Director to the Median Remuneration of the employees of the company for the Financial Year 2020-21:

Name of Director	Designation	Remuneration (₹)	Median Remuneration (MR)	Ratio No. of times to MR
Mr. Biswajit Choudhuri	Independent Director	11,60,000	3,22,056	3.60
Mr. Shashi Kumar	Independent Director	9,40,000	3,22,056	2.92
Mr. B. N. Ojha	Independent Director	11,60,000	3,22,056	3.60
Mr. Harishankar Khandelwal	Independent Director	10,40,000	3,22,056	3.23
Ms. Bhavna G. Desai	Independent Director	11,00,000	3,22,056	3.42
Mr. B. L. Agrawal	Managing Director	2,40,00,000	3,22,056	74.52
Mr. Abhishek Agrawal	Executive Director	1,92,00,000	3,22,056	59.62
Mr. Dinesh Agrawal	Executive Director	1,92,00,000	3,22,056	59.62
Mr. Vinod Pillai	Executive Director	22,80,000	3,22,056	7.08
Mr. Dinesh Kumar Gandhi	Non Executive Director	25,00,000	3,22,056	9.17

2. The percentage increase in remuneration of each Director, CFO, CEO, Company Secretary for the Financial Year 2020-21 as compared to 2019-20:

Name of Director	Desgination	Remuneration 2019-20 ₹	Remuneration 2020-21 ₹	% increase/ (Decrease)
Mr. Biswajit Choudhuri	Independent Director	1145000	11,60,000	1.31
Mr. Shashi Kumar	Independent Director	890000	9,40,000	5.62
Mr. B. N. Ojha	Independent Director	1045000	11,60,000	11.00
Mr. Harishankar Khandelwal	Independent Director	1040000	10,40,000	0.00
Ms. Bhavna G. Desai	Independent Director	1100000	11,00,000	0.00
Mr. B. L. Agrawal	Managing Director	24000000	24000000	0.00
Mr. Abhishek Agrawal	Executive Director	19600000	19200000	-2.04
Mr. Dinesh Agrawal	Executive Director	18000000	19200000	6.67
Mr. Vinod Pillai	Executive Director	2280000	2280000	0.00
Mr. Dinesh Kumar Gandhi	Non Executive Director	2500000	2500000	-
Mr. Sanjay Bothra	CFO	6251610	6661723	6.56
Mr. Y.C.Rao	CS	5771389	6305224	9.25

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

Name	Designation	Remuneration (per annum) (₹)
Mr. B. L. Agrawal	Managing Director	24000000
Mr. Abhishek Agrawal	Executive Director	19200000
Mr. Dinesh Agrawal	Executive Director	19200000
Mr. Vivek Agrawal	COO	9143332
Mr. Sanjay Bothra	CFO	6661723
Mr. Yarra Chandra Rao	CS	6305224
Mr. Vinay Shandilya	President (Power Division)	4937245
Mr. KVSKN Ravindra	President (Pellet Division)	2975148
Mr. Reetesh Kumar	President (Corporate Affairs)	2287224

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

4. The percentage increase in the median remuneration of employees in the Financial Year 2020-21 is 18.09%.

5. No. of permanent employees on rolls of the company as on 31.03.2021 is 2656.

6. Average percentile increase already made in the salaries of the employees other than the Managerial Personnel in the FY 2020-21 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: There is no increase in the remuneration of any of the Directors of the company. The difference is only on account of difference in sitting fee paid to the independent based on the numbers of meetings attended. General Increament in remuneration has been given in the range of 12 to 18% to all the employees based on their performance during the previous financial year.

7. **Affirmation:**

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

ANNEXURE-07 TO DIRECTORS' REPORT 2020-21

Corporate Governance Report

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

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

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

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

2. BOARD OF DIRECTORS:

a) Composition and category of Directors:

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

The names and categories of the Directors on the Board, attendance at the Board Meetings and Annual General Meeting of the Company and also the number of Directorships and Committee Memberships and Chairmanship held by them during 2020-21 in other Companies are as under:

Name of the Directors	Category of Directors	No. of Board Meetings attended/held	Last AGM attended	No. of other Director-ship held	No. of other Board committees Member #	No. of other Board committees Chairman#
Mr. Biswajit Choudhuri*	Chairman, Non-Executive, Independent	07/07	Yes	03	05	04
Mr. Bajrang Lal Agrawal	Managing Director - Executive (Promoter)	06/07	Yes	01	Nil	Nil
Mr. Dinesh Kumar Agrawal	Executive (Promoter)	05/07	No	05	Nil	Nil
Mr. Abhishek Agrawal	Executive (Belongs to Promoter Group)	05/07	Yes	02	Nil	Nil
Mr. Vinod Pillai	Executive	05/07	Yes	06	02	Nil
Mr. Siddharth Agrawal	Non Executive (Belongs to Promoter Group)	06/07	Yes	10	Nil	Nil
Mr. Dinesh Kumar Gandhi	Non-Executive	07/07	Yes	03	01	Nil

Name of the Directors	Category of Directors	No. of Board Meetings attended/held	Last AGM attended	No. of other Director-ship held	No. of other Board committees Member #	No. of other Board committees Chairman#
Mr. Shashi Kumar	Non-Executive, Independent	06/07	Yes	04	Nil	Nil
Mr. Bhrigu Nath Ojha	Non-Executive, Independent	07/07	Yes	05	04	Nil
Mr. Harishankar Khandelwal	Non-Executive, Independent	07/07	Yes	08	Nil	Nil
Ms. Bhavna G. Desai	Non-Executive, Independent	07/07	Yes	04	03	Nil
Mr. Prakhar Agrawal##	Executive Director (Belongs to Promoter Group)	03/04	No	Nil	Nil	Nil

* Mr. Biswajit Choudhuri, is Independent Non executive Director in Ludlow Jute & Specialities Limited, a Listed Entity.

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

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

Mr. Prakhar Agrawal has been appointed with effect from 11.08.2020.

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

During the period under review, Mr. Prakhar Agrawal (DIN: 07547965) has been appointed as additional director by the Board in its meeting held on 11.08.2020 and he has been appointed as Whole-time Director by the Shareholders in the Annual General Meeting held on 25.09.2020. Other than this there has been no change in composition of the Directors of the Company. However, the consent of the shareholders has been accorded at their Annual General Meeting held on 25.09.2020 for re-appointment of Shri Bajrang Lal Agrawal (DIN: 00479747) as a Managing Director of the Company for a period of five years with effect from 12.08.2020.The Company has maintained the optimum combination of Executive and Non Executive Directors, as prescribed under Clause 17 of SEBI (LODR) Regulations, 2015.

c) Number of Board Meetings held:

During the Financial Year 2020-21, the Board met 07 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	08.04.2020	11	07
2	27.06.2020	11	11
3	11.08.2020	11	11
4	05.11.2020	12	12
5	22.12.2020	12	11
6	30.01.2021	12	11
7	02.03.2021	12	08

d) Relationship between directors inter-se:

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

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

There are no outstanding Convertible Instruments of the Company.

The total number of Equity Shares held by the Non-Executive Directors of the Company as on 31st March, 2021 as follows:

S. No.	Name of the Director	No. of Equity Shares held	% on Paid Up Capital
1.	Mr. Biswajit Choudhuri	Nil	0.000
2.	Mr. Shashi Kumar	Nil	0.000
3.	Mr. Bhrigu Nath Ojha	Nil	0.000
4.	Mr. Harishankar Khandelwal	1,000	0.002
5.	Ms. Bhavna G. Desai	218,000	0.619
6.	Mr. Dinesh Kumar Gandhi	18,000	0.051
7.	Mr. Siddharth Agrawal	94,000	0.267
	Total	**3,31,000**	**0.939**

f) Familiarization Programme for Independent Directors:

The programme aims to provide insights into the Company to enable the Independent Directors to understand its business in depth, to acclimatize them with the processes, businesses and 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.

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

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

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

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

h) Confirmation of Independence of the Independent Director:

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

i) Reason for resignation of Independent Directors:

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

j) Particulars of Directors seeking re-appointment:

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

3. AUDIT COMMITTEE:

a) Terms of reference:

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

1. Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   (a) matters required to be included in the Director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   (b) changes, if any, in accounting policies and practices and reasons for the same;
   (c) major accounting entries involving estimates based on the exercise of judgment by management;
   (d) significant adjustments made in the financial statements arising out of audit findings;
   (e) compliance with listing and other legal requirements relating to financial statements;
   (f) disclosure of any related party transactions;
   (g) modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
21. To review the utilization of loans and/ or advances from investment by the holding Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
22. The audit committee shall mandatorily review the following information:
    1. management discussion and analysis of financial condition and results of operations;
    2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
    3. management letters / letters of internal control weaknesses issued by the statutory auditors;
    4. internal audit reports relating to internal control weaknesses;
    5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
    6. statement of deviations:
        a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015.
        b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.

b) Composition, name of members and chairperson:

The Company has constituted the Audit Committee of the Board (the“Audit Committee”) pursuant to resolution of the Board of Directors dated 22nd March, 2005 in compliance with Section 292A of the Companies Act, 1956 and subsequently the committee re-constituted from time to time in compliance with Section 177 of the Companies Act, 2013, as amended and the applicable provisions of SEBI (LODR) Regulations, 2015.

There is no change in the composition of committee during the year. The Audit Committee consists of four Independent Non-Executive Directors. The Committee’s composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 (1) of SEBI (LODR) Regulations, 2015. The Audit Committee comprises of following Directors:

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

c) Meetings and Attendance during the year:

The committee met Four times during the year 2020-21 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member and Date of Meeting	Mr. Biswajit Choudhuri	Mr. Bhrigu Nath Ojha	Mr. Harishankar Khandelwal	Miss Bhavna Govindbhai Desai
27.06.2020	Present	Present	Present	Present
11.08.2020	Present	Present	Present	Present
05.11.2020	Present	Present	Present	Present
30.01.2021	Present	Present	Present	Present

4. NOMINATION AND REMUNERATION COMMITTEE:

a) Terms of reference:

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

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

b) Composition, name of members and chairperson:

The Company has constituted a Nomination & Remuneration Committee of the Board ("Nomination and Remuneration Committee") pursuant to resolution of the Board dated 22nd March, 2005 and subsequently the committee re-constituted from time to time. The Nomination and Remuneration Committee consists of three Independent Non-executive Directors.

There is no change in the composition of committee during the year.

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 Non-Executive Director)
2.	Mr. Bhrigu Nath Ojha	Member (Independent Non-Executive Director)
3.	Mr. Biswajit Choudhuri	Member (Independent Non-Executive Director)

c) Meetings and Attendance during the Year:

The committee met once during the year 2020-21 and the attendance of the members at the meeting is as follows:

Name of the Chairman/ Member and Date of Meeting	Mr. Shashi Kumar	Mr. Bhrigu Nath Ojha	Mr.Biswajit Choudhuri
21.07.2020	Present	Present	Present

d) Performance evaluation criteria of Directors:

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

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors in their meeting held on 20th April, 2021.

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

5. REMUNERATION OF DIRECTORS:

a) Remuneration Policy:

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

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

b) Remuneration of Non-Executive Directors:

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

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

ii) The Non- Executive / Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof as may be decided by the Board from time to time provided that the amount of such fees shall not exceed One Lac rupees per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

iii) Commission may be paid to Non- Executive / Independent Directors within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

iv) The Independent Directors shall not be entitled to any stock option of the Company.

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

i) The Whole-time Directors/ KMP's and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

ii) If, in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

iii) If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

iv) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Directors.

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

d) Details of Remuneration of Directors for the Financial Year Ended 31st March, 2021:

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

The details of remuneration, sitting fees and commission paid to each of the Directors during the year ended 31st March, 2021 are given below:

(₹ in Lacs)

S. No.	Name of the Director	Consolidated Salary	Sitting Fees	Commission	No. of Equity Shares held
1.	Mr. Biswajit Choudhuri	Nil	5,60,000	6,00,000	Nil
2.	Mr. Shashi Kumar	Nil	3,40,000	6,00,000	Nil
3.	Mr. Bhrigu Nath Ojha	Nil	5,60,000	6,00,000	Nil
4.	Mr. Harishankar Khandelwal	Nil	4,40,000	6,00,000	1000
5.	Ms. Bhavna G. Desai	Nil	5,00,000	6,00,000	2,18,000
6.	Mr. Bajrang Lal Agrawal	2,40,00,000	Nil	Nil	17,31,398
7.	Mr. Dinesh Kumar Agrawal	1,92,00,000	Nil	Nil	18,46,347
8.	Mr. Abhishek Agrawal	1,92,00,000	Nil	Nil	85,000
9	Mr. Vinod Pillai	22,80,000	Nil	Nil	Nil
10.	Mr. Siddharth Agrawal	Nil	Nil	Nil	94,000
11.	Mr. Dinesh Kumar Gandhi	Nil	Nil	25,00,000	18,000
12.	Mr. Prakhar Agrawal (w.e.f. 11.08.2020)	76,77,419	Nil	Nil	5,32,500

i. All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc: The Executive Directors were paid consolidated salary and perquisites and the Independent Directors were paid sitting fees and commission only.

ii. Details of fixed component and performance linked incentives, along with the performance criteria: No performance incentives have been paid to directors.

iii. Service contracts, notice period, severance fees: Not Applicable.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

i. Composition of the Committee:

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

There is no change in the composition of committee during the year.

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

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

ii. Meetings and Attendance during the Year:

The committee met three times during the year 2020-21 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member and Date of Meeting	Mr. Bhrigu Nath Ojha	Ms. Bhavna G Desai	Mr. Biswajit Choudhuri
02.06.2020	Present	Present	Present
27.10.2020	Present	Present	Present
23.01.2021	Present	Present	Present

iii. Terms of reference

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

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

iv. Name and Designation of Compliance Officer:

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

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

Sl. No.	No. of Complaints as on 01.04.2020	No. Complaints received during the year	No. Complaints not resolved during the year	No. Complaints pending as on 31.03.2021
1	0	0	0	0

7. 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 Committee was reconstituted on 05.11.2021 and inducted Mr. Vivek Agrawal (COO) and Mr. Sanjay Bothra (CFO) as a Member of the Committee. The Committee presently consists of Three Independent Directors and Two Executive Directors and Two Officer of the Company.

The other details like composition, name of members and chairperson and meetings and attendance during the year are given in Directors report of the Company.

The Company has formulated a Risk Management Policy pursuant to the provisions of Companies Act, 2013 and it is conformity with the provision of Regulation 21 of SEBI (LODR) regulations 2015 as amended w.e.f. 05.05.2021. The risk management issues are discussed in detail in the report of Management Discussion and Analysis.

8. GENERAL BODY MEETINGS:

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

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

Year	Date	Time	Venue
2017-18	28.07.2018	04:30 PM	2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)
2018-19	10.08.2019	11:30 AM	2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)
2019-20	25.09.2020	11.30 AM	Deemed Venue: 428/2, Phase 1, Industrial Area, Siltara, Raipur 493 111

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

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

Date of Meeting	Special Resolution Passed
28.07.2018	1. Approval for increase in the aggregate limit of Investment by Foreign Institutional Investors/ Foreign Portfolio Investors and Non -Resident Indians in Equity Share Capital of the Company
10.08.2019	1. Re-appointment of Mr. Biswajit Choudhuri (DIN: 00149018) as an Independent Non-Executive Director
	2. Re-appointment of Mr. Bhrigu Nath Ojha (DIN: 02282594) as an Independent Non-Executive Director
	3. Re-appointment of Mr. Shashi Kumar (DIN: 00116600) as an Independent Non-Executive Director
	4. Re-appointment of Mr. Harishankar Khandelwal (DIN: 00330891) as an Independent Non-Executive Director
	5. Re-appointment of Ms. Bhavna Govindbhai Desai (DIN: 06893242) as an Independent Women Non-Executive Director
	6. Revision in remuneration of Mr. Bajrang Lal Agrawal (DIN: 00479747) Managing Director
	7. Revision in remuneration of Mr. Abhishek Agrawal (DIN: 02434507) Whole - Time Director
	8. Revision in remuneration of Mr. Dinesh Kumar Agrawal (DIN: 00479936) Whole-Time Director
	9. Revision in remuneration of Mr. Vinod Pillai (DIN: 00497620) Whole-Time Director
	10. Approval of the commission payable to Non-Executive Directors and Independent Directors of the Company
25.09.2020	1. Re-appointment of Mr. Bajrang Lal Agrawal, as Managing Director and fixation of his remuneration;
	2. Appointment of Mr. Prakhar Agrawal (DIN: 07547965), as Whole Time (Executive) Director and fixation of his remuneration.

c) Special Resolution passed last year through Postal Ballot:

During the Financial Year 2020-21, no special resolution has been passed through Postal Ballot.

d) Immediate Proposal for any special resolution through Postal Ballot:

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

9. MEANS OF COMMUNICATION:

a. Quarterly Results:

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

b. News Papers where results are normally published:

The results are thereafter published within forty eight hours in English and Hindi editions of Business Standard newspaper in all India editions.

c. Website, where displayed:

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. 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

d. Whether it also displays official news releases and presentations made to institutional investors or to the analysts:

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

10. GENERAL SHAREHOLDER INFORMATION:

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

Date	28.08.2021 (Saturday)
Time	11:30 A.M. (IST)
Deemed Venue	The Annual General Meeting (AGM) is being held through Video Conferencing/Other Audio Visual Means (VC/OAVM). The Deemed Venue of AGM shall be Registered office of the company at Plot No. 428/2, Phase 1, Industrial Area, Siltara, Raipur 493 111

b) Financial Year:

The Financial Year of the Company commences from 01st April 2021 and ends on 31st March, 2022

Tentative Calendar for Board Meeting (for Financial Result)- for the Financial Year 2021-2022:

Quarter ending on 30th June 2021	:	On or before 14th August, 2021
Half-year ending on 30th September 2021	:	On or before 14th November, 2021
Quarter ending on 31st December 2021	:	On or before 14th February, 2022
Year ending on 31st March 2022	:	On or before 30th May, 2022

c) Dividend Payment Date:

The Board of Directors of the Company has declared an Interim dividend of ₹5.00/- per shares (i.e. 50%) for the year FY 2020-21 and the Interim dividend was duly paid on 12th February, 2021.

The Board of Directors of the Company has recommended payment of Final Dividend of ₹13.50 (i.e.135%) for the year under review. The dividend payment date will be on or from 2nd September, 2021, subject to approval of shareholders at the AGM.

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

The Equity Shares of the Company are listed with:

i. National Stock Exchange of India Limited (NSE),
Exchange Plaza, Bandra Kurla Complex, Bandra (E),
Mumbai (M.H.) – 400051
Stock Code : GPIL

ii. BSE Limited (BSE),
1st Floor, Rotunda Building, Dalal Street,
Mumbai (M.H.) – 400 001
Stock Code : 532734

We hereby confirm that the Company has duly paid its Annual Listing Fees for the Financial Year 2021-2022 to both NSE and BSE.

e) Market Price Data:

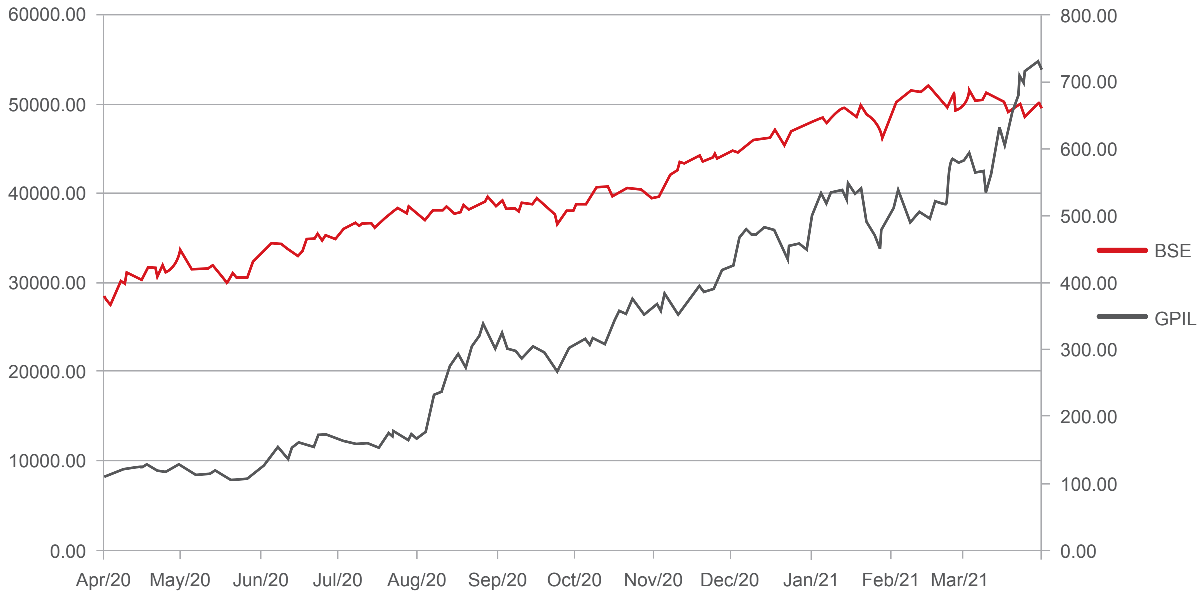
The monthly high and low price of shares traded on the NSE and BSE, during the last Financial Year 2020-21 are as follows:

Month	NSE		BSE	
	High Price	Low Price	High Price	Low Price
Apr-20	132.75	105.00	132.50	106.00
May-20	124.70	104.40	124.15	104.85
Jun-20	184.00	118.00	183.65	119.00
Jul-20	185.00	153.00	185.60	153.10
Aug-20	355.00	169.95	354.70	170.25
Sep-20	329.70	267.00	326.30	265.70
Oct-20	385.00	293.40	393.40	294.00

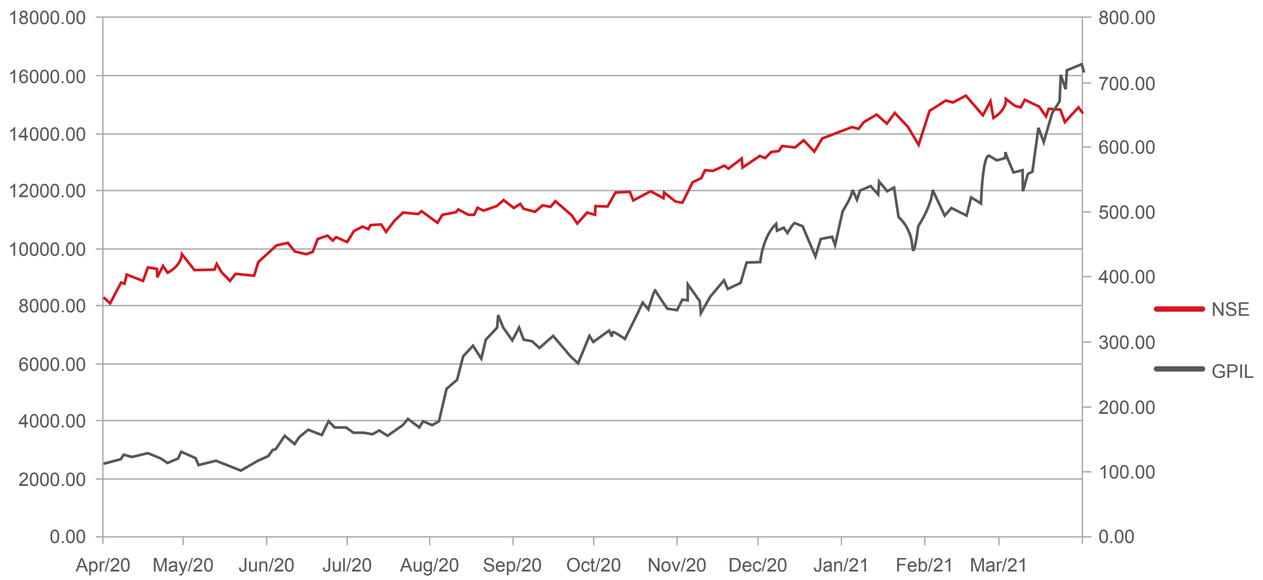
Month	NSE		BSE	
	High Price	Low Price	High Price	Low Price
Nov-20	421.00	345.10	420.00	336.00
Dec-20	495.00	420.70	494.00	419.55
Jan-21	560.00	435.00	559.00	430.60
Feb-21	618.00	454.00	617.90	453.30
Mar-21	755.00	525.10	755.00	525.55

f) Performance in comparison to Broad Based Indices:

A comparative study of performance of Equity Shares of the Company with BSE Senses and NIFTY, for the Financial Year 2020-2021 is as follows:



GIPL VS BSE SENSEX



GIPL VS NIFTY

g) Registrar and Share Transfer Agent:

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

The correspondence address and the contact details are as under:

C-101, 247 Park, L B S Marg, Vikhroli, West,
Mumbai (M.H.) -400083

Ph: 022-49186270 Fax: 022-49186060
Toll-free Number : 1800 1020 878

Email: rnt.helpdesk@linkinitime.co.in;
Website: www.linkintime.co.in

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

h) Share transfer and Dematerialization of Shares:

The Securities & Exchange Board of India (SEBI) has notified vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/P/73 dated 20th April, 2018 and No. SEBI/HO/MIRSD/DOS3/CIR/P/2018/115 dated 16th July, 2018 that except in case of transmission or transposition of securities, requests for effecting the transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Essentially, the shares in physical mode cannot be transferred after 5th December 2018. SEBI has extended the said dead line upto 31st March 2019 vide its Press Release No.49/2018 dated 3rd December 2018. However, the shareholders shall hold shares in physical form but shall not be allowed to transfer the shares. In view of this regulatory amendment it is advisable to the shareholders, to dematerialize their securities as early as possible with ISIN INE177H01013 of the Company.

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

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

i) Distribution of Shareholding:

The Distribution of shareholding of Equity Shares of the Company as on 31st March, 2021 is as under:

No. of Shares	Shareholders		Shares Held	
	Number	% to Total	Number	% to Total
Up to 500	18897	90.30	1736687	4.93
501 – 1000	837	3.30	664326	1.89
1001- 2000	520	2.49	785445	2.23
2001 – 3000	185	0.88	480418	1.36
3001 – 4000	85	0.41	303992	0.86
4001 – 5000	74	0.35	343558	0.97
5001 – 10000	157	0.75	1158685	3.29
10001 and above	72	0.82	29763197	84.46
Total	**20927**	**100.00**	**35236247**	**100.00**

Shareholding Pattern as on 31st March 2021:

S. No.	Category of Shareholder	Total Number of Shares	Total shareholding as a % of total number of shares
(A)	**PROMOTER AND PROMOTER GROUP**		
i.	Individual / HUF	18975684	53.8528
ii.	Bodies Corporate	3685169	10.4584
iii.	Any Other (Trust)	1125000	3.1927
	SUB TOTAL (A)	**2378585341**	**67.5039**
(B)	**PUBLIC**		
a)	**Institutions**		
i.	Foreign Portfolio Investor	216881	0.6155
ii.	Mutual Fund	163290	0. 4634
iii.	Insurance Companies	29290	0.0831
b)	**Non- Institutions**		
i.	Individual		
	i.) Individual shareholders holding nominal share capital up to ₹2 Lakh.	5091975	14.4504
	ii.) Individual shareholders holding nominal share capital in excess of ₹2 Lakh	3286327	9.3266
ii.	NBFC Registered with RBI	450	0.0013
iii.	IEPF	12002	0.0341
iv.	Trusts	476	0.0014
v.	Hindu Undivided Family	539584	1.5313
vi.	Non Resident Indians (Non Repat)	91329	0.2592
vii.	Non Resident Indians (Repat)	114988	0.3263
viii.	Other Director	237000	0.6726
ix.	Clearing Members	165925	0.4709
x.	Bodies Corporate	1501057	4.2600
	SUB TOTAL (B)	**11450394**	**32.4961**
	TOTAL (A+B)	**35236247**	**100.0000**

j) Address for Investors Communications :-

Mr. Y.C. Rao
Company Secretary & Compliance Officer,
Godawari Power & Ispat Limited
Corporate Office: First Floor, Hira Arcade,
Near New Bus Stand, Pandri, Raipur, Chhattisgarh 492 001.
Tel: +91-771-4082735, Fax Number: +91-771-405760
E-mail: yarra.rao@hiragroup.com

k) Plant Locations :

The Plant of the Company is situated at:

I. Plot No. 428/2, Phase-I, Industrial Area, Siltara - 493111, Dist. Raipur, Chhattisgarh
Tel: +91-771-4082333; Fax: +91-771-4082234
Website: www.godawaripowerispat.com

II. R.R. Ispat (A Unit of Godawari Power and Ispat Limited) - at Plot No. 490/1, 491/2, Urla Industrial Complex, Raipur, Chhattisgarh – 492003

III. Iron Ore Mines – (i) Village Boria Tibbu, Tehsil Mohala, Dist., Rajnandgaon, Chhattisgarh.
(ii) Ari Dongri, at Village Kachche, Dist: Uttar Baster, Kanker, Chhattisgarh

l) Details of Credit Ratings and revision thereof:

There is no outstanding Non Convertible Debentures as on 31st March, 2021.

OTHER DISCLOSURES:

a) Related Party Transactions

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

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

The Board has revised the policy on related party transactions, at its Board Meeting held on 30th April, 2019, pursuant to SEBI (LODR) Amendment Regulations, 2018. The revised policy shall be effective from 01st April, 2019 and is placed on the Company's website, the web link of which is http://godawaripowerispat.com/investors-information/policies/.

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

The Company has complied with the requirements of regulatory authorities on capital markets. 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.

c) Vigil Mechanism / Whistle Blower Policy:

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

Mr. Yarra Chandra Rao,
Company Secretary & Compliance Officer,
C/o Godawari Power & Ispat Limited,
First Floor, Hira Arcade, Near New Bus Stand,
Pandri, Raipur, Chhattisgarh- 492 001
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. It is further affirmed that no personnel has been denied access to the Audit Committee of the Company.

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

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

e) Material Subsidiaries:

Pursuant to the provisions contained in SEBI (LODR) Regulations, 2015, the Company has identified Godawari Green Energy Limited (GGEL) as material subsidiary, since the net worth of GGEL exceeds ten per cent of its consolidated net worth / income as per the Audited Balance Sheet of the previous Financial Year i.e. FY 2020-21.

Pursuant to SEBI (LODR) Amendment Regulations, 2018, the Board of Directors of the Company have adopted a revised policy for determining material subsidiaries with retrospective effect from 01st April, 2019, the web-link 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.

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

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

g) Certificate from Practicing Company Secretary:

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

h) Total fees paid to Statutory Auditors:

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

(₹ in lacs)

Sl. No.	Name of the Company	Total Fees paid to Statutory Auditor*
1	Godawari Power and Ispat Limited	37.50
2	Godawari Green Energy Ltd. (Subsidiary)	4.13
3	Godawari Energy Limited. (Subsidiary)	0.09

*Inclusive of Tax Audit Fees

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary, Training) are covered under this Policy. There was no complaints at the beginning of the year i.e. as on 1st April, 2020 and during the year Company has not received any complaints and no complaints were pending as on 31st March, 2021.

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

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

12. DISCRETIONARY REQUIREMENTS:

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

a) The Board:

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

b) Shareholder Rights:

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

c) Modified opinion(s) in audit report:

The Auditors have issued an un-modified opinion on the Standalone & Consolidated Financial Statements of the Company for the FY 2020-21.

d) Reporting of Internal Auditor:

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

13. DISCLOSURE OF ACCOUNTING TREATMENT

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

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

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

Disclosure of compliance specified in Regulation 17 to 27 of SEBI (LODR) Regulations

S. No.	Particulars	Regulation	Compliance Status (Yes/No/NA)
1.	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
2.	Board composition	17(1),17(1A) & 17(1B)	Yes
3.	Meeting of Board of directors	17(2)	Yes
4.	Quorum of Board meeting	17(2A)	Yes
5.	Review of Compliance Reports	17(3)	Yes
6.	Plans for orderly succession for appointments	17(4)	Yes
7.	Code of Conduct	17(5)	Yes
8.	Fees/compensation	17(6)	Yes
9.	Minimum Information	17(7)	Yes
10.	Compliance Certificate	17(8)	Yes
11.	Risk Assessment & Management	17(9)	Yes
12.	Performance Evaluation of Independent Directors	17(10)	Yes
13.	Recommendation of Board	17(11)	Yes
14.	Maximum number of Directorships	17A	Yes
15.	Composition of Audit Committee	18(1)	Yes
16.	Meeting of Audit Committee	18(2)	Yes
17.	Composition of nomination & remuneration committee	19(1) & (2)	Yes
18.	Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
19.	Meeting of Nomination and Remuneration Committee	19(3A)	Yes
20.	Composition of Stakeholder Relationship Committee	20(1), 20(2) & 20(2A)	Yes
21.	Meeting of Stakeholders Relationship Committee	20(3A)	Yes
22.	Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
23.	Meeting of Risk Management Committee	21(3A)	NA
24.	Vigil Mechanism	22	Yes
25.	Policy for related party Transaction	23(1),(1A),(5),(6),(7) & (8)	Yes
26.	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
27.	Approval for material related party transactions	23 (4)	NA
28.	Disclosure of related party transactions on consolidated basis	23(9)	Yes
29.	Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
30.	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
31.	Annual Secretarial Compliance Report	24(A)	Yes
32.	Alternate Director to Independent Director	25(1)	Yes
33.	Maximum Tenure	25(2)	Yes
34.	Meeting of independent directors	25(3) & (4)	Yes
35.	Familiarization of independent directors	25(7)	Yes
36.	Declaration from Independent Director	25(8) & (9)	Yes
37.	D & O Insurance for Independent Directors	25(10)	NA
38.	Memberships in Committees	26(1)	Yes
39.	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
40.	Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
41.	Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

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

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

15. ETHICS/GOVERNANCE POLICIES

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

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

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

16. INSIDER TRADING DISCLOSURE:

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

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

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

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.

Sr. No	Particulars (for the Financial Year 2020-21)	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

17. CEO/CFO CERTIFICATION

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

For and on behalf of Board of Directors

Place: Raipur
Date: 25.05.2021

B.L. Agrawal
Managing Director

Abhishek Agrawal
Executive Director

ANNEXURE A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Godawari Power and Ispat Limited
Plot No.428/2, Phase- 1 Industrial Area,
Siltara Raipur, Chhattisgarh

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Godawari Power and Ispat Limited ('the Company') having CIN L27106CT1999PLC013756 and having its Registered Office at Plot No.428/2, Phase- 1 Industrial Area, Siltara, Raipur Chattisgarh, ('the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1	Mr. Shashi Kumar	00116600	25/09/2007
2	Mr. Biswajit Choudhuri	00149018	25/09/2007
3	Mr. Harishankar Khandelwal	00330891	11/08/2012
4	Mr. Bajrang Lal Agrawal	00479747	17/08/2002
5	Mr. Dinesh Kumar Agrawal	00479936	21/09/1999
6	Mr. Vinod Pillai	00497620	28/07/2009
7	Mr. Dinesh Kumar Gandhi	01081155	25/02/2005
8	Mr. Siddharth Agrawal	02180571	20/01/2018
9	Mr. Bhrigu Nath Ojha	02282594	14/06/2008
10	Mr. Abhishek Agrawal	02434507	09/11/2011
11	Miss Bhavna Govindbhai Desai	06893242	09/08/2014
12	Mr. Prakhar Agrawal	07547965	11/08/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Tanveer Kaur Tuteja
Practicing Company Secretary
M. No.:7704
C. P. No.:8512
PR: 1027/2020
UDIN: F007704C000352928

Place: Raipur
Date: 21.05.2021

ANNEXURE-B

COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

[Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015]

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

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

a) We have reviewed the financial statements and the cash flow statement for the Financial Year 2020-21 and hereby certify that to the best of our knowledge and belief:-

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

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

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

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

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

   1. significant changes in internal control over financial reporting during the year;
   2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   3. No significant fraud witnessed during the year

Place: Raipur
Date: 25.05.2021

Bajrang Lal Agrawal
Managing Director

Sanjay Bothra
Chief Financial Officer

DECLARATION REGARDING CODE OF CONDUCT

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

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

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

I hereby declare that all the Directors and Senior Management Personnel have affirmed compliance during the Financial Year 2020-21 with the provisions of Code of Conduct as adopted by the Company.

Place: Raipur
Date: 25.05.2021

Bajrang Lal Agrawal
Managing Director

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Godawari Power & Ispat Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 25th September, 2017.
2. We have examined the compliance of conditions of corporate governance by Godawari Power & Ispat Limited ('the Company') for the year ended on 31 March 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2021.

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

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

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

OP Singhania
Partner
Membership number: 051909

Raipur, 1st June, 2021
UDIN: 21051909AAAAAT3746

ANNEXURE-08 TO DIRECTORS' REPORT 2020-21

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L27106CT1999PLC013756
2. Name of the Company	Godawari Power and Ispat Limited
3. Registered address	Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur – 493111, Chhattisgarh
4. Website	www.godawaripowerispat.com
5. E-mail id	yarra.rao@hiragroup.com
6. Financial Year reported	2020-21
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Iron & Steel
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	Iron Ore Pellets, Sponge Iron and Steel Billets
9. Total number of locations where business activity is undertaken by the Company	
(a) Number of International Locations (Provide details of major 5)	None
(b) Number of National Locations	Four
.	1. Industrial Growth Center, Siltara, Raipur Chhattisgarh.
	2. Urla Industrial Area, Raipur, Chhattisgarh.
	3. Ari Dongri Mines, Chhattisgarh
	4. Boria Tibu Mines, Chhattisgarh.
10. Markets served by the Company – Local/State/National/ International	Local, State, National and International.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR)	35,23,62,470
2. Total Turnover (INR)	36,40,86,81,466
3. Total profit after taxes (INR)	6,25,76,33,972
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	0.98%
5. List of activities in which expenditure in 4 above has been incurred:-	Please refer to the "Annual Report on CSR activities" which is an annexure to the Board's Report forming a part of this Annual Report.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?	Yes, the company has two subsidiary companies.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No. However, each of the Company's subsidiaries strives to carry out its business in a responsible and diligent manner and undertaking the CSR activities as applicable under the law.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No.

Section D: Business Responsibility (BR) Information:

1. Details of Director/Directors responsible for BR	
(a) Details of the Director/Director responsible for implementation of the BR policy/policies	
1. DIN Number	00479747
2. Name	Shri B.L. Agrawal
3. Designation	Managing Director
(b) Details of the BR head	
DIN Number (if applicable)	Not applicable
Name	Shri Vivek Agrawal
Designation	Chief Operating Officer
Telephone number	9893900112
e-mail id	Vivek.agrawal@hiragroup.com

2. Principle-wise (as per NVGS) BR Policy / Policies:

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1 Business Ethics	P2 Product Responsibility	P3 Employee Wellbeing	P4 Stake holder Engagement	P5 Human Rights	P6 Environment Protection	P7 Public & Regulatory Policy	P8 CSR	P9 Customer Relation
1	Whether the Company has policies for each of the 9 Principles?	YES	YES	YES	YES	YES	YES	YES	YES	YES
2	Whether the policies have been formulated in consultation with the relevant stakeholders?	NO. While there is no formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders.								
3	Whether the policies conform to any national /international standards? If yes, specify (50 words)?	YES. The policies are in compliance with the national standards. They are also being reviewed and amended from time to time based on the amendments in the respective regulations.								
4	Whether the policies are being approved by the Board? If yes, has it been signed by MD/ CEO/ or any Director?	Some of the Policies which are statutorily required have been formulated by the respective committees and Board. The Policies have been signed by MD of the company.								
5	Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policies?	YES								
6	Indicate the link for the policies to be viewed online	As per the Corporate Governance requirements and as per the requirements of SEBI (LODR) Regulations, 2015, some of the Policies are available at htpps://godawaripowerispat.com/investorrelations/policies 2015.								
7	Whether the policies have been formally communicated to all relevant internal and external stakeholders?	YES								
8	Whether the Company has an in-house structure to implement the policy/ policies	YES								
9	Whether the Company has a grievance Redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	YES								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	NO. Evaluation of the working of the policies shall be carried out during the current financial year by an internal or external agency.								

(b) if answer to S.No.1 against any principle is 'No', please explain why.

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The assessment of BR performance is done on an ongoing basis by the Managing Director and Senior Management of the Company.
(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Report shall be published annually by the Company. The BR Report which is a part of the Annual Report of the Company is available for viewing on the Company's website i.e. www.godawaripowerispat.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business Ethics.

1. **Does the policy relating to ethics, bribery and corruption cover only the company? (Yes/ No.) Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

   The Company has its own Code of Conduct extending to all the employees including the Directors of the company prescribing standards on ethics, transparency and accountability in order to develop a healthy and transparent corporate culture in the Company. It promises in adhering to the greatest governance practices in order to ensure protection of its stakeholders' interests in tandem with healthy growth of the Company. This code is not applicable to the employees and directors of its subsidiaries. However the subsidiary Companies have also framed similar Codes of Conduct in their respective Companies. The Code intends to prevent any activity / association / relationship by Directors / employees which could bring unfavourable effects to the Company's interest. The Company follows zero tolerance on any acts of bribery, corruption, etc. by any employee in association or otherwise with any outsider. The Corporate Governance framework is further supported by a Whistle Blower Policy which serves as a mechanism for its Directors and Employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct without fear of reprisal.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   Our company has not received any stakeholder complaints during the financial year 2020-21.

Principle 2 Product Responsibility.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   (a) Iron Ore Pellets;

   (b) Sponge Iron;

   (c) Steel Billets.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   This information will be given from next financial year.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   In steel production, coal and iron ore are the important raw materials. The Company is having its own captive iron ore mines to cater to its iron ore and iron ore fines requirement for the next 50 years. The indigenous and imported Coal required for the company is adequately available for meeting the company's coal requirements. We have long term contracts with some of the Transports for ensuring timely transportation of these raw materials.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   Yes, GPIL promotes procurement of goods and services from local vendors and small producers. This is primarily done while hiring equipment and services, as well as procuring minor raw materials, stationary items and food supplies. For example, the Company has hired local contractors for hiring mining equipment, dozers, tractors, dumpers etc. It also recruits workers from local communities for construction and operation of its plants. Minor fabrication works and materials are also sourced from local suppliers. GPIL continuously builds and improves the skills and capacity of local contractors. GPIL supports financial in running of an ITI in a near by village Hathband where training courses for various grades viz. fitters, welders, electricians, computer operations etc. are being imparted and successful candidates are recruited by the company on their merit basis.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Waste generated from GPIL's operations include tailings produced during extraction and beneficiation processes, slag and sludge during mineral processing, char, dolo char, fly ash from power plant. For recycling waste, such as fines and iron dust, the Company has set of its Pellet Plant capacities. Slag and Fly ash generated is being utilised in cement manufacturing and brick making. The Company is working continuously to increase its utilisation percentage.

Principle 3 Employee Wellbeing:

1.	Please indicate the Total number of permanent employees.	2712
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	2485
3.	Please indicate the Number of permanent women employees.	24
4.	Please indicate the Number of permanent employees with disabilities	NIL
5.	Do you have an employee association that is recognized by management.	NO
6.	What percentage of your permanent employees is members of this recognized employee association?	NO

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sl. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a) Permanent Employees	Approx 70%
(b) Permanent Women Employees	Approx 25%
(c) Casual/Temporary/Contractual Employees	100%
(d) Employees with Disabilities	NIL

Principle 4 Stakeholders Engagement:

1. **Has the company mapped its internal and external stakeholders? Yes/No**

   Yes. The company has mapped its various key internal stakeholders and implements various mechanisms and practices for engaging fruitful discussions and maintaining a cordial relationship. Mapping of various mechanisms and practices with external stakeholders will be established formally in due course.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   No. No such exercise has ever been done by the company. The same will be undertaken in due course of time.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   No.

Principle 5 Human Rights:

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

   Human rights related clauses are also covered under the Company's Code of Conduct, Whistle Blower Policy and Safety & Occupational Health Policy. GPIL has zero tolerance for discrimination based on any grounds. These policies cover only to the employees of the Company. However similar policies have also been framed and implemented by the Group Companies and Subsidiary Companies also.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   GPIL has received no such complaint pertaining to sexual harassment during the reporting year 2020- 21.

Principle 6 Environment Protection:

1. **Does the policy related to Principle 6 cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/others.**

   An Environmental Policy outlining guiding principles and implementation procedures has been recently formulated by the Board of Directors of the Company. The said Policy shall extend to Subsidiaries, Group Companies and Joint Venture Companies as well. The company and all its subsidiaries, associate and joint venture companies were following all Environmental Protection norms as mentioned in its Pollution Control Clearances in all its operations.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   The Company's waste heat recovery based power plant is the first of its kind to get CDM Project status under Kyoto protocol. The company's 'Safety, Occupational Health and Environment Policy is placed at https://www.godawaripowerispat.com/ investors relations/policies.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes, the Company assesses all the potential environmental impacts before undertaking any new project or modification activity. Furthermore the Company undertakes continuous Environment improvement activities under ISO 9001/2015 & 14001/2015 and OHSAS 45001/2018 certifications.

4. **Does the Company have any project related to Clean Development Mechanism? If yes, whether any environmental compliance report is filed?**

   The Company had a project (power generation from waste heat of Sponge Iron Kilns) registered under Clean Development Mechanism and the same was approved by Global/National CDM authority.

5. **Has the Company undertaken any other initiatives on–clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.**

   Yes, the Company has undertaken several energy efficient measures during the year 2020-21. The energy efficiency measures undertaken during the year 2020-21 have been provided in Annexure 5 to Directors Report under the head Energy Conservation Measures, Technology Adoption and Absorption.

6 **Is the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, the emissions/ waste generated by the Company at all its plant locations were within the permissible limits.

7. **Number of show cause/ legal notices received from CPCB/SPCB, which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   No show cause notice has been received from CPCB or SPCB during the FY 2020-21.

   [Our commitment towards environment is also elaborated under the head ESG below]

Principle 7 Public & Regulatory Policy

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   Yes, GPIL is a member of various industrial and trade bodies. The Company is most actively engaged with the following:

   a) Confederation of Indian Industry (CII)
   b) Sponge Iron Manufacturers Association (SIMA)
   c) Chhattisgarh Sponge Iron Manufacturers Association (CGSIMA)
   d) Indian Pellet Manufacturers Association.
   e) Indian Ferro Alloys Producers Association (IFAPA)
   f) Chhattisgarh Chamber of Commerce.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others**)

   Yes, GPIL is actively involved in the following areas for advocating public good:

   a) Energy and Raw Material Security;
   b) Logistic Management;
   c) Sustainable Business principles;
   d) Governance & Regulatory;
   e) Safety and Skill Development;
   f) Economic Reforms.

Principle 8 - CSR:

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes. The Company undertakes various programmes/ initiatives/projects under its CSR Policy pursuant to the provisions and requirements of the Companies Act, 2013 and Rules made thereunder and otherwise as enumerated below:

   1. ITI, Hathbandh was established in the year 1997. The institute has 263 sq. mts. & 461.62 sq.mts. campus area which includes administration block, class rooms and workshop respectively. Hathbandh is the place in the Raipur District and Industrial units in this region are Cement, Power and Steel and Rice mills.

      GPIL has took up up-gradation and management of ITI Hathbandh in Chhattisgarh established by Govt. of India under Public-Private partnership Scheme on 31.12.2008. The ITI is being managed by the company since then. GPIL has constructed a new building for ITI Hathbandh for various trades and short term courses since GPIL believes that a good environment is must for creativity. Under the supervision of GPIL ITI Hathbandh have established facilities like well experienced staff, equipped laboratories with new machines like lathe machines & Computer labs. GPIL actively involved in the placement of the graduates of ITI every year in its own plants and other adjacent plants in Raipur.

   2. **“Aakanksha”** a school for Mentally disabled & handicapped children.

      It was established in 1994. This was the first special school in Chhattisgarh. At present it is being run by Lions Club, Raipur Sewa Samiti a registered body. It is affiliated and registered under the following – Society Registration Act 1861, Person with Disability Act – 1995, Panchayat & social welfare department, Govt. of Chhattisgarh Rehabilitation Council of India (RCI), New Delhi , IGNOU-NCDS New Delhi. Its objective is to enhance abilities of children with special needs for self dependence through need based intervention services like special education, various therapies and behavior modification principles.

      77000 Sq.ft. Land was allotted by Chhattisgarh Government for the school premises in Raipur. GPIL has contributed an amount of ₹ Two crores for the construction of institute’s building. Every year running cost which includes smooth functioning of Aakanksha (maintenance, academic requirements and different functions of the institute is also borne by the Company.)

   3. **Education**: GPIL has taken various initiatives over a period of time in the field of education which are enumerated below:

      a) Constructed computer center at Village Kachhe.
      b) Established electrification and connection of power supply from CSEB to Govt. Middle School, Mandhar.
      c) Contributed to Zila Prabhandhak -Chhattisgarh Mahila Kosh under ‘Dattak Putri Siksha Yojana’.
      d) Provided Financial aid to “UDAAN” Yojna of Raipur District Collector.”Udaan” Yojana is regarding education of primitive tribes like – Karma, Baiga and Bhunjia.
      e) Renovated Govt. Primary School building at village. Tada.
      f) Constructed boundary wall of Govt. Primary School at Mandhar & Primary and Middle School, Tada.
      g) Constructed Geeta Devi Memorial School Building at village. Siltara.
      h) Constructed Extra Class Room at Mohdi.

i) Provided Financial aid to Maharaja Agrasen International College.

j) Salary of two Teachers of Govt. Primary & Middle School Mandhar & Tada is being regularly paid by GPIL.

k) Financial assistance to Siltara Sikshan Samiti Siltara for running of school smoothly.

l) Opened a skill training centre in village Kacche for the transformation of Indian villages into socially stimulating, self-sustaining, growth-oriented communities. Apart from imparting the vocational skills, these training centres also motivate people to achieve higher goals and make them confident.

m) MOUs have been entered into with various educational institutions for imparting training and for campus selection.

4. **Health:** GPIL has taken various initiatives over a period of time in the field of Health which are enumerated below:

a) Organized blood donation, eye check-up, BDM Test (Osteoporosis), Diabetes Detection Camp, Lung Function Test by Spirometer and health camps.

b) Free medicines were distributed to the villagers.

c) Arranged Catering facility for patients and attendants, and distributed utensils and bed sheets to the patients undergoing Cataract operation, organized by Distt. Collector at Medical College & Ayurvedic College, Raipur.

d) Financial assistance to Gram Panchayat Siltara for purchasing Ambulance.

e) Distributed Gifts to 410 healthy children of Anganvadi in Dharsiwa Block.

f) Donated Tri-cycles to the Handicapped to CG Pichhda Varg Parishad.

g) Organized Free Health Check-up Camp at ITI Hathbandh for Students.

h) Constructed First Aid Health Centre at Village Kacche

i) Provided 24 x 7 Ambulance facility

j) Entered into contract with Jyoti Hospital, Dallirajhara for the referral cases.

5. **Infrastructure Development**: GPIL has taken various initiatives for infrastructural growth of the society which are enumerated below:

a) Deepening and Beautification of Ponds;

b) Established Drinking Water Facilities at various places.

c) Constructed Overhead water tanks facilitated with pipe line for drinking water at various places

d) Digging of Bore wells for drinking water at village. Tada and Siltara.

e) Repairing of streets and roads at village Tada, Siltara and Mandhar.

f) Construction of drains at village. Mandhar.

g) Construction of C.C Road from Kachhe Chowk to mines.

h) Electrification work in Govt. primary and middle school in village Parrekodo.

6. **Environment:** GPIL has taken various initiatives for environment protection which are enumerated below:

a) Conducted cleanliness and sanitation campaign.

b) Organized save Earth campaign.

c) 25,700 plantations have been done in 2020-21 inside & outside the premise of GPIL and nearby villages viz., Tada, Kacche and Ghidhali.

7. **Sports & Cultural Activities:**

a) Football tournament amongst company's employees;

b) Cricket tournament amongst teams of various corporate entities of Chhattisgarh;

c) Cricket tournament amongst teams of various Gram Panchayats.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

The Programmes are being implemented through the CSR Wing of the company. Some of the initiatives are linked with existing government schemes (either supplementing or complementing the scheme) and some of the CSR activities have been undertaken by the Company's internal CSR team.

3. **Have you done any impact assessment of your initiative?**

   No. We will do the impact assessment of our initiatives formally during the current financial year.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

   GPIL's direct contribution towards community development projects during the financial year 2020-21 is ₹613.19 lacs.

   The details of the project undertaken during the financial year 2020-21 are given below:

   a) Safe drinking water supply;

   b) Women Empowerment;

   c) Education;

   d) Health Care including financial and other support in Covid19 pandemic;

   e) Plantation;

   f) Construction of Road;

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Most of the CSR activities have been undertaken by the company itself directly. Wherever donations and contributions have been made for health care, education, Community Development Programmes etc. proper monitoring has been made to ensure proper utilisation of the funds.

Principle 9: Customer Relation.

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   We have not received any complaints from any of our customers during the financial year 2020-21. Hence no complaint is pending as on the end of the financial year.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

   GPIL's products do not have any mandatory labelling requirements. However, the Company provides test certificates issued by in house Chemists and sometimes from the certified third parties that contain quality parameters, as well as the chemical and physical properties of the product. The above information is also available in product brochures that are given to customers.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year?**

   No such case has been filed by stakeholders against the Company regarding unfair trade practices, irresponsible advertising and anti-competitive behaviour any time during the last five years. Therefore, no such cases remain pending as on the end of the financial year 2020-21.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   Yes, The Company's Management regularly reviews the feedback/suggestions received by its sales personnel.

GPIL and how it has strengthened its ESG framework

Building a company for the future in line with the forward-looking priorities of a transforming world

ESG and value creation at GPIL

Overview

There is a bigger priority today for companies to conduct themselves like responsible corporate citizens. Lending institutions, opinion makers, regulatory agencies and downstream customers put a bigger value on the ability of companies to sustain or strengthen business continuity. This attribute is the result of unprecedented developments of significance transforming global economies realities almost overnight. The conclusion is that a deep environment-social-governance culture enhances corporate stability, increases counter-cyclicality and lays the foundation for the enhancement of long-term stakeholder value.

Research indicates that ESG and corporate performance are indeed linked; companies with sound governance practices demonstrate a more sustainable corporate performance and even investment returns. A 2015 meta study of more than 200 sources by Oxford University and Arabesque Partners noted that '80% of the reviewed studies demonstrate that prudent sustainability practices have a positive influence on investment performance.' Most Canadian investors felt that ESG is a risk mitigation activity (68%) as opposed to a source of alpha (21%), while most European investors believed both to be the case (Source: RBC). Besides, investors are incorporating ESG into investment decisions at unprecedented levels — 97% of global investors did so in 2018, compared to 78% in 2017 (Source: EY). Canada's pension funds (65% of all national investment) considers ESG as a filter, influencing international demands for enhanced ESG disclosures.

GPIL and ESG

At GPIL, a culture of environment-social-governance (ESG) represents the heart of our business. The importance of this commitment is even more emphasised by the nature of our business - mining and the manufacture of steel products that consume finite fossil fuels and generate emission and effluents that could be harmful for the eco-system if left untreated and not adequately neutralised. In view of this, ESG is integral to our existence; any improvement in commitment only makes our business more responsible, profitable and sustainable.

Our environment component ensures thatwe consume environmentally responsible resources, utilize an optimal quantum of finite fossil fuels and resources, recycle waste, moderate our carbon footprint and build resistance to climate change.

Our social component addresses a proactive investment in talent, relationships (customer and vendors) and social responsibility.

Our governance component indicates how we will do business, indicating strategic clarity, conduct codes, Board composition, alignment with UNGC principles and extensive de-risking, among others.

This comprehensive platform – environment, social and governance – makes it possible to generate long-term growth across market cycles, enhancing value for all stakeholders.

Our 5P's ESG platform

At GPIL, our ESG commitment has been encapsulated round the 5 P's underlying our business - People, Product, Process, Profit and Planet.

1 People

A preferred employer among mid-sized secondary steel companies in India

Recruitment of domain matter experts and ITI graduates

Recruitment reconciling youthfulness, experience and knowledge

Generated enhanced productivity and out-performance

2 Product

A prominent brand across mid-sized secondary steel makers in India

Products manufactured around the highest quality and environment standards

Commitment to iron ore beneficiation resulting in superior downstream product quality

Range of products manufactured, broad basing product risk

3 Process

Focus on generating more out of less

Focus on stretch targets, measurement and consistent outperformance

Investment in digital and automated interventions

Manufacturing integration assuring superior multi-stage quality control

4 Profit

Integration widening operating margins

Debt prepayment moderating liabilities with speed

Committed customers – a dependable eco-system

Commitment to invest in asset building only out of accruals

5 Planet

Invested in renewable energy ahead of the curve

Invested in waste heat recovery and other energy management systems

Investments in 4Rs (recycling, reuse, renewables and reduction)

Investment in cutting-edge technologies, enhancing manufacturing efficiency

Environment responsibility

A growing number of global entities are recognizing the reputational, financial and environmental benefits from sustainable business practices. Besides, stringent environmental norms regulating agencies are helping reduce resource depletion, water scarcity, pollution and other harmful impacts.

At GPIL, we are committed to the manufacture of products through economically sound processes that moderate the consumption of energy and natural resources while reducing negative environmental impact, in addition to enhancing employee, community and product safety.

The company is aligned with United Nations' 10 principles for manufacturing responsibility and environmental sustainability covering Human Rights, Labour interests, Environment responsibility and Anti-Corruption initiatives.

Investments

At GPIL, we invested in technologies sourced from the best Indian and global vendors. The selection of these technologies was based on their safety, stability and overall price-value proposition.

Besides, the company invested in detailed workflow documentation, created a standard operating protocol, made a detailed documentation of probable downsides and enhanced relevant training.

The company established a rolling mill with the hot charging of billets directly from the continuous casting machine, eliminating the use of fuel in reheating billets, particulate and gaseous emissions.

The company invested in the use high grade pellet (instead of iron ore lumps) as well as blended coal (domestic plus imported) instead of domestic coal in sponge iron manufacture, which moderated dust load and SO2 emission.

The company provided personal protective equipment to employees, enhancing workplace safety. It conducted a periodic medical examination for all employees. It invested in a closed user group mobile network for immediate emergency communication.

It invested in Occupational Health Centre comprising equipment like an advanced ambulance with CPR, cardiac monitor, X-Ray machine and spirometer.

The company also provided a range of supports for employees: Mediclaim insurance for all, ESIC facilities for employees as per government norms, leave facilities as per norms, transportation and to and from the manufacturing facility and advance in case of medical emergencies.

CONSERVATION INITIATIVES, 2020-21

* Development of Oxyzone plantation comprising 37,000 saplings across 102 acres in three years in addition to the development of a 33% green belt inside the plant premises.

* Utilization/co-processing of hazardous wastes like tar and phenolic water coupled with safe and scientific disposal.

* Establishment of rainwater harvesting structures (rooftop and surface run-off water) with an annual recharge potential of 250,000 KL/year
* Establishment of sewage treatment system (two modules) and utilization of treated wastewater in green belt development.
* Establishment of vehicle wheel wash system at the gate for cleaning dirt to prevent spillage on road
* Establishment of a wet scraper in DRI kilns for pollution-free dust disposal
* Installation of continuous water sprinkling system in raw material yards and roads for effective dust suppression
* Committed to provide free vaccination to all employees
* Embarked on the initiative to achieve 100% dry sludge disposal through filter press (instead of sludge drying beds)

Water conservation measures, 2020-21

Optimization of treated wastewater utilization across all sections

Modification and refurbishment of old cooling towers in the steel melting shop to reduce losses

Establishment of rooftop rainwater harvesting with an annual potential of ~250,000KL/year

Utilization of treated water in green belt development (instead of fresh water)

Outlook

The company intends to strengthen its ESG commitment during the current financial year through the following initiatives:

* Deepen a personal commitment across all employees to improve workplace health, safety & environment standards
* Provide the various teams with an effective framework to achieve HSE targets
* Secure management and risk control resulting in enhanced operational visibility
* Reduce the likelihood of low-frequency, high-impact objectionable incidents through intensive documentation and examination

Resource consumption (linked to main product iron ore pellets)

Year	FY2017-18	FY2018-19	FY2019-20	FY2020-21
Pellet Production (MT)	1841050	1933250	1999150	2256550
Power consumption (kwh)	107733470	113415640	121678291	129951427
per unit of pellet produced	58.52	58.67	60.87	57.59

Water Consumption

Year		FY2017-18	FY2018-19	FY2019-20	FY2020-21
Water consumption litres per unit of Pellet Produced	KL	161424	149218	368126	319144
	Ltrs	87.7	77.2	184.1	141.4

Waste generation

Year	FY2017-18	FY2018-19	FY2019-20	FY2020-21
Emissions (Kg/Ton) per unit of pellet produced	0.162	0.133	0.157	0.160
Effluents (Ltr/Ton) per unit of pellet produced	13	12	28	21

Captive energy

Year		FY2017-18	FY2018-19	FY2019-20	FY2020-21
% of Energy Consumption Generated from within	GPIL	483585760	440199490	437652418	444200045
	JPAL		85914900	105151550	148113000
	Import	49920	24898320	34879680	16267440
	%	99.99%	95.48%	93.96%	97.33%

Resource consumption

Year	FY2017-18	FY2018-19	FY2019-20	FY2020-21
Quantum of green energy generated (Mn units)	96.54	84.91	90.97	104.26

Pelletisation

Year	FY2017-18	FY2018-19	FY2019-20	FY2020-21
Quantum of fines converted into pellets	1881623	1972892	2003491	2317912
MT	1.02	1.02	1.00	1.03

ANNEXURE-09 TO DIRECTORS' REPORT 2020-21

Management Discussion and Analysis:

The operating and financial review is intended to convey the Management's perspective on the financial and operating performance of the Company for the Financial Year 2020-21, and outlook for the current financial year. This Report should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report. This report is an integral part of the Directors' Report.

INDUSTRY SCENARIO

- India is currently the world's 2nd largest producer of crude steel and is the world's largest producer of Direct Reduced Iron (DRI) or Sponge Iron .India surpassed Japan to become the world's second largest steel producer in 2019 with crude steel production of 111.2 million tonnes (MT). In FY20, crude steel production and finished steel production in India was 108.5 MT and 101.03 MT, respectively.

Between April–February 2020-2021, India's cumulative production of crude steel was 92.782 MT and finished steel was 85.604 MT. In the month of Jan - Feb 2021, India produced 19.39 MT of crude steel.

Export and import of finished steel stood at 9.492 MT and 4.252 MT, respectively, April – February 2020-2021.

The steel industry suffered a setback due to the COVID19 pandemic outbreak and the consequent lock downs. The industry's key customer sectors like automobiles, construction and oil & gas drillers struggled hard to survive due to prolonged shutdowns, disrupted supply chains, collapsing confidence and delayed investment and construction projects, as well as a decline in consumption activity across the globe. The domestic automotive industry production has been facing a series of challenges on account of regulatory changes (Bharat Stage Emission Standards - BSVI, Corporate Average Fuel Efficiency - CAFE norms, Crash standards, revised axle norms etc.), Societal trends (ride sharing, traffic congestion, cost of ownership etc.), technological upheavals (electric vehicle) and liquidity crunch. The COVID-19 pandemic further exacerbated the situation as the supply chain got disrupted and there was suspension in production. Automotive, which is one of the most important end market for the steel industry, saw a severe sales plunge globally.

As a step towards supporting the economy, the Government of India unleashed policy stimulus equivalent to INR 20 trillion consisting of the following measures:

a. Liquidity injection and favorable business environment for the MSMEs

b. Impetus on the rural economy as measures are directly focused on increasing income and consumption

c. Structural reforms in the mining and manufacturing sector

The Govt. of India approved an incentive program worth 1.46 trillion rupees ($20 billion) to attract companies to set up manufacturing in the South Asian nation. The government will offer production-linked incentives to 10 sectors including automobile, solar panel and specialty-steel makers over a five-year period.

The stimulus package and incentive program with increased government spending will strengthen the demand situation in the country in the coming times.

Iron Ore & Pellets

Iron prices remained strong through out FY21 on account of supply constrains from the large miners. At over $200, global Iron Ore prices have touched a multi-year high. Among the 3 major iron ore producers globally only Vale has been projecting higher production in FY22. The demand supply is expected to remain tight for next 1-2years.

Pellet prices have been tracking higher iron ore prices and have remained strong. China is focussed on decarbonisation of the economy and this has increased demand for higher grade pellets and iron ore.

Government Initiatives

Government has taken various steps to boost the sector including the introduction of National Steel Policy 2017 and allowing 100% Foreign Direct Investment (FDI) in the steel sector under the automatic route. According to the data released by Department for Promotion of Industry and Internal Trade (DPIIT), the Indian metallurgical industries attracted Foreign Direct Investment (FDI) to the tune of US$ 14.24 billion in the period April 2000-September 2020.

Some of the other government initiatives in this sector are as follows:

- In December 2020, the Minister for Petroleum & Natural Gas and Steel, Mr. Dharmendra Pradhan, has appealed to the scientific community to Innovate for India (I4I) and create competitive advantages to make India 'Aatmanirbhar'.
- In September 2020, the Ministry of Steel prepared a draft framework policy for development of steel clusters in the country.
- On October 1, 2020, Directorate General of Foreign Trade (DGFT) announced that steel manufacturers in the country can avail duty drawback benefits on steel supplied through their service centres, distributors, dealers and stock yards.

- Government introduced Steel Scrap Recycling Policy aimed to reduce import.
- An export duty of 30 per cent has been levied on iron ore (lumps and fines) to ensure supply to domestic steel industry.
- Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.
- The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 envisages 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of ` 200 crore (US$ 30 million).
- The Government of India raised import duty on most steel items twice, each time by 2.5 per cent and imposed measures including anti-dumping and safeguard duties on iron and steel items.

The National Steel Policy, 2017, has envisaged 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kg to 74.1 kg during the last five years. The government has a fixed objective of increasing rural consumption of steel from the current 19.6 kg/per capita to 38 kg/per capita by 2030-31. Thus, showcasing a significant growth opportunity and huge untapped potential in the steel manufacturing sector.

Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

Sponge Iron Industry Scenario

Due to Covid 19 pandemic and as a result of country wide lockdown from 24th March, 2020 all sponge iron plants were either closed or were operating at a low capacity. From June 2020 onwards, the situation started improving. Sponge iron producers began ramping up their operation despite facing problems of labour migration, liquidity and demand slowdown and, of course, the adverse impact of the corona virus. In spite of these factors, plants' capacity utilisation in the subsequent months started improving.

But acute shortage of iron ore is prevailing due to the cancellation of the iron ore mines in March, 2020 and subsequent reduction in mining activities from the 19 auctioned mines in Odisha. Sponge iron producers were expecting that the timely auction process would give a lot of relief and things would be back to the pre-cancellation scenario.

However, the 19 mines, which were successfully auctioned, are not able to mine 80% of their environment clearance (EC) capacity and are not dispatching to 80% of their EC capacity. This has seriously impacted availability and has resulted in a drastic increase in prices

As per JPC data, the negative growth in the sponge iron sector and crude steel from April to September, 2020, was around 21.5%, which has come down to around 17% during April to October, 2020.

Soon after March 21, 2020, when prices were at around INR 16,750/MT, the Indian government announced a nationwide lockdown and production was stopped everywhere. As per reports, plants had either curtailed or shut down production amidst the lockdown period.

When the stringent lockdown (which was extended multiple times), was lifted, prices were reported at a low of around INR 15,600/MT on May 7, 2020. In 2019, prices were at around INR 18,800/MT during the same time.

On June 22, 2020, ex-Raipur prices touched a low of around INR 14,600/MT. In June, offers were under pressure due to low capacity utilisation in major markets, which saw prices nosedive by INR 200-1,000//MT.

In July 2020, prices started climbing up slowly and by month-end, reached INR 17,300/MT. In July, it was observed that sponge iron prices plunged owing to falling billets prices on lack of demand and curtailed capacity utilisation by ingots/ billets manufacturers (at about 60-70%).

This sector directly derives its demand from the performance of the steel sector. The fortune of the industry is linked with the growth of the secondary steel sector.

There are over 400 sponge iron units in India. Indian sponge iron industry is highly fragmented. Top 20 producers contribute about 60-65% of total production whereas rest contributes 35- 40% of the production.

The National Steel Policy 2017 lays out an ambitious growth path for the sponge iron sector. The production capacity is expected to reach 80 million tonnes by 2030-31.

The sponge iron sector is linked to the nation's steel sector in such a way that a rise in demand for steel would increase the demand for sponge iron. The various sectors that are expected to contribute to the growing demand are infrastructure, roads, railways, bridges, airports, industrial plants, buildings, automobiles, etc.

Covid 19 Impact on the Company

The COVID-19 breakdown has led to unprecedented socioeconomic disruption worldwide. The nation-wide stringent lockdown got imposed from March 25, 2020 which brought the economic activities to a standstill. While Steel and mining activities were kept exempt subject to certain guidelines, the steel demand got impacted adversely as key consuming segments struggled to operate amidst weakening economic activities, major hubs in red/containment zones, working capital constraints, migrant labour issues and logistic challenges.

The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic have posed challenges to the business of the Company.

However the Company's operations were closed only for few days. There was no disruption in the operations of the company throughout the year.

As economic activities have started recovering with the removal of the lockdown and gradual relaxation in mobility restrictions, the Company is continuously leveraging the opportunities to increase penetration in the domestic and international markets.

Opportunities

The company's operations are linked to the nation's steel sector in such a way that a rise in demand for steel would increase the demand for iron ore pellets, sponge iron and steel billets. The various sectors that are expected to contribute to the growing demand are infrastructure, roads, railways, bridges, airports, industrial plants, buildings, automobiles, etc.

The renewed importance given by Government on affordable -housing, roads, sagarmala projects and other infrastructure projects are expected to create steel demand, this will augur well for sponge iron industry also.

With the Global economies opening up gradually, India also needs to get back to its full capacity at the earliest to be the successful economy that it aims to be. The pandemic presents a unique opportunity for India and its industries to increase influence in the global supply chain. With a likely realignment of global supply chains, India has the skill, resources and expertise to emerge as a location of choice. The Rs.20 trillion fiscal and monetary stimulus package to make India self-reliant is a step in the right direction. The increased focus on strengthening the micro, small and medium enterprises (MSMEs), considered to be backbone of the economy, assumes paramount importance.

The Metals and Mining sector in India is expected to witness a major reform in the next few years, owing to reforms such as Atmanirbhar Bharat, Make in India Campaign, Smart Cities, Rural Electrification and a focus on building renewable energy projects under the National Electricity Policy as well as the rise in infrastructure development.

According to the IEA report, demand for power has seen an upward trend in recent years. Moreover, it is expected that it will continue on the same trajectory due to economic development, rapid urbanization, growing appliance ownership, and thrust towards rural electrification. The Government continues to focus on increasing the share from sustainable renewable energy sources to reduce the dependency on traditional fossil-fuel based energy sources. India's power sector is forecasted to attract investments worth Rs. 9-9.5 trillion between FY 2019-23.

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

The Company is exploring the avenues available to it. The Company's New high value iron ore pellets are widely acceptable in the Global Market.

Threats

The key threat to the steel industry continues to be the smooth availability and the price volatility of iron ore and coal, which are the key raw materials. Due to the expiry of a large number of iron ore mining licenses in March, 2020, Steel producers faced a raw material crisis this year. Iron ore lumps prices are also increasing. The non- availability of non-coking coal and the rising prices of Iron Ore might pose significant challenge in the future.

Apart from the disruptions caused/to be caused by the COVID-19 pandemic, in the near future, we do not foresee any major threat to the industry segments in which the Company operates. We have taken a number of initiatives across the organization to improve quality and reduce cost which will aid in preserving and enhancing our margins. As we march forward with the hope of stepping into a better world post COVID-19, with the available infrastructure and strong team, the Company is all set to make its contribution in the growth of the nation.

OUTLOOK

The World Steel Association (Worldsteel) recently released its Short Range Outlook (SRO) for 2021 and 2022. Worldsteel forecasts that steel demand will grow by 5.8% in 2021 to reach 1,874.0 million tonnes (Mt), after declining by 0.2% in 2020. In 2022 steel demand will see further growth of 2.7% to reach 1,924.6 Mt.

The current forecast assumes that the ongoing second or third waves of infections will stabilise in the second quarter and that steady progress on vaccinations will be made, allowing a gradual return to normality in major steel-using countries.

Commenting on the outlook, Mr Al Remeithi, Chairman of the Worldsteel Economics Committee, said, "despite the disastrous impact of the pandemic on lives and livelihoods, the global steel industry was fortunate enough to end 2020 with only a minor contraction in steel demand. This was due to a surprisingly robust recovery in China, with growth of 9.1%. In the rest of the world steel demand contracted by 10.0%. In the coming years, steel demand will recover firmly, both in the developed and developing economies, supported by pent-up demand and governments' recovery programmes. However, for most developed economies a return to the pre-pandemic levels of steel demand will take a few years.

While it is hoped that the worst of the pandemic is passing, there is still considerable uncertainty for the rest of 2021. The evolution of the virus and progress of vaccinations, withdrawal of supportive fiscal and monetary policies, geopolitics and trade tensions could all affect the recovery envisaged in this forecast.

For the future, structural changes in a post-pandemic world will bring about shifts in steel demand shape. The steel industry will see exciting opportunities from rapid developments through digitisation and automation, infrastructure initiatives, reorganisation of urban centres, and energy transformation. All at the same time as the industry is responding to the need to produce low-carbon steel."

Background to the forecast

1) China

China's economy quickly rebounded from the lockdown in late February, and almost all economic activity except retailing resumed full productivity by May. Since then, despite sporadic small localised waves of COVID-19, economic activity has not been affected by the pandemic, unlike the rest of the world. The Chinese economy benefited from the government's implementation of various measures to stimulate the economy. From several new infrastructure projects and accelerating existing projects, to relaxing control over the real estate sector and tax reduction to boost household consumption.

On top of this the economy benefitted from strong exports as the rest of the world was affected by the pandemic. As a result, after contracting by 6.8% in the first quarter of 2020, China's economy recorded annual growth of 2.3% in 2020. China's GDP growth is expected to accelerate to 7.5% or higher in 2021, followed by moderate growth of 5.5% in 2022.

The construction sector had a fast recovery from April 2020, supported by infrastructure investment. For 2021 and onwards, real estate investment growth may decrease due to the government's guidance to slow growth in the sector down.

Investment in infrastructure projects in 2020 reported a mild growth of 0.9%. However, as the Chinese government has kicked off a number of new projects to support the economy, the growth in infrastructure investment is expected to pick up in 2021 and continue to affect steel demand in 2022.

In the manufacturing sector, automotive production contracted the most by 45% during the lockdown, but has been recovering strongly since May. For the whole of 2020, auto production declined by only 1.4%. Other manufacturing sectors have shown positive growth due to strong export demand.

Due to the strong activity in the construction and machinery sectors, and with some inventory accumulations, apparent steel use rose by 9.1% in 2020. In 2021, it is expected that the stimulus measures introduced in 2020 will largely remain in place to ensure continued reasonable growth in the economy.

As a result, most steel-using sectors will show moderate growth and China's steel demand is expected to grow by 3.0% in 2021. In 2022, steel demand growth will decelerate to 1.0% as the effect of the 2020 stimulus subsides, and the government focuses on more sustainable growth. The government's reaction to the new US administration's trade policy and the intensified environmental push add uncertainty.

2) Advanced economies

After the free-fall in economic activity in the second quarter of 2020, industry generally rebounded quickly in the third quarter, largely due to the substantial fiscal stimulus measures and unleashing of pent-up demand. However, activity levels still remained below the pre-pandemic level at the end of 2020. As a result, the developed world's steel demand recorded a double-digit decline of 12.7% in 2020.

We will see substantial recovery in 2021 and 2022, with growth of 8.2% and 4.2% respectively. However, steel demand in 2022 will still fall short of 2019 levels.

Despite high infection levels, the US economy was able to rebound strongly from the first wave due to the substantial fiscal stimulus that supported consumption. This helped durable goods manufacturing, but overall US steel demand fell by 18% in 2020. The Biden administration recently announced a large fiscal proposal containing provisions for substantial infrastructure investment over a multi-year period.

The plan is expected to be considered by Congress in the second half of 2021 and, depending on its final form, may have upside potential for steel demand in the longer term. However, despite this and fast progress in vaccinations, steel demand recovery will be constrained in the short term by a weak rebound in the non-residential construction and energy sectors. The automotive sector is expected to recover strongly.

Similarly, the EU steel-using sectors suffered severely from the first lockdown measures in 2020, but experienced a stronger than expected post-lockdown rebound in manufacturing activities due to supportive government measures and pent-up demand. Accordingly, steel demand in 2020 in the EU27 and the UK ended with a better than expected 11.4% contraction. Italy and France recorded proportionately larger contractions due to the severest lockdown measures and collapsed tourism.

The recovery in 2021 and 2022 is expected to be healthy, driven by recovery in all steel-using sectors, especially the automotive sector, and public construction initiatives. So far, the EU's recovery momentum has not been derailed by the ongoing third waves, but it remains fragile.

While there were fewer COVID-19 cases relative to the US or EU, the Japanese economy was also dealt a severe blow from the pandemic due to the interruption of broad economic activity and weak confidence that added to the effect of the October 2019 consumption tax hike. With a particularly pronounced fall in auto production, steel demand declined by 16.8% in 2020. The recovery in Japan's steel demand will be moderate, driven by a rebound in the automotive sector with recovering exports and industrial machinery because of a worldwide recovery in capital spending.

South Korea's economy escaped a large decline in GDP thanks to better management of the pandemic, and it saw positive momentum in facility investment and construction. Nevertheless, steel demand contracted by 8.0% in 2020 due to the contraction in the auto and shipbuilding sectors. In 2021-22, these two sectors will lead the recovery, which will be further supported by the continued strength in facility investment and government infrastructure programmes. Nevertheless, steel demand in 2022 is not expected to return to the pre-pandemic level.

3) Developing economics excluding China

Generally speaking, developing economies excluding China suffered more from the pandemic relative to the developed economies, with inadequate medical capacity, a collapse in tourism and commodity prices, and insufficient fiscal support. Steel demand in the developing economies excluding China declined by 7.8% in 2020. However, within the emerging economies, the picture was varied. India, MENA, and most Latin American countries suffered the most.

Benefitting from the global economic recovery and with renewed government infrastructure initiatives, steel demand in the developing economies is expected to show a relatively quick rebound in 2021 and 2022, with growth of 10.2% and 5.2% respectively. Accumulation of debts, no recovery in international tourism, and slow vaccination will prevent a faster recovery.

India suffered severely from an extended period of severe lockdown, which brought most industrial and construction activities to a standstill. However, the economy has been recovering strongly since August, much sharper than expected, with the resumption of government projects and pent-up consumption demand. India's steel demand fell by 13.7% in 2020 but is expected to rebound by 19.8% to exceed the 2019 level in 2021. The growth-oriented government agenda will drive India's steel demand up, while private investment will take longer to recover.

In ASEAN, disruptions to construction projects hit the fast-growing steel market, and steel demand contracted by 11.9% in 2020. Malaysia and the Philippines were the most severely hit, while Vietnam and Indonesia saw only a modest decline in steel demand. Recovery will be driven by a gradual resumption of construction activities and tourism, which will accelerate in 2022.

Latin American economies in general were severely hit by the pandemic and steel demand in 2020 recorded a double-digit contraction in most countries in the region. Mexico's steel demand was hard hit by reduced auto production and investment. The fast recovery in the automotive sector and a strong US economy will support the recovery of Mexico's steel demand in 2021. In Brazil, the economy rebounded sharply following a severe decline in Q2, aided by government support. As a result, Brazil's steel demand recorded a small positive growth in 2020 and will continue to recover at a healthy pace in 2021 and 2022.

Steel demand in Russia suffered less decline than other regions thanks to the government measures that supported construction activities. The National Projects initiatives are expected to support a moderate recovery of steel demand in 2021-22.

Steel demand in Turkey, which suffered a deep contraction in 2019 due to the currency crisis of 2018, maintained the recovery momentum that started in late 2019 due to construction activities. The recovery momentum will continue and steel demand is expected to return to the pre-currency crisis level in 2022.

In the MENA region, steel demand suffered from the cancellation of construction projects and a fall in oil prices, but the rebound of oil prices helped the region's steel demand to recover toward the end of 2020. Steel demand in the MENA region declined by 9.5% in 2020 and is expected to recover moderately with the resumption of infrastructure investments.

Steel-using sectors

1) Construction

Global construction output in 2020 fell more than in 2009 after the global financial crisis, 3.9% and 1.9% respectively, as the COVID confinement measures led to an interruption of construction works and revision of investment plans in many countries. In several developing countries, fiscal resources were drawn away from infrastructure investment for the pandemic support programmes.

Across countries, the most severe decline in construction was observed in the Philippines, India and Mexico. There will be regional variation to the speed of recovery in construction. In some countries, the resumption of construction projects is still constrained by COVID restrictions, worker shortages, and weak private investment. At the same time, there are countries where construction activities could gain ground through the year as governments prioritise infrastructure investment as a recovery tool. In China, the construction sector returned to normal operation at the end of April 2020 and has been showing a fast recovery since then.

Diverging trends among the construction subsectors will emerge from the pandemic. With increased remote working, e-commerce, and reduced business travel, demand for commercial buildings and travel-related facilities will continue to see a downward trend. At the same time, demand for logistics-related facilities to support e-commerce has increased and will continue to be a growth sector. Infrastructure projects have become important and are sometimes the only tool in many countries for economic recovery. They will continue to be a strong driver in emerging economies. In developed economies, green recovery programmes and infrastructure renewal will drive construction demand. Global construction is expected to reach the 2019 level again in 2022.

2) Automotive

Globally, the automotive sectors saw the most profound decline among the steel-using sectors, with a nosedive in the second quarter of 2020. While post-lockdown recovery was somewhat more robust than expected, the decline in the automotive industry in 2020 was of a double-digit scale in most countries. However, the automotive sector is expected to recover strongly in 2021. The recovery will be driven by pent-up demand, increased use of personal transportation due to safety concerns, and increased household cash savings. The recovery is expected to be particularly strong in the US, where the production level in 2021 will exceed the 2019 level. The global automotive industry is expected to return to the 2019 level in 2022. Despite a faster than expected recovery in demand, the sector is encountering another supply chain bottleneck in early 2021 with a shortage of semiconductors and other parts, which could constrain the recovery potential. Amid the crisis, 2020 saw a substantial increase in the share of hybrid and fully electric cars sales in the EU to 11.9% and 10.5% respectively, up from 5.7% and 3.0% in 2019.

3) Machinery

The global machinery sector was hit by the fall in investment in 2020, but the decline was much less than in 2009. Recovery is expected to take place at a faster pace as well, while a lack of confidence and uncertainty is still a constraining factor. Due to highly globalised supply chains, disruption was one of the major problems that emerged for the machinery industry during the lockdown. As a result, the sector has started reviewing its supply chains for flexibility and reliability. Another important factor that will affect the machinery sector is an accelerating trend toward digitisation and automation. Investment in this regard will drive growth in the machinery industry. Also, green initiatives and investment in renewable energy sources will be another growth area for the machinery sector.

REVIEW OF OPERATING & FINANCIAL PERFORMANCE – STANDALONE

At the outset we are happy to report that despite covid led disruption and the performance of the Company has been excellent and the Company has post highest ever sales turnover and profitability during FY21.

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	Installed Capacity	Production in FY2020 (In MT)	Production in FY2021 (In MT)	Year on year growth
Iron ore mining	2100000	1657734	1699920	2.54%
Iron ore pellets	2400000	1999150	2256550	12.88%
Sponge iron	495000	494955	494991	0.00%
Steel billets	400000	344610	350865	1.82%
MS Rounds/Wire Rod	400000	183187	261690	42.85%
HB wire	200000	130807	97698	-25.31%
Ferro alloys	16500	10517	14178	34.81%
Power (Units in crore)		43.77	44.42	1.49%
Galvanized Fabricated Products	110000	30477	29092	-4.54%

Iron Ore Mining:

The iron ore mining activity during the year has been increased by 2.55%. The production from captive iron ore mines resulted into better operating margins, as compared to market price of iron and is the biggest strength of the Company. The Company is continuously making efforts to improve the production volume from the mines and expect to grow the volumes further during the year to meet its entire iron ore requirement.

Iron Ore Pelletisation:

Your Company has achieved ever highest production with a capacity utilization of 94% in FY 2020-21.The production of iron ore pellets increased during the year by 12.88%. The higher production of iron ore pellets coupled with better realizations contributed to higher sales & profitability.

Sponge Iron

The Company operated the sponge iron plant at full capacity and achieved the production volumes of 494991MT, mainly on account of operational efficiency. During year the plant operated at 100% capacity utilization.

Finished Steel & Rolled Products

The production of Steel Billets increased by 1.82% on YoY basis, led by availability of additional power from Jagdamba Power and Alloys Limited (JPAL) during the year. Similarly, the production of MS Rounds/Wire Rods increased by 42.85% due to commencement of commercial production in the hot-rolling mill. However the production of HB Wires was strategically reduced by 25.31% in view of prevailing demand conditions in domestic market.

Ferro Alloys:

The Company is making silico manganese, used in steel making. The production of silico manganese increased by 34.81% with increase in demand of silico manganese, the capacity utilsation in ferro alloys divisions improved to 86%.

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 1.49% as compared to previous year. In addition to same the Company has long term contract for supply of power with Jagdmaba Power & Alloys Ltd (under merger with the Company) to meet long term power requirement of the Company.

ii. Net sales/income from operations:

Product	FY 2020			FY 2021		
	Sales (MTs) Quantity	Net sales (Rs in crore)	Sales Realisation (Per Ton)	Sales quantity (MTs)	Net sales (Rs in crore)	Sales Realisation (Per Ton)
Iron ore pellets	1362296	965.95	7091	1607881	1615.20	10046
Sponge iron	131419	222.05	16897	104289	215.30	20645
Steel billets	163381	467.11	28590	137136	460.02	33545
MS rounds/ Wire Rods	80297	267.61	33327	165433	617.64	37335
HB wire	129015	453.89	35181	101017	372.73	36898
Silico Manganese	7210	46.07	63898	10795	68.21	63186
Others		351.33			291.77	
TOTAL		**2774.01**			**3640.87**	

In fiscal 2020-21, the Company achieved standalone net sales of Rs.3641 Crores as compared to net sales of Rs 2774 crores achieved during previous Financial Year registering a growth of 31.25%. The increase in turnover is mainly on account favourable market conditions coupled with increase in the production and sale of high grade Iron ore pellets and MS Rounds/Wire Rods. With improvement in demand for the Company's products the price realizations were higher across the products manufactured by the Company.

iii) Raw Material & Input Cost:

The raw material and input cost of Company was lower during the year was 47.33% of net sales as compared to 54.58% during the previous year on account marginal increase in the selling prices of Company's products. The cost of iron ore from market purchases, coal and manganese ore increased during the year as compared to previous year, however, overall cost reduced due to sourcing majority of its iron ore from captive mines.

iv) Operating and other expenses

The Company's operating and other expenses increased to Rs.749.53 crore as against Rs.607.50 crore mainly due to increase in freight cost for export of iron ore pellet, which increased the outward freight cost on account of higher volumes of sales in export market.

v) Employee cost

The employee cost during the year increased by 14.43% to Rs.123.95 crore as compared to Rs.108.32 crore in the previous year due to increase in salaries of employees & workers. The employees cost stood at 3.40% of net sales during the year under review as compared to 3.90% during the previous year.

vi) Operating margins (EBIDTA)

The EBIDTA increased to Rs.1049.22 crores as compared to Rs.442.90 crores of previous year which was 28.81% of net sales during the year under review compared to 15.97% of net sales in the previous year mainly due to increase in price of finished products, change in product mix and optimum utilisation of production capacities and production of higher grade iron ore pellets and wires rods, which sale at premium in international markets.

vii) Interest and financial charges

Total expenses towards interest and bank charges has been reduced to Rs.109.99 crore in 2020-21 as compared to Rs.153.66 crore in 2019-20 due to repayment of debt. The Company has repaid the debt of Rs.548 crore during the year, which resulted into saving in interest cost.

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 Rs. 96.48 crores as compared to Rs.91.60 crores.

ix) Profit/Loss before Tax (PBT)

The Company has registered a profit before tax and exceptional items of Rs. 842.73 crore, as against Rs.197.64 crore during the previous year. The company has booked a profit of Rs.63 crores on sale of investments.

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 Rs.625.76 crores as against net profit after tax and extraordinary items of Rs.121.40 crores during previous year.

xii) Appropriation

Your Company has not transferred any amount to the General Reserves Account during the Financial Year 2020-21.

xiii) Provision for dividend

Your company has paid an interim dividend of Rs.5 per share and the Board of Directors recommended a final dividend of Rs.13.50 per share subject to approval of the shareholders of the company in the ensuing Annual General Meeting.

xiv) Fixed assets

(Rs. in crores)

Particulars	FY20	FY21	Change	% of Change
Gross block	1741.92	1757.46	15.54	0.89
Less depreciation	373.03	444.00	70.97	19.03
Net block	1368.89	1313.46	(55.43)	(4.05)
Capital WIP and pre-op expenses	52.90	60.98	8.08	15.27
Net fixed assets	1421.79	1374.44	(47.35)	(3.33)

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

xv) Inventories

The overall value of inventory of raw materials including stock in transit increased to Rs. 498.09 crore as on 31st March, 2021 as compared to Rs.445.86 crore as on 31st March, 2020. The average level of holding of raw material stood at 59 days of consumption as compared to a level of 50 days during the previous year.

xvi) Sundry debtors

The debtors outstanding as on 31st March, 2021 were 27 days of sales as compared to 20 days in FY 31st March, 2020, which was in normal range.

xvii) Short-term loans and advances

Loans and advances as on 31st March 2021 stood at Rs.169.29 crores as against Rs.125.65 crores on 31st March 2020.

xviii) Secured and unsecured loans

At the end of the year, secured term loans (including non-convertible debentures) totaled Rs.455.18 crores as against Rs. 1057.66 crore in FY 2019-20. The decrease is owing to repayment of term loan.

xix) Deferred tax liabilities

The deferred tax liability as on 31st March, 2021 was Rs. 161.15 crores as compared to Rs. 40.24 crores during the previous year.

FINANCIAL PERFORMANCE VIS A VIS OPERATIONAL PERFORMANCE

Ratio	2020-21	2019-20	% change	Reason
Debtors turnover (no. of days)	27	20	35	Due to increase in export volume.
Inventory turnover (no. of days)	50	59	18	Due to higher production
Interest coverage ratio	9.50	2.88	230	Due to debt and reduction and improved profitability
Current ratio	2.42	1.99	22	Due to lower utilization of working capital finance.
Debt equity ratio	0.30	1.01	70	Due to debt and reduction and improved profitability
Operating profit margin (%)	28.81%	15.97%	80	Improved market realization coupled optimum capacity utilization.
Net profit margin (%)	17.19%	4.38%	292	
Return on networth (%)	52.27%	11.27%	364	

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE/INDUSTRIAL RELATIONS

Your Company's HR Vision is to build a high performing organization, where everyone is motivated to perform to the fullest capacity to contribute to developing and achieving individual excellence with organizational objectives. Your Company continues to maintain positive work environment and constructive relationship with all its employees with a continuing focus on productivity and efficiency.

We believe that our success is driven by the success of our people, who are at the core of everything we do believe in nurturing and creating a workforce for tomorrow while being responsible towards society.

Health & Safety is our first & foremost priority for the employees. The Safety wing of the company is continued to make the employees & contractual workers aware about organizational safety. During the year, your Company has:

- Organized program on Safety at Hot & Height Work
- Organized program on working at Hot area & Industrial Hygiene.
- Organized program on Excavation Safety
- Organized program on Electrical Safety
- Organized program on Behaviour based Safety
- Organized program on Gas and Cylinder Safety
- Organized program on Importance of House Keeping & Work Permit System

RISKS AND CONCERNS

Risk management

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

Economy risk

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

Risk mitigation:

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

Industry/Demand risk

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

Risk mitigation:

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

Technology risk

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

Risk mitigation:

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

Input risk

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

Risk mitigation:

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

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

Project management risk

Delay in project completion could lead to cost overrun.

Risk mitigation:

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

Location risk

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

Risk management:

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

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

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

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has in place an adequate system of internal control commensurate with its size and nature of business. The system provides a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

Your Company has a business planning system to set targets and parameters for operations which are reviewed with actual performance to ensure timely initiation of corrective action, if required.

Your Company has availed the services of independent professional firm for Internal Audit, which checks the effectiveness of the internal controls with an objective to provide an independent, objective and reasonable assurance of the adequacy and effectiveness of your Company's risk management, control and governance processes. The scope and authority of the Internal Audit activity are approved by the Audit Committee. Internal Auditor reports directly to the Audit Committee of Board. Audit Committee periodically reviews the Internal Audit Reports and issues guidance and advice. The Audit Committee also seeks the views/opinions of statutory auditors on the adequacy of the internal control systems in your Company. Minutes of the Audit Committee are put up to the Board of Directors.

The Company's Audit Committee reviews adherence to internal control systems, internal audit reports and legal compliances. This committee reviews all quarterly and yearly results of your Company and recommends the same to Board for its approval. The Committee also reviews the performance of the subsidiaries/controlled entities.

CAUTIONARY STATEMENT

The above Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include external economic conditions affecting demand/supply influencing price conditions in the market in which the Company operates, changes in Government regulations, tax laws, and other incidental factors.

ANNEXURE-10 TO DIRECTORS' REPORT 2020-21

CORPORATE POLICIES

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, mandates the formulation of certain policies for all listed companies. The corporate governance policies are available on the Company's website, at https://www.godawaripowerispat.com. The policies are reviewed periodically by the Board and updated as needed. Key Policies of the Company are:-

NAME OF THE POLICY	BRIEF DESCRIPTION	WEBLINK
Whistle Blower Policy (Policy on Vigil Mechanism)	The Company has adopted Vigil Mechanism for Directors and Employees of the Company to report genuine concerns. The vigil mechanism provides for adequate safeguard against the victimization of Directors and employees and also provides direct access to the nodal officers of the Company.	http://www.godawaripowerispat/investors-information/policies/
Code of Conduct And Ethics	The Company has adopted Code of Conduct and Ethics which forms the foundation of its Ethics and Compliance program. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all Stakeholders.	http://www.godawaripowerispat.com/investors-information/policies/
Nomination And Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the directors, KMP, senior management and other employees.	http://www.godawaripowerispat.com/investors-information/policies/
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to bring about a positive impact on society through programs relating to hunger, poverty, education, healthcare, environment, etc.	http://www.godawaripowerispat.com/investors-information/policies/
Policy on Material Subsidiary	The policy is used to determine the material subsidiaries and material unlisted Indian subsidiaries of the Company and to provide the governance framework for them. The policy was adopted with retrospective effect from 1st April, 2019.	http://www.godawaripowerispat.com/investors-information/policies/
Policy on Related Party Transactions	The policy regulates all transactions between the Company and its related parties. The Board has reviewed and updated its policy on 30th April, 2019 and it shall be effective from 01st April, 2019.	http://www.godawaripowerispat.com/investors-information/policies/

NAME OF THE POLICY	BRIEF DESCRIPTION	WEBLINK
Business Responsibility Policy	This policy has been framed as per the suggestion in the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' issued by the Ministry of Corporate Affairs.	http://www.godawaripowerispat.com/investors-information/policies/
Dividend Distribution Policy	The company has adopted this Policy to determine the distribution of dividend in accordance with the provisions of applicable laws.	http://www.godawaripowerispat.com/investors-information/policies/
Code on Fair disclosures and investors relation	This policy is aimed at providing clear guidelines and procedure for disclosing the material information outside the company in order to provide accurate and timely communication to our shareholders and financial markets.	http://www.godawaripowerispat.com/investors-information/policies/
Policy for determining materiality for disclosure	This policy applies to disclosure of material event affecting the company and its subsidiaries.	http://www.godawaripowerispat.com/investors-information/policies/
Archival Policy	This policy deals with retention and Archival of corporate records of the company.	http://www.godawaripowerispat.com/investors-information/policies/

Financial Statements

Standalone Financial Statements

Independent Auditor's Report

To
The Members of
Godawari Power & Ispat Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Godawari Power & Ispat Limited ('the Company'), which comprise the balance sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance but does not include standalone financial statements and our auditors report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone Financial Statements

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

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

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore key audit matters in our audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

   (d) in our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

   (g) with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197 (16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in with accordance with the provisions of Section 197 of the Act; and

   (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 financial statements – Refer Note 28 to the standalone financial statements;

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

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

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

OP Singhania
Partner
Membership number: 051909

Raipur, 25th May, 2021
UDIN: 21051909AAAAAP4835

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report that:

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant & equipment.

(b) As explained to us, all major property, plant & equipment 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 property, plant & equipment 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 has 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 not granted any secured or unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the companies Act, 2013, therefore the provisions of clause 3(iii) (a) to (c) of the Order is 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 Order is not applicable to the company.

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

(vii) (a) According to the information & explanations given to us, during the year the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods & services tax, duty of customs, cess and any other statutory dues with the appropriate authorities. Further, no undisputed amounts of statutory dues as stated above were in arrears as at 31st March 2021 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* (Rs. in lacs)	Forum where dispute is pending
Central Excise Act,1944	Demand on account of Cenvat credit denial	2007-08	57.64	CESTAT, NEW DELHI
Central Excise Act,1944	Duty on Sale of Power to CSEB and on Output Service	2010-11 to 2014-15	187.82	CESTAT, NEW DELHI
Service Tax	Demand of Service Tax- Suppression of value- retention of Iron ore fines HIL	2011-12	119.23	CESTAT, NEW DELHI
Customs Act, 1962	Demand of Customs duty on imported Coal due to classified as Bituminous Coal	2012-13	10.00	CESTAT, HYDERABAD

Name of Statute	Nature of Dues	Period	Amount* (Rs. in lacs)	Forum where dispute is pending
Central Excise Act,1944	Denial of Cenvat credit on inputs	April 08 to Feb 09	5.33	Commissioner (Appeals) Central Excise, Raipur.
Central Excise Act,1944	Demand of short payment of duty on related party transaction with	2014-15 to 2016-17	29.26	The Commissioner (Appeals) Raipur
Service Tax	Demand of Service Tax on rebate, shortage & claim of Interest from customers	(2014-15 to 2016-17)	8.82	Commissioner (Appeals), Central Excise, Raipur (CG)
C.G. Commercial Tax	Non receipt of sales tax declaration form	2010-11 & 2012-13	14.54	Chhattisgarh Commercial Tax Tribunal, Raipur
C.G. Commercial Tax	Extension of Sales Tax Exemption and adjustment with Input Tax Rebate	2007-08	262.92	High Court, Chhattisgarh
Chhatisgarh Upkar Adhiniyam 1981	Energy Development Cess	May 2006 to Feb 2014	5546.24	Supreme Court

• Net of deposit.

(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 Order is 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 Order is not applicable to the company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable and details of such transactions have been disclosed in the standalone financial statements as required by the Ind AS.

(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 Order is 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 Order is 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 Order is not applicable to the company.

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

OP Singhania
Partner
Membership No.051909

Raipur, 25th May'2021
UDIN: 21051909AAAAAP4835

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls Over Financial Reporting 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 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 ICAI. 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 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 standalone 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, to the best of our information and according to the explanations given to us, 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 2021, 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.
(Firm Regn. No.018400C)
Chartered Accountants

OP Singhania
Partner
Membership No.051909

Raipur, 25th May'2021
UDIN: 21051909AAAAAP4835

GODAWARI POWER AND ISPAT LIMITED

Balance sheet as at 31.03.2021

(₹ in lacs)

Particulars	Note No	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non -current assets			
(a) Property, Plant and Equipment	3	1,31,345.57	1,36,888.85
(b) Capital work-in-progress	3	6,097.64	5,289.86
(c) Other intangible assets	4	9,275.07	10,293.51
(d) Financial assets			
'- Investments	5	34,113.98	34,625.14
(e) Other non-current assets	6	1,095.10	1,198.43
Current-assets			
(a) Inventories	7	49,808.98	44,586.34
(b) Financial assets			
(i) Trade Receivables	8	26,613.01	15,537.52
(ii) Cash and cash equivalents	9	754.52	141.62
(iii) Bank balances other than Cash and cash	9	4,048.91	1,541.76
equivalents mentioned above			
(c) Current tax assets (net)		-	22.46
(d) Other current assets	6	16,928.89	12,564.70
Total Assets		**2,80,081.67**	**2,62,690.19**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10A	3,411.12	3,411.12
(b) Other equity	10B	1,77,187.99	1,16,311.08
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	41,115.89	1,00,229.24
(ii) Other non-current financial liabilities	12	295.44	206.69
(b) Provisions	13	1,387.70	1,165.11
(c) Deferred tax liabilities (Net)	14	16,115.08	4,024.08
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	7,889.43	15,270.97
(ii) Trade Payables	16		
- total outstanding dues of micro enterprises and small enterprises		85.10	22.17
- total outstanding dues of creditors other than micro enterprises and small enterprises		19,498.24	12,958.20
(iii) Other Financial Liabilities	17	9,078.38	8,531.29
(b) Other current liabilities	18	972.56	489.22
(c) Provisions	13	77.44	71.02
(d) Current tax liabilities (Net)		2,967.28	-
Total Equity and Liabilities		**2,80,081.67**	**2,62,690.19**
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 OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

GODAWARI POWER AND ISPAT LIMITED

Statement of Profit & Loss for the year ended 31st March, 2021

(₹ in lacs)

	Notes	2020-21	2019-20
INCOME			
Revenue from operations	19	3,64,086.81	2,77,401.29
Other Income	20	520.09	288.63
TOTAL INCOME		**3,64,606.90**	**2,77,689.92**
EXPENSES			
Cost of materials consumed	21	1,67,631.23	1,51,419.27
Purchases of Stock-in-Trade		7,111.56	6,824.62
Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods	22	(2,406.23)	3,573.75
Employee benefits expense	23	12,394.66	10,831.87
Finance costs	24	10,998.62	15,366.03
Depreciation and amortization expense	25	9,648.76	9,159.85
Other Expenses	26	74,955.23	60,750.36
TOTAL EXPENSES		**2,80,333.84**	**2,57,925.76**
Profit/(loss) before exceptional item and tax		**84,273.06**	**19,764.16**
Exceptional items (refer note 38)		6,299.76	-
Profit/(loss) before tax		**90,572.82**	**19,764.16**
Tax expense:			
Current tax		15,954.42	3,714.10
Deferred Tax		12,042.06	3,910.20
Total income tax expense		**27,996.48**	**7,624.30**
Profit/(loss) for the year from contining operations		**62,576.34**	**12,139.86**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plans		19.52	(141.83)
Income tax relating to items that will not be reclassified to profit or loss		(33.35)	49.56
Fair value of financial assets		91.81	(146.38)
Income tax relating to items that will be reclassified to profit or loss		(15.59)	70.72
Total Other Comprehensive Income, net of tax		**62.39**	**(167.92)**
Total Comprehensive Income for the period Comprising Profit/(Loss) and Other Comprehensive Income for the period		**62,638.73**	**11,971.94**
Earnings per equity share [nominal value of share	27		
@ ₹10/- (31st March,2020" ₹10)]			
Basic		177.59	34.45
Diluted		177.59	34.45
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 OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

GODAWARI POWER AND ISPAT LIMITED

Cash Flow Statement for the year ended 31st March, 2021

(₹ in lacs)

		2021	2020
Cash Flow from operating activities			
Profit/(loss) before tax		90,572.82	19,764.16
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation/amortization		9,648.76	9,159.85
Loss/(profit) on sale of property, plant & equipment		(241.49)	(62.57)
Loss/(profit) on sale of non-current investments		-	(5.21)
Employee benefits		248.53	147.10
Investment written off		1.00	-
Provision/Allowances for credit loss on debtors		767.32	(364.60)
Finance Cost		10,998.62	15,366.03
Interest Income		(170.78)	(217.04)
Exceptional items		(6,299.76)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**1,05,525.03**	**43,787.73**
Movements in working capital :			
Increase/(decrease) in trade payables		6,602.98	(5,242.52)
Increase/(decrease) in other financial liabilities		1,685.24	(519.82)
Increase/(decrease) in other current liabilities		483.34	(705.35)
Increase/(decrease) in Other non-current financial liablities		88.76	47.01
Decrease/(increase) in trade receivables		(11,842.82)	(2,859.98)
Decrease/(increase) in inventories		(5,222.64)	11,249.34
Decrease/(increase) in loans		-	14.00
Decrease/(increase) in other current assets		(4,364.19)	272.26
Decrease/(increase) in other non-current assets		103.33	(423.53)
Cash generated from/(used in) operations		**93,059.03**	**45,619.14**
Direct taxes paid (net of refunds)		(12,964.68)	(6,039.75)
Net Cash flows from/(used in) operating activities	**A**	**80,094.35**	**39,579.38**
Cash flows from investing activities			
Purchase of fixed assets, including intangible assets and CWIP		(5,039.96)	(14,714.40)
Proceeds from sale of property, plant & equipment		1,386.63	106.70
Proceeds from sale of non-current investments		-	15.21
Proceeds from disposal of subsidiaries		8,701.73	-
Increase in non-current investments		(1,800.00)	-
Investments in bank deposits (having original maturity of more than three months)		(2,508.79)	-
Proceeds from bank deposits (having original maturity of more than three months)		-	1,192.87
Interest received		170.78	217.04

Cash Flow Statement for the year ended 31st March, 2021

(₹ in lacs)

		2021	2020
Net cash flows from/(used in) investing activities	**B**	**910.39**	**(13,182.58)**
Cash flows from financing activities			
Redemption of debenture		-	(3,219.00)
Repayment of long-term borrowings		(60,249.87)	(10,256.71)
(Repayment)/Proceeds of short-term borrowings (net)		(7,381.54)	2,516.52
Finance Cost		(10,998.62)	(15,366.03)
Dividends paid on equity shares		(1,761.81)	-
Net cash flows from/(used in) financing activities	**C**	**(80,391.84)**	**(26,325.23)**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		612.90	71.57
Cash and Cash Equivalents at the beginning of the year		141.62	70.05
Cash and Cash Equivalents at the end of the year		**754.52**	**141.62**
Components of cash and cash equivalents			
Cash in hand		5.66	3.31
Deposits with original maturity of less than three months		113.00	-
With banks- on current account		635.86	138.31
		754.52	141.62

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 OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

For and on behalf of the Board of Directors of

Godawari Power & Ispat Limited

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

GODAWARI POWER AND ISPAT LIMITED

Statement of Changes in Equity for the year ended 31st March, 2021

Equity Share Capital

(₹ in lacs)

Particulars	Balance as at 01.04.2019	Changes in the equity share capital during the year	Balance as at 31.03.2020	Changes in the equity share capital during the year	Balance as at 31.03.2021
Equity Share Capital	3,411.12	-	3,411.12	-	3,411.12

Other Equity

(₹ in lacs)

	Reserves and Surplus					Fair Value of financial assets through Other Comprehensive Income (Net of Tax)	Total
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Retained Earnings		
Balance at the beginning of the reporting period 01.04.2019	1,695.36	20,784.05	804.75	16,961.25	64,434.83	(341.11)	1,04,339.14
Remeasurements of the net defined benefit plans, Net of Tax	-	-	-	-	(92.27)	-	(92.27)
Fair Value of Financial assets through Other Comprehensive Income, Net of Tax	-	-	-	-	-	(75.65)	(75.65)
Profit/(loss) for the year	-	-	-	-	12,139.86	-	12,139.86
Transfer to General Reserve			(804.75)	804.75			-
Balance at the end of the reporting period 31.03.2020	1,695.36	20,784.05	-	17,766.00	76,482.43	(416.76)	1,16,311.08
Remeasurements of the net defined benefit plans, Net of Tax	-	-	-	-	(13.83)	-	(13.83)
Fair Value of Financial assets through Other Comprehensive Income, Net of Tax	-	-	-	-	-	76.22	76.22
Interim Dividend paid on Equity Share	-	-	-	-	(1,761.81)	-	(1,761.81)
Profit/(loss) for the year	-	-	-	-	62,576.34	-	62,576.34
Balance at the end of the reporting period 31.03.2021	**1,695.36**	**20,784.05**	**-**	**17,766.00**	**1,37,283.13**	**(340.54)**	**1,77,187.99**

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 OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

For and on behalf of the Board of Directors of

Godawari Power & Ispat Limited

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

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 National Stock Exchange and Bombay Stock Exchange in India. The company is mainly engaged in Mining of Iron Ore and Manufacturing of Iron Ore Pellets, Sponge Iron, Steel Billets, Wire Rods, H.B. Wire and Ferro Alloys with generation of Electricity.

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

The standalone financial statements were approved for issue in accordance with a resolution of the directors on 25 May 2021.

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 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

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 and
- Defined benefit plans

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

iv) The standalone financial statements provide comparative information in respect of the previous period. In addition, the Company presents an additional balance sheet at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

2.2 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

The Company has assessed the possible impact of COVID-19 on its financial statements based on the internal and external information available up to the date of approval of these financial results and concluded that no adjustment is required in these financial statements. The Company continues to monitor the future economic conditions.

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when it is:

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

All other liabilities are classified as non-current.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

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) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

ii) 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.

iii) 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.

iv) 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.

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

vi) 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

vii) 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.

viii) 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.

ix) 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

The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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 upon transfer of control of promised goods to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

i) Revenue from sales of goods is recognised on output basis measured by units delivered, number of transactions etc.

ii) Revenue from sales of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

Interest income

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

Dividends

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

Rendering of services

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

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 Mining Rights are amortised over useful life of the mines or lease period whichever is shorter.

viii) Other Intangible assets i.e. Computer Softwares are amortized on a straight line basis over technically useful life i.e. 10 years.

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

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. Leave encashment benefit is a long term benefit plan whereas Gratuity is a post retirement benefit plan. 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

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

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.

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

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

t) Dividend Distribution

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

u) Statement of Cash Flows

i) Cash and Cash equivalents

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

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

2.4 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

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

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.

f) Amortization of leasehold land

The Company's lease asset classes primarily consist of leases for industrial land. The lease premium is the fair value of land paid by the Company to the state govenment at the time of aquisition and there is no liability at the end of lease term. The lease premium paid by the company has been amortized over the lease period on a systematic basis and classified under Ind AS 16 and therefore, the requirements of both Ind AS 116 and Ind AS 17 as to the period over which, and the manner in which, the right of use asset (under Ind AS 116) or the asset arising from the finance lease (under Ind AS 17) amortized are similar.

2.5 NEW AND AMENDED STANDARDS

The company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

2.6 RECENT ACCOUNTING DEVELOPMENTS

Ministry of Corporate Affairs ("MCA") notifies amendments to the existing standards viz. Ind AS 116, 103, 1, 8, 107 & 109. There is no such impact of amendments which would have been applicable from April 1, 2020.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

3. Property, Plant and Equipment

(₹ in lacs)

	Freehold Land	Leasehold Land	Site & Land Development	Building	Plant and Equipment	Furniture & Fixtures	Vehicles	Total
Gross Block								
Carring Value								
At 1 April 2019	4,146.81	467.11	1,415.64	27,856.67	1,25,640.12	248.39	684.67	1,60,459.41
Additions	282.66	-	-	1,991.27	11,544.51	4.27	85.42	13,908.13
Disposals	1.97	-	-	-	84.40	-	88.97	175.34
At 31 March, 2020	4,427.50	467.11	1,415.64	29,847.94	1,37,100.23	252.67	681.12	1,74,192.20
Additions	117.86	-	232.28	1,276.38	2,395.58	11.62	194.68	4,228.41
Disposals	47.15	-	-	434.24	2,079.24	1.81	112.14	2,674.57
At 31 March, 2021	**4,498.21**	**467.11**	**1,647.93**	**30,690.09**	**1,37,416.57**	**262.48**	**763.66**	**1,75,746.03**
Depreciation								
At 1 April 2019	-	8.79	-	4,362.07	24,528.43	144.81	264.51	29,308.62
Charge for the year	-	4.80	-	1,139.00	6,864.83	21.03	96.29	8,125.94
(Disposals)/Adjustment	-	-	-	-	48.53	-	82.68	131.21
At 31 March, 2020	**-**	**13.59**	**-**	**5,501.07**	**31,344.74**	**165.84**	**278.11**	**37,303.35**
Charge for the year	-	4.80	-	1,153.49	7,372.62	17.61	78.02	8,626.54
(Disposals)/Adjustment	-	-	-	182.49	1,260.58	1.72	84.64	1,529.43
At 31 March, 2021	**-**	**18.39**	**-**	**6,472.07**	**37,456.77**	**181.74**	**271.49**	**44,400.46**
Net Block								
At 31 March, 2020	**4,427.50**	**453.52**	**1,415.64**	**24,346.87**	**1,05,755.49**	**86.82**	**403.00**	**1,36,888.85**
At 31 March, 2021	**4,498.21**	**448.72**	**1,647.93**	**24,218.02**	**99,959.79**	**80.74**	**492.16**	**1,31,345.57**

Movement in Capital Work-in-Progress

(₹ in lacs)

	As on 01.04.2019	Addition	Transfer/ Deletion	As on 31.03.2020	Addition	Transfer/ Deletion	As on 31.03.2021
Capital Work-in-Progress	4,483.59	9,982.15	9,175.87	5,289.86	5,014.97	4,207.20	6,097.64
	4,483.59	**9,982.15**	**9,175.87**	**5,289.86**	**5,014.97**	**4,207.20**	**6,097.64**

Details of property, plant and equipment pledged against borrowings is presented in note 11 & 15.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

4. Other Intangible assets

(₹ in lacs)

	Computer software	Mining Assets	Total
Gross Block			
Carrying Value			
At 1 April 2019	927.33	13,534.55	14,461.88
Purchase/additions	-	-	-
At 31 March, 2020	**927.33**	**13,534.55**	**14,461.88**
Purchase/additions	3.79	-	3.79
At 31 March, 2021	**931.12**	**13,534.55**	**14,465.66**
Amortization			
At 1 April 2019	280.87	2,853.59	3,134.46
Charge for the year	87.71	946.20	1,033.91
At 31 March, 2020	**368.58**	**3,799.79**	**4,168.37**
Charge for the year	76.02	946.20	1,022.22
At 31 March, 2021	**444.60**	**4,745.99**	**5,190.59**
Net Block			
At 31 March, 2020	**558.75**	**9,734.75**	**10,293.51**
At 31 March, 2021	**486.52**	**8,788.55**	**9,275.07**

5 Investments

(₹ in lacs)

Particulars	Face value per unit in ₹	No. of Shares/Units	As at 31.03.2021	As at 31.03.2020
Investment in subsidiaries				
Valued at cost				
Unquoted equity instruments, fully Paid up				
*Godawari Green Energy Ltd.	10	1,78,46,940	17,801.94	17,802.00
**Godawari Energy Ltd.	10	1,18,00,000	1,180.00	1,180.00
Ardent Steel Ltd.	10	80,65,000	-	4,764.00
Unquoted debenture instruments, fully Paid up				
0.01 % Optionaly Convertible Debentures				
Godawari Energy Ltd.	10	6,90,00,000	6,900.00	6,900.00
Unquoted Preference (OCCPS) instruments, fully Paid up				
Godawari Green Energy Ltd.	100	18,00,000	1,800.00	-
Investment in step down subsidiaries				
Unquoted equity instruments, fully Paid up				
Hira Energy Ltd	10	14,000	-	1.40
Investment in joint ventures				
Valued at cost				
Investment in equity instruments, fully Paid up (unquoted)				
Raipur Infrastructure Company Ltd	10	1,30,800	210.70	210.70
Chhattisgarh Capitive Coal Mining Pvt. Ltd.	10	3,42,824	473.54	473.54

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

5 Investments (contd)

(₹ in lacs)

Particulars	Face value per unit in ₹	No. of Shares/Units	As at 31.03.2021	As at 31.03.2020
Investment in associates				
Valued at cost				
Investment in equity instruments, fully Paid up (unquoted)				
Hira Ferro Alloys Ltd.	10	94,91,000	2,234.26	2,234.26
Jagdamba Power & Alloys Ltd	10	26,05,000	260.50	260.50
Chhattisgarh Ispat Bhoomi Ltd	10	28,10,000	489.40	489.40
Ardent Steel Ltd.	10	39,98,800	2,362.09	-
Carried at Fair Value through OCI				
Investment in equity instruments, fully Paid up (unquoted)				
Hira Steels Limited	10	19,40,100	334.45	255.59
Hira Energy Ltd	10	14,000	5.74	-
Shourya Diamonds Ltd	10	10,000	-	0.61
Investment in mutual fund, fully Paid up				
Baroda Pioneer Banking & Financial Services Fund Plan-A-Growth	10	19,990	5.48	3.22
Canara Robeco Capital Protection Oriented Fund Series-9	10	3,50,000	43.61	39.38
Canara Robeco Capital Protection Oriented Fund Series-10	10	1,00,000	12.27	10.54
			34,113.98	**34,625.14**
Agrregate amount of quoted investments and market value thereof			61.36	53.14
Agreegate amount of Unquoted investments			34,052.62	34,572.00
Investment carried at cost			33,712.44	34,315.80
Investment carried at fair value through OCI			401.54	309.34

Investments given as security

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

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

6. Other assets (unsecured, considered good)

(₹ in lacs)

	Non-Current		Current	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Advances other than capital advances				
Advance to Vendors			11,226.55	10,112.36
Prepaid expenses			172.49	110.30
Balance with statutory/govt. authorities			5,529.85	2,342.04
Security deposit with govt. & others	1,095.10	1,198.43	-	-
Total	**1,095.10**	**1,198.43**	**16,928.89**	**12,564.70**

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

7. Inventories (valued at lower of cost and net realizable value)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Raw Materials	26,528.67	25,498.03
Work-in-progress	1,808.97	1,655.27
Finished goods and by-products	8,490.69	8,053.73
Stock-in-trade	2,725.21	909.64
Stores & spares	10,255.43	8,469.66
	49,808.98	**44,586.34**

8. Trade receivables

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Trade receivables considered good - Unsecured	26,613.01	15,537.52
Trade Receivables which have significant increase in Credit Risk	794.87	27.54
	27,407.88	15,565.06
Less: Provision for doubtful receivables	794.87	27.54
	26,613.01	**15,537.52**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

9. Bank, Cash and cash equivalents

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Cash and cash equivalents		
Balances with banks:		
On current accounts	635.86	138.31
Deposits with original maturity of less than three months	113.00	-
Cash on hand	5.66	3.31
	754.52	**141.62**
Other bank balances		
Earmarked balances - Unpaid dividend account	6.11	7.74
Deposits with original maturity for more than 3 months	4,042.80	1,534.02
but less than 12 months		
	4,048.91	**1,541.76**
	4,803.43	**1,683.39**

Out of total Deposits, deposits of ₹ 4042.80 lacs (previous year ₹1534.02 lacs) are pledged with various banks for availing LC, Bank Guarantee, OD facilities, margin money and pledged with other Govt. Departments.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

10 A. Equity Share capital

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Authorised		
49800000 (31st March, 2020: 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, 2020: 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 31.03.2021		As at 31.03.2020	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period	3,52,36,247	3,411.12	3,52,36,247	3,411.12
Issued during the period	-	-	-	-
Outstanding at the end of the period	**3,52,36,247**	**3,411.12**	**3,52,36,247**	**3,411.12**

* Value of Treasury shares (1125000 nos.) held in the trust are deducted from the equity share capital.

b. Terms/rights attached to equity shares

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

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after 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 31.03.2021	As at 31.03.2020
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 31.03.2021		As at 31.03.2020	
	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 (HUF)	2738932	7.77	2738932	7.77
Vinay Agrawal	1875466	5.32	1875466	5.32
Kumar Agrawal	2460678	6.98	2460678	6.98
	10712075	**30.39**	**10712075**	**30.39**

e. In the period of five years immediately preceding March 31, 2021, the Company has neither issued bonus shares, bought back any equity shares or has allotted any equity shares as fully paid up consideration other than cash.

f. There are no equity shares reserved for issue under options and there are no contracts or commitments for the sale of shares or disinvestments.

g. Apart from authorised equity share capital, the company is also having authorised preference share capital consisting 3200000 preference shares of ₹10/- each as on 31.03.2021 and 31.03.2020.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

10 B. Other Equity

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Capital Reserve		
Balance as per last financial statements	1,695.36	1,695.36
	1,695.36	**1,695.36**
Securities Premium		
Balance as per last financial statements	20,784.05	20,784.05
	20,784.05	**20,784.05**
Debenture Redemption Reserve		
Balance as per last financial statements	-	804.75
Less: Transfer to general reserve	-	804.75
	-	-
General Reserve		
Balance as per last financial statements	17,766.00	16,961.25
Add: Transfer from debenture redemption reserve	-	804.75
	17,766.00	**17,766.00**
Retained Earnings		
Balance as per last financial statements	76,482.43	64,434.83
Profit for the year	62,576.34	12,139.86
Remeasurements of the net defined benefit plans, Net of Tax	(13.83)	(92.27)
Interim Dividend paid on Equity Share	(1,761.81)	-
	1,37,283.13	**76,482.43**
Items of Other Comprehensive Income		
Fair Value of financial assets through Other Comprehensive Income		
Balance as per last financial statements	(416.76)	(341.11)
Other Comprehensive Income reognised during the year, net of tax	76.22	(75.65)
	(340.54)	**(416.76)**
	1,77,187.99	**1,16,311.08**

Notes:

a. During amalgamation, the excess of net assets acquired, over the cost of consideration paid is treated as capital reserve.

b. Securities Premium is used to record the premium received on issue of shares. It is to be utilised in accordance with the provisions of Companies Act, 2013.

c. Debenture Redemption Reserve (DRR) has been created out of profit of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. The amounts credited to the DRR can be utilised by the company only to redeem debentures.

d. Under the erstwhile Companies Act, 1956, a General Reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. General Reserve is available for payment of dividend to the shareholders as per the provisions of Companies Act, 2013.

e. The cumulative gains and losses arising from fair value changes of equity investments measured at fair value through other comprehensive income are recognised in fair value of financial assets. The balance of the reserve represents such changes recognised net of amounts reclassified to retained earnings on disposal of such investments.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

11. Borrowings

(₹ in lacs)

	Non-Current		Current	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Term Loans				
Secured loan from bank	41,115.89	1,00,229.24	4,402.22	5,537.05
Other loans and advances				
Other loans from bank and financial institution(secured)	-	-	-	1.68
	41,115.89	**1,00,229.24**	**4,402.22**	**5,538.73**
The above amount includes				
Secured borrowings	41,115.89	1,00,229.24	4,402.22	5,538.73
Unsecured borrowings	-	-	-	-
Amount disclosed under the head "other financial liabilities" (refer note 17)	-	-	(4,402.22)	(5,538.73)
Net amount	**41,115.89**	**1,00,229.24**	**-**	**-**

Security and terms & conditions for above loans:

a. The rupee term loans agreegating to ₹45518.11 lacs (Previous year ₹105766.29 lacs) (including current maturities of ₹4402.22 lacs (Previous year ₹5537.05 lacs) classified under 'other financial liabilities' in note 17) 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 2nd pari passu charge on pledge of 75,01,846 equity shares of the Company held by the promoters.

b. 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. Rupee term loan outstanding aggregating to ₹45518 lacs (Previous year ₹103291 lacs) are repayable in 168 monthly instalments which shall be ended on 31st March 2032.

b. Rupee term loan outstanding agreegating to ₹Nil (Previous year ₹1831 lacs) are repayable in 88 monthly instalments which shall be ended on 31st March 2026.

12. Other non-current financial liabilities

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Retention money payable	295.44	206.69
	295.44	**206.69**

13. Provisions

(₹ in lacs)

	Non-Current		Current	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Provision for Employee Benefits				
- Gratuity	1,120.37	971.58	61.20	58.14
- Leave obligations	267.33	193.53	16.24	12.89
	1,387.70	**1,165.11**	**77.44**	**71.02**

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

14. Deferred Tax Liabilities (Net)

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Deferred Tax Assets/(Liabilities)		
Temporary differences on account of PPE & Other intangible assets	(16,782.00)	(19,793.33)
Temporary differences on account of fair valuation of Investments	44.48	60.06
Temporary differences on account of Employee Benefits	422.40	431.95
Unused MAT Credit	-	15,140.75
Others	200.05	136.49
Net deferred tax assets/(liabilities)	**(16,115.08)**	**(4,024.08)**
Reconciliation of deferred tax assets/(liabilities) (Net)		
Deferred Tax Assets/(Liabilities)		
Deferred tax (liability) / assets at the beginning of the year	(4,024.08)	(234.16)
Temporary differences on account of PPE & Other intangible assets	(3,011.33)	(1,763.61)
Temporary differences on account of Employee Benefits	(9.56)	100.96
Utilization of unabsorbed depreciation/losses	(126.87)	(508.38)
Other temporary differences	174.84	39.78
Impact of change in tax rate for future period	6,022.66	-
MAT credit forgo (adopting new tax regime from next year)	(919.48)	-
MAT Credit arised/(Utilized)	(14,221.27)	(1,658.66)
Deferred tax (liabilities) / assets at the end of the year	**(16,115.08)**	**(4,024.08)**

15. Borrowings

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Cash Credit facility from banks repayable on demand (secured)	7,889.43	15,270.97
The above amount includes	**7,889.43**	**15,270.97**
Secured borrowings	**7,889.43**	**15,270.97**

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 75,01,846 equity shares of the company held by the promoters.

16. Trade Payable

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	85.10	22.17
- total outstanding dues of creditors other than micro enterprises and small enterprises	19,498.24	12,958.20
	19,583.34	**12,980.36**

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

17. Other Financial Liabilities

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Current maturities of long-term borrowings (secured) (refer note-11)	4,402.22	5,538.73
Interest accrued but not due on borrowings	319.56	302.67
Expenses and other Payable	4,350.50	2,682.14
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	6.11	7.74
	9,078.38	8,531.29

18. Other Current Liabilities

(₹ in lacs)

	As at 31.03.2021	As at 31.03.2020
Advances from Customer	972.56	375.94
Creditors for capital goods	-	113.28
	972.56	**489.22**

19. Revenue from operations

(₹ in lacs)

	2020-21	2019-20
Revenue from operations		
Sale of products		
Manufacturing Goods and By-Products	3,56,325.13	2,65,936.14
Traded Goods	5,736.28	7,287.44
Others	1,715.77	2,116.65
Sale of services	309.64	2,061.06
Revenue from operations	**3,64,086.81**	**2,77,401.29**

20. Other Income

(₹ in lacs)

	2020-21	2019-20
Interest Income on		
Bank Deposits	91.80	98.03
Others	78.98	119.01
Profit on sale of non-current Investments	-	5.21
Profit on sale of property, plant and equipment	241.49	62.57
Other non-operating income (net of expenses directly attributable		
to such income)	107.82	3.80
	520.09	**288.63**

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

21. Cost of materials consumed

(₹ in lacs)

	2020-21	2019-20
Inventory at the beginning of the year	25,498.03	33,762.90
Add: purchases	1,68,661.87	1,43,154.40
	1,94,159.90	1,76,917.30
Less : Inventory at the end of the year	26,528.67	25,498.03
Cost of materials consumed	**1,67,631.23**	**1,51,419.27**

22. Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods

(₹ in lacs)

	2020-21	2019-20	(Increase)/ Decrease
			2020-21
Inventories at the end of the year			
Finished goods and by-products	8,490.69	8,053.73	(436.96)
Work-in-progress	1,808.97	1,655.27	(153.70)
Traded goods	2,725.21	909.64	(1,815.57)
	13,024.87	**10,618.64**	**(2,406.23)**
Inventories at the beginning of the year			**2019-20**
Finished goods and by-products	8,053.73	8,224.86	171.13
Work-in-progress	1,655.27	4,865.18	3,209.90
Traded goods	909.64	1,102.36	192.72
	10,618.64	**14,192.40**	**3,573.75**
Net (increase)/decrease in inventories	**(2,406.23)**	**3,573.75**	

23. Employee benefits expense

(₹ in lacs)

	2020-21	2019-20
Salaries, wages and other benefits	11,011.65	9,391.61
Contribution to provident and other fund	574.12	668.13
Gratuity expense	196.26	154.87
Leave obligation expense	122.13	73.83
Staff welfare expenses	490.49	543.42
	12,394.66	**10,831.87**

24. Finance Costs

(₹ in lacs)

	2020-21	2019-20
Interest		
- on debentures	-	110.23
- on term loans	9,223.11	13,237.66
- on working capital	1,219.68	1,290.93
- on others	17.48	69.48
Bank charges	538.35	657.74
	10,998.62	**15,366.03**

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

25. Depreciation and amortization expense

(₹ in lacs)

	2020-21	2019-20
Depreciation on property, plant and equipment	8,626.54	8,125.94
Amortization of intangible assets	1,022.22	1,033.91
	9,648.76	**9,159.85**

26. Other Expenses

(₹ in lacs)

	2020-21	2019-20
Consumption of stores and spares	15,262.48	12,757.18
Grid Parallel operation charges	215.28	200.82
Power & Fuel	18,397.47	18,634.36
Water Charges	349.75	360.60
Other manufacturing expenses	7,557.83	8,124.46
CDM Expenses	7.43	36.33
Rent	62.88	74.02
Rates and taxes		
- Excise duty/GST	28.44	70.91
- Electricity duty cess	783.21	784.60
- Others	33.57	37.80
Insurance	433.26	228.62
Repairs and maintenance		
- Plant and machinery	735.66	833.74
- Buildings	469.12	428.71
- Others	108.65	120.32
Rebate, shortage claims & other deductions	839.57	1,602.80
Commission- Other than Sole selling agents	413.14	368.63
Provision/Allowances for credit loss on debtors	767.32	(239.83)
Travelling and conveyance	361.37	474.93
Communication expenses	81.52	98.93
Printing and stationery	26.08	34.43
Legal and professional fees	721.57	320.40
Directors' sitting fees	24.00	22.20
Directors' remuneration	778.57	693.80
Payment to Auditor (Refer details below)	37.50	30.00
Frieght and forwarding charges	24,738.00	11,295.03
Security service charges	365.94	363.40
Bad Debts Written off	-	632.41
Advances no more recoverable written off	-	977.12
Corporate Social Responsibility	518.00	315.14
Miscellaneous expenses	837.62	1,068.51
	74,955.23	**60,750.36**

Payment to Auditor

(₹ in lacs)

	2020-21	2019-20
As auditor :		
Audit fee	35.00	27.50
Tax Audit fee	2.50	2.50
	37.50	**30.00**

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

27. Earnings per share (EPS)

(₹ in lacs)

	2020-21	2019-20
Net profit/(loss) as per statement of profit and loss	62,576.34	12,139.86
Net profit/(loss) attributable to Equity Shareholders	62,576.34	12,139.86
Nominal Value of Equity Shares (₹)		
Weighted average number of equity shares in calculating Basic EPS	3,52,36,247	3,52,36,247
Weighted average number of equity shares in calculating Diluted EPS	3,52,36,247	3,52,36,247
Basic & Diluted EPS		
- Basic earning per share	177.59	34.45
- Diluted earning per share	177.59	34.45

28. Contingent Liabilities and capital commitments :-

Claims against the companies not acknowledged as debts:

i) Disputed liability of ₹144.45 lacs (Previous Year ₹144.59 lacs) on account of Service Tax against which the company has preferred an appeal.

ii) Disputed liability of ₹329.68 lacs (Previous Year ₹244.88 lacs) on account of CENVAT against which the company has preferred an appeal.

iii) Disputed liability of ₹286.55 lacs (Previous year ₹286.55 lacs) on account of Sales Tax against which the company has preferred an appeal.

iv) Disputed liability of ₹10 lacs (Previous Year ₹10 lacs) on account of Custom Duty against which the company has preferred an appeal.

v) Disputed energy development cess demanded by the Chief Electrical Inspector, Govt. of Chhattisgarh ₹5546.24 lacs (Previous Year ₹5102.04 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.

vi) Disputed demand of ₹192.66 lacs (Previous Year ₹192.66 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.

vii) Disputed demand of ₹68.77 lacs (Previous Year ₹68.77 lacs) from Mining Department of Chhattisgarh against which the company has preferred an appeal.

Guarantees excluding financial guarantees:

i) Counter Guarantees given to banks against Bank guarantees issued by the Company Banker aggregate to ₹3429.64 lacs (Previous Year ₹2896.24 lacs.).

Capital Commitments:

i) Estimated amount of contracts remaining to be executed on capital accounts Rs. Nil (Previous Year Rs. Nil).

29. Disclosures as required by Indian Accounting Standard (IND AS) 19 Employee Benefits:

a. Defined Contribution Plan:

The Company has certain defined contribution plans viz. provident fund . Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

An amount of ₹574.12 lacs (P.Y. ₹668.13 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 23).

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

29. Disclosures as required by Indian Accounting Standard (IND AS) 19 Employee Benefits: (contd)

b. Defined benefit plan:

Leave Obligations:

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number days of unutilised leave at each balance sheet date on the basis of year-end actuarial valuation using projected unit credit method. The scheme is unfunded.

Based on past experience and in keeping with Company's practice, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months and accordingly the total year end provision determined on actuarial valuation, as aforesaid is classified between current and non current.

An amount of ₹122.13 lacs (P.Y. ₹73.83 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 23).

Gratuity:

The Gratuity scheme is a final salary defined benefit plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. Benefits provided under this plan is as per the requirement of the Payment of Gratuity Act, 1972. The scheme is unfunded.

(₹ in lacs)

	Particulars	Gratuity	
		2020-21 (Non Funded)	2019-20 (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	1,029.71	796.50
	Interest Cost	72.08	53.88
	Current Service Cost	124.18	100.98
	Past Service Cost	-	-
	Benefit paid directly by employer	(30.13)	(53.46)
	Acturial Changes arising from changes in financial assumption	16.96	75.95
	Acturial Changes arising from changes in expirence assumption	(31.24)	55.86
	Present value of defined benefit obiligation at the end of the year	1,181.56	1,029.71
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	30.13	53.46
	Benefit paid from the fund	(30.13)	(53.46)
	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	1,181.56	1,029.71
	Fair value of plan assets at the end of the year	-	-
	Amount recognised in the balance sheet		
	Net asset / (liability) - Current	61.20	58.13
	Net asset / (liability) - Non Current	1120.36	971.58
IV	**Expenses recognized in the statement of profit and loss for the year:**		
	Current Service Cost	124.18	100.98
	Interest Cost on benefit obiligation (Net)	72.08	53.88
	Total expenses included in employee benefits expenses	196.26	154.86
V	**Recognized in other comprehensive income for the year:**		
	Acturial Changes arising from changes in financial assumption	16.96	75.95
	Acturial Changes arising from changes in expirence assumption	(31.24)	55.86
	Recognized in other comprehensive income for the year:	(14.28)	131.81

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

29. Disclosures as required by Indian Accounting Standard (IND AS) 19 Employee Benefits: (contd)

(₹ in lacs)

	Particulars	Gratuity	
		2020-21 (Non Funded)	2019-20 (Non Funded)
VI	**Maturity profile of defined benefit obiligation:**		
	Within the next 12 months (next annual reporting period)	61.20	58.13
	Between 2 and 5 years	75.32	256.29
	6 years and above	1,045.04	715.29
VII	**Quantitative Sensitivity analysis for significant assumption is as below:**		
1	1% point increase in discount rate	1,066.34	928.82
	1% point decrease in discount rate	1,317.34	1,148.75
	1% point increase rate of salary Increase	1,317.52	1,148.59
	1% point decrease rate of salary Increase	1,063.79	926.84
	1% point increase rate of employee turnover rate	1,190.99	1,040.14
	1% point decrease rate of employee turnover rate	1,170.71	1,017.85

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.

(₹ in lacs)

	Particulars	Gratuity	
		2020-21 (Non Funded)	2019-20 (Non Funded)
VIII	**Actuarial assumptions:**		
1	Discount rate	6.90%	7.00%
2	Salary escalation	6.00%	6.00%
3	Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)
4	Mortality post retirement rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)
5	Rate of Employee Turnover	1% to 8%	1% to 8%

Notes:

(i) The actuarial valuation of the defined obligation were carried out at 31st March, 2021. 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.

(ii) Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

Interest rate risk :

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk :

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk :

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

30. 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 and loan.

31. 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 obloigation 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-21	31-Mar-20
Trade receivables	26,613.01	15,537.52
Bank, Cash and cash equivalents	**4,803.43**	**1,683.39**

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

31. Financial risk management objective and policies (contd)

Impairment losses

(₹ in lacs)

	31-Mar-21	31-Mar-20
Trade receivables (measured under life time excepted credit loss model)		
Opening balance	27.55	392.15
Provided during the year	767.32	-
Reversal of provision	-	364.60
Closing balance	**794.87**	**27.55**

Ageing analysis

(₹ in lacs)

	31-Mar-21	31-Mar-20
Upto 3 months	25,197.21	13,354.38
3-6 months	227.61	227.61
More than 6 months	1,188.20	1,955.52
	26,613.01	**15,537.52**

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-21	31-Mar-20
Cash Credit facilities	20,591.92	5,321.03

Maturities of financial liabilities

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

As at 31 March 2021	Less than 1 year	<1-5 years	More than 5 years	Total
Borrowings	12,291.65	24,289.00	16826.89	53,407.54
Trade payables	19,583.34	-	-	19,583.34
Other financial liabilities	4,971.61	295.44	-	5,267.05
	36,846.60	**24,584.44**	**16,826.89**	**78,257.93**

As at 31 March 2020	Less than 1 year	<1-5 years	More than 5 years	Total
Borrowings	20,809.70	39,379.13	60,850.12	1,21,038.94
Trade payables	12,980.36	-	-	12,980.36
Other financial liabilities	3,199.25	206.69	-	3,405.94
	36,989.31	**39,585.81**	**60,850.12**	**1,37,425.24**

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

31. Financial risk management objective and policies (contd)

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-21	31-Mar-20
Variable rate borrowings	53,407.54	1,21,037.26
Fixed rate borrowings	-	1.68

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-21	31-Mar-20
Interest rates - increase by 70 basis points	(373.85)	(847.26)
Interest rates - decrease by 70 basis points	373.85	847.26

Forex Exposure Risk

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

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

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

Particulars	Currency	Currency in Lacs	
		31-Mar-21	31-Mar-20
Borrowings	USD	11.10	33.00
Trade Payables	USD	308.62	45.35
Receivable	USD	143.32	66.59

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-21	31-Mar-20
Foreign exchange rates - increase by 1%	90.28	8.17
Foreign exchange rates - decrease by 1%	(90.28)	(8.17)

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 ₹7.92 lacs (2019-20: ₹6.19 lacs); an equal change in the opposite direction would have decreased profit and loss.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

32. 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."

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-Mar-21	31-Mar-20
Total long term debt	45,518.11	1,05,767.97
Less : Bank, Cash and cash equivalent	4,797.33	1,675.64
Net debt	**40,720.78**	**1,04,092.33**
Total equity	**1.81**	**1.20**
Net debt to equity ratio	**22,547.61**	**86,944.89**

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

33. Distribution made and proposed:

(₹ in lacs)

	31-Mar-21	31-Mar-20
Dividends on equity shares declared and paid:		
Interim dividend for the year ended on 31 March 2021: ₹5 per share (31 March 2020: Nil)	1,761.81	-
Proposed dividends on Equity shares:		
Proposed dividend for the year ended on 31 March 2021: ₹13.50 per share (31 March 2020: Nil)	4,756.89	-
	6,518.71	**-**

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2021.

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

34. 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 or indirectly

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

(₹ in lacs)

	Carrying amount			
	As at 31.03.2021	**Level 1**	**Level 2**	**Level 3**
Financial assets at amortised cost:				
Investments	33712.44	-	-	-
Trade receivables	26613.01	-	-	-
Bank, Cash and bank balances	4803.43	-	-	-
	65128.88	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:				
Investments	401.54	61.36	340.19	-
Total	**401.54**	**61.36**	**340.19**	**-**
Financial liabilities at amortised cost:				
Long term borrowings	41115.89	-	-	-
Short term borrowings	7889.43	-	-	-
Trade payables	19583.34	-	-	-
Other financial liabilities	9373.83	-	-	-
Total	**77962.49**	**-**	**-**	**-**

(₹ in lacs)

	Carrying amount			
	As at 31.03.2020	**Level 1**	**Level 2**	**Level 3**
Financial assets at amortised cost:				
Investments	34315.80	-	-	-
Trade receivables	15537.52	-	-	-
Bank, Cash and bank balances	1683.39	-	-	-
	51536.70	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:				
Investments	309.34	53.14	256.20	-
Total	**309.34**	**53.14**	**256.20**	**-**

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

34. Financial Instruments - Accounting Classifications and Fair Value Measurements (contd)

(₹ in lacs)

	Carrying amount			
	As at 31.03.2020	Level 1	Level 2	Level 3
Financial liabilities at amortised cost:				
Long term borrowings	100229.24	-	-	-
Short term borrowings	15270.97	-	-	-
Trade payables	12980.36	-	-	-
Other financial liabilities	6055.83	-	-	-
Total	**134536.41**	**-**	**-**	**-**

During the reporting period ending 31st March, 2021 and 31st March, 2020, there were no transfers between Level 1 and Level 2 fair value measurements.

35. Tax expense

(₹ in lacs)

	2020-21	2019-20
i) Tax expense recognised in statement of profit or loss		
a) Current tax		
Income Tax for the period	15,950.00	3,395.00
Tax related to earlier years	4.42	319.10
	15,954.42	**3,714.10**
b) Deferred tax		
Origination of temporary differences	12,042.06	4,160.90
Deferred Tax related to earlier years	-	(250.70)
	12,042.06	**3,910.20**
Total Tax expense	**27,996.48**	**7,624.30**
ii) Tax recognised in Other Comprehensive Income		
Remeasurements of defined benefit plans	(33.35)	49.56
Fair value of financial assets	(15.59)	70.72
	(48.94)	**120.28**
iii) Reconciliation of tax expense and accounting profit		
Accounting profit before tax from continuing operations	90,572.82	19,764.16
Expected Tax Rate	34.94%	34.94%
Tax using the Company's domestic tax rate	31,646.14	6,905.60
Adjustments in respect of current income tax of previous years	4.42	319.10
Expense not allowed for tax purpose	180.99	110.11
Adjustments in respect of deferred tax of previous years	-	(250.70)
Unabsorbed losses and depreciation utilized	(126.87)	(508.38)
Mat Credit utilized	(14,221.27)	(1,407.96)
Impact of change in tax rate for future period	6,022.66	-
Mat credit forgo	(919.48)	-
Other temporary differences	5,409.88	2,456.54
Effective income tax rate	30.91	38.58
Income tax reported in the statement of profit and loss	27,996.48	7,624.30

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

36. Information on Related Party Disclosures are given below :

i) **Related Parties**

a) **Subsidiaries**

Godawari Green Energy Limited

Godawari Energy Limited

Ardent Steel Limited (upto 27.12.2020)

b) **Associates**

-- Jagdamba Power & Alloys Ltd.

-- Chhattisgarh Ispat Bhumi Limited

-- Hira Ferro Alloys Limited

-- Ardent Steel Limited (w.e.f. 28.12.2020)

c) **Other Related Parties**

-- Hira Cement Ltd.

-- Raipur Complex

-- Godawari Emobility Private Limited

d) **Step Down Subsidiary**

-- Hira Energy Ltd. (upto 27.12.2020)

e) **Joint Ventures**

-- Raipur Infrastructure Company Ltd.

-- Chhattisgarh Captive Coal Mining Pvt. Ltd.

f) **Key Management Personnel**

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

-- Shri Abhishek Agrawal (Whole Time Director)

-- Shri Siddharth Agrawal (Director)

-- Shri Dinesh Agrawal (Whole Time Director)

-- Shri Prakhar Agrawal (Director)

-- Shri Vinod Pillai (Whole Time Director)

-- Shri Sanjay Bothra (CFO)

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

-- Shri Vivek Agrawal (Chief Operational Officer)

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

(₹ in lacs)

		2020-21	2019-20
a) Subsidiaries	Sale of Materials	344.19	289.18
	Purchase of materials	1.18	227.12
	Interest Received	0.69	0.69
	Income From Services / Misc other receipts	16.18	95.11
	Advance received	-	407.00
	Repayment of Advance received	37.00	370.00
	Advance given	-	3.00
	Repayment received of advance given	-	17.00
	Outstandings		
	Payables	-	605.18
b) Associates	Sale of Materials	433.41	555.59
	Purchase of Materials	595.46	1,897.06
	Purchase of Electricity	8,072.34	7,068.97
	Interest received	14.51	21.39
	Service and Other charges paid	369.31	378.96
	Income From Services / Misc other receipts	0.33	0.62
	Purchase of capital goods	69.60	0.00
	Outstandings		
	Receivables	855.21	2,572.72
	Payables	131.38	88.31
c) Other Related Parties	Purchase of Materials	314.53	343.03
	Sale of Materials	21.90	2.06
	Purchase of capital goods	2.14	7.17
	Service and Other charges paid	111.45	254.25
	Income From Services / Misc other receipts	19.29	34.72
	Rent Paid	12.79	10.20
	Outstandings		
	Receivables	0.23	24.73
	Payables	43.08	14.49

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

36. Information on Related Party Disclosures are given below : (contd)

(₹ in lacs)

			2020-21	2019-20
d)	**Joint Ventures**	Credit note received	189.52	0.00
		Purchase of capital goods	0.00	0.59
		Outstandings		
		Payables	79.79	269.30
e)	**Key Management Personnel**	Remuneration/salary Paid	944.68	833.68

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**

(₹ in lacs)

		2020-21	2019-20
a)	**Purchase of Materials:**		
	Hira Ferro Alloys Ltd	595.46	1,897.06
	Hira Cement Ltd	314.53	343.03
	Ardent Steel Ltd.	-	227.12
b)	**Service Charges Paid:**		
	Chhattisgarh Ispat Bhumi Limited	368.93	378.61
	Hira Cement Ltd.	111.45	231.77
c)	**Sale of Materials:**		
	Hira Ferro Alloys Ltd.	37.17	431.20
	Ardent Steel Ltd.	624.11	289.18
	Jagdamba Power & Alloys Ltd.	116.22	124.25
d)	**Income From Services / Misc other receipts:**		
	Godawari Emobility Pvt. Ltd.	18.58	34.22
	Ardent Steel Ltd.	16.18	92.28
e)	**Purchase of Capital Goods:**		
	Godawari Emobility Pvt. Ltd.	2.14	7.17
	Hira Ferro Alloys Ltd	69.60	-
f)	**Purchase of Electricity**		
	Jagdamba Power & Alloys Ltd.	6,386.10	4,856.12
	Hira Ferro Alloys Ltd	1,686.24	2,212.85
g)	**Interest received:**		
	Godawari Energy Limited	0.69	1.61
	Hira Ferro Alloys Ltd	14.51	21.39
h)	**Interest paid:**		
	Godawari Green Energy Limited	-	-
i)	**Credit note received**		
	Raipur Infrastructure Company Ltd.	189.52	-
j)	**Advance Received:**		
	Godawari Green Energy Limited	-	370.00
	Godawari Energy Limited	-	37.00
k)	**Repayment of Advance Received:**		
	Godawari Green Energy Limited	-	370.00
	Godawari Energy Limited	37.00	-
l)	**Loan/Advance Given:**		
	Godawari Energy Limited	-	3.00

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

36. Information on Related Party Disclosures are given below : (contd)

(₹ in lacs)

	2020-21	2019-20
m) Repayment receipt of Loan/Advance given:		
Godawari Energy Limited	-	17.00
n) Rent Paid:		
Raipur Complex	12.64	10.20
o) Remuneration/salary paid :		
Shri B.L.Agrawal	240.00	240.00
Shri Dinesh Agrawal	192.00	196.00
Shri Abhishek Agrawal	192.00	180.00
p) Outstanding - Receivables		
Hira Ferro Alloys Limited	-	1,860.29
Jagdamba Power & Alloys Limited	839.68	712.44
q) Outstanding - Payables		
Raipur Infrastructure Company Ltd.	-	190.28
Hira Ferro Alloys Limited	70.64	-
Chhattisgarh Ispat Bhumi Limited	61.14	
Ardent Steel Ltd.	-	568.18
Hira Cement Ltd.	43.08	-
Chhattisgarh Captive Coal Mining Pvt. Ltd.	79.02	79.02

iv) Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of business and on arm's length basis. Outstanding balances at the year-end are unsecured and will be settled in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

37. The company is in the business of manufacturing of Iron & Steel products and hence has only one reportable operating segment i.e. Iron & Steel as per Ind AS 108 - Operating Segment.

38. Exceptional Items of ₹ 6299.76 lacs represents profit on partial disinvestment of Equity Shares of Ardent Steel Limited (earstwhile subsidiary company).

39. The Company expects that it will exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019, in FY 2021-22. Accordingly the Company has re-measured its deferred tax liabilities (net) on the basis of the rate prescribed under section 115BAA and has taken the full effect of the same to Statement of profit and loss for year ended March 31, 2021. Tax expenses for year ended March 31, 2021 includes tax benefit of ₹5103.18 lacs on account of re-measurement of deferred tax liabilities (net).

40. During the year the company has incurred ₹518 lacs on account of Corporate Social Responsibility Activities. According to provisions of section 135 of the Companies Act,2013, the company is required to spent ₹472 lacs based on the average net profits/loss of the previous three years. The break-up of amount spent during the year are as follows:

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	518.00	0.00	518.00

Notes to the Standalone Financial Statements for the year ended 31st March, 2021

41. 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,2021:

(₹ in lacs)

		2020-21	2019-20
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March,2021		
	Principal Amount	85.10	22.17
	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,2021	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,2021	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.

42. The Company proposes to divest its investments in subsidiary company viz. Godawari Green Energy Limited (GGEL), as approved by the Board of Directors of the Company in its meeting held on 01.05.2021. Accordingly, the Company is having negotioations with prospective Buyers/Investors. Since the proposal was considered in the current financial year i.e. after the reporting period, no effect of the same has been given in the financial statements for the year ended 31st March, 2021 in accordance with Ind AS-105 read with Ind AS-10.

43. No impact of the proposed demerger of power business of Jagdamba Power & Alloys Ltd (JPAL) and merger of the same with the Company, has been given in the financial statements, as the matter is pending before the Hon'ble National Company Law Tribunal (NCLT) and impact of the same in financial statement of the Company shall be given as & when , all the approval for the propsoed merger are received and final order of honourable NCLT is filed with Registrar of the Companies.

44. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

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 OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

Consolidated Financial Statements

Independent Auditor's Report

To
The Members of
Godawari Power & Ispat Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Godawari Power and Ispat Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Holding Company as at March 31, 2021, of consolidated profit (including total comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, associates and joint ventures, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance but does not include consolidated financial statements and our auditors report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore key audit matters in our audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements also include the Group's share of net profit/(loss) of Rs. (48.19) lacs for the year ended 31st March, 2021, as considered in the consolidated financial statements, in respect of one associates and two joint ventures, whose financial statements have not been audited by us. These financial statements 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 joint ventures and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid jointly ventures and associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements 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 the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

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

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2021 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.

(g) with respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197 (16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in with accordance with the provisions of Section 197 of the Act; and

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

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 30 to the consolidated financial statements.

   ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

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

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

OP Singhania
Partner
Membership No. 051909

Raipur, 25th May, 2021
UDIN: 21051909AAAAAQ4661

Annexure –'A' to the Independent Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, 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 Act.

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 Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 2021, based on the internal control over financial reporting criteria established by the Group 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.
(Firm Regn. No.018400C)
Chartered Accountants

OP Singhania
Partner
Membership No. 051909

Raipur, 25th May, 2021
UDIN: 21051909AAAAAQ4661

GODAWARI POWER AND ISPAT LIMITED

Consolidated Balance sheet as at 31.03.2021

(₹ in Lacs)

Particulars	Note No	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non -current assets			
(a) Property, Plant and Equipment	3	1,91,984.91	2,16,461.99
(b) Capital work-in-progress	3	14,417.42	13,745.67
(c) Other intangible assets	4	9,293.26	10,468.98
(d) Investments in associates and joint ventures	5	27,346.88	11,157.84
(e) Financial assets			
- Investments	6	401.54	1,189.87
(f) Other non-current assets	7	1,128.67	1,805.77
		2,44,572.69	**2,54,830.12**
Current-assets			
(a) Inventories	8	50,367.46	55,740.16
(b) Financial assets			
(i) Trade Receivables	9	27,523.30	17,678.11
(ii) Cash and cash equivalents	10	859.48	225.09
(iii) Bank Balances other than cash and cash equivalents mentioned above	10	5,162.03	2,670.93
(iv) Other financial assets	11	1,783.58	1,783.58
(c) Current tax assets (net)		11.85	52.51
(d) Other current assets	7	17,075.03	15,169.73
		1,02,782.73	**93,320.11**
Total Assets		**3,47,355.42**	**3,48,150.23**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12A	3,411.12	3,411.12
(b) Other equity	12B	2,00,148.09	1,34,372.52
Equity attributable to owners of the Company		**2,03,559.21**	**1,37,783.65**
Non-controlling interest		7,242.19	12,471.76
Total equity		**2,10,801.41**	**1,50,255.40**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
- Borrowings	13	77,105.52	1,46,448.53
- Other non-current financial liabilities	14	295.44	206.69
(b) Provisions	15	1,427.63	1,359.62
(c) Deferred Tax Liabilities (net)	16	16,782.00	4,482.10
		95,610.60	**1,52,496.93**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	8,138.59	16,038.75
(ii) Trade Payables	18		
- total outstanding dues of micro enterprises and small enterprises"		85.10	27.62
- total outstanding dues of creditors other than micro enterprises and small enterprises		19,533.83	17,797.53
(iii) Other Financial Liabilities	19	9,166.24	10,957.18
(b) Other current liabilities	20	972.56	495.45
(c) Provisions	15	79.82	81.35
(d) Current tax liabilities (net)		2,967.28	-
		40,943.42	**45,397.89**
Total Equity and Liabilities		**3,47,355.42**	**3,48,150.23**
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 OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

Consolidated Statement of Profit & Loss for the year ended 31st March, 2021

(₹ in Lacs)

	Notes	2020-21	2019-20
INCOME			
Revenue from operations	21	4,07,191.84	3,28,852.59
Other Income	22	403.74	465.45
TOTAL REVENUE (I)		**4,07,595.58**	**3,29,318.04**
EXPENSES			
Cost of materials consumed	23	1,79,985.96	1,68,149.22
Purchases of Stock-in-Trade		7,467.32	8,807.66
Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods	24	(2,692.62)	4,491.14
Employees benefits expense	25	14,280.24	13,041.76
Finance costs	26	15,394.17	21,193.41
Depreciation and amortization expense	27	13,845.13	13,689.81
Other Expenses	28	85,261.37	71,937.56
TOTAL EXPENSES (II)		**3,13,541.59**	**3,01,310.57**
Profit/(loss) before share of associates & joint ventures, exceptional items and tax		94,053.99	28,007.48
Add: Share of profit/(loss) of associates and Joint Ventures, net of tax		3,002.66	280.69
Profit/(loss) before exceptional items and tax		97,056.66	28,288.16
Exceptional Items (refer note - 31)		-	1,028.49
Profit/(loss) before tax		97,056.66	27,259.67
Tax expenses			
Current tax		17,578.64	4,952.25
Deferred Tax		14,026.73	4,583.77
Total tax expenses		**31,605.37**	**9,536.02**
Profit/(loss) for the year		**65,451.28**	**17,723.65**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plans		4.96	(169.29)
Share of other comprehensive income in associates and Joint Ventures			
to the extent not to be classified into profit or loss		18.05	(1.27)
Income tax relating to items that will not be reclassified to profit or loss		(34.09)	57.35
		(11.08)	**(113.20)**
Fair value of financial assets		(16.93)	(358.14)
Share of other comprehensive income in associates and Joint Ventures			
to the extent to be classified into profit or loss		3,593.72	(767.05)
Income tax relating to items that will be reclassified to profit or loss		(96.22)	125.52
		3,480.57	**(999.68)**
Total Comprehensive Income for the period Comprising Profit/(Loss) and Other Comprehensive Income for the period)		**68,920.78**	**16,610.77**
Profit/(loss) attributable to:			
Equity holders of the parents		63,838.75	16,677.51
Non-controlling interests		1,612.54	1,046.14
		65,451.28	**17,723.65**
Other Comprehensive Income attributable to:			
Equity holders of the parents		3,485.06	(1,077.33)
Non-controlling interests		(15.57)	(35.55)
		3,469.50	**(1,112.88)**
Total Comprehensive Income attributable to:			
Equity holders of the parents		67,323.81	15,600.18
Non-controlling interests		1,596.97	1,010.60
		68,920.78	**16,610.77**
Earnings per equity share [nominal value of share	29		
@ ₹10/- (31st March,2020" ₹10)			
Basic		181.17	47.33
Diluted		181.17	47.33
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 OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

Cash Flow Statement for the year ended 31st March, 2021

(₹ in Lacs)

		2021	2020
Cash Flow from operating activities			
Profit/(loss) before share of associates & joint ventures and tax		94,053.99	28,007.48
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation/amortization		13,845.13	13,689.81
Loss/(profit) on sale of property, plant & equipment		(53.96)	(132.12)
Loss/(profit) on sale of non current investment		-	(5.21)
Provision for employee benefits		249.28	171.39
Investment written off		1.00	-
Provision/Allowances for credit loss on debtors		767.32	(397.56)
Finance costs		15,394.17	21,193.41
Interest Income		(241.91)	(324.06)
Exceptional items		-	(1,028.49)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**1,24,015.03**	**61,174.64**
Movements in working capital :			
Increase/(decrease) in trade payables		6,556.18	(2,471.62)
Increase/(decrease) in other financial liabilities		1,708.72	112.40
Increase/(decrease) in other current liabilities		483.45	(814.08)
Increase/(decrease) in Other non-current financial liablities		88.76	47.01
Decrease/(increase) in trade receivables		(11,763.77)	(2,378.38)
Decrease/(increase) in inventories		(5,310.95)	5,902.79
Decrease/(increase) in other financial assets		-	512.85
Decrease/(increase) in other current assets		(4,341.88)	362.98
Decrease/(increase) in other non-current assets		123.01	(297.31)
Cash generated from/(used in) operations		**1,11,558.55**	**62,151.26**
Direct taxes paid (net of refunds)		(14,680.48)	(7,068.63)
Net Cash flow from/(used in) operating activities	**A**	**96,878.07**	**55,082.63**
Cash flows from investing activities			
Purchase of PPE, including intangible assets and CWIP		(5,154.39)	(16,576.14)
Proceeds from sale of property, plant & equipment		1,199.10	241.34
Proceeds from sale of non-current other investments		-	15.21
Proceeds/(investment) from/in bank deposits (having original maturity of more than three months)		(2,508.79)	983.27
Interest received		241.91	324.06
Net cash flow from/(used in) investing activities	**B**	**(6,222.16)**	**(15,012.25)**
Cash flows from financing activities			
Redemption of debenture		-	(3,219.00)

Cash Flow Statement for the year ended 31st March, 2021

(₹ in Lacs)

		2021	2020
Repayment of long-term borrowings		(65,210.55)	(17,772.25)
Proceeds/(Repayment) of short-term borrowings (net)		(7,645.98)	2,107.95
Finance costs		(15,394.17)	(21,193.41)
Dividend paid		(1,761.81)	-
Net cash flow from/(used in) financing activities	**C**	**(90,012.52)**	**(40,076.71)**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		643.39	(6.34)
Cash and Cash Equivalents at the beginning of the year		216.09	231.43
Cash and Cash Equivalents at the end of the year (refer note-13)		**859.48**	**225.09**
Components of cash and cash equivalents			
Cash in hand		6.40	6.36
Stamp in hand		1.23	1.23
Balances with banks:			
On current accounts		738.85	217.50
Deposits with original maturity of less than 3 months		113.00	-
		859.48	**225.09**

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 OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

For and on behalf of the Board of Directors of

Godawari Power & Ispat Limited

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

Statement of Changes in Equity for the year ended 31st March, 2021

Equity Share Capital

(₹ in Lacs)

Balance as at 01.04.2019	Changes in the equity share capital during the year	Balance as at 31.03.2020
3,411.12	-	3,411.12

Equity Share Capital

(₹ in Lacs)

Balance as at 01.04.2020	Changes in the equity share capital during the year	Balance as at 31.03.2021
3,411.12	-	3,411.12

Other Equity

(₹ in Lacs)

	Reserves and Surplus					Financial assets through Other Comprehensive Income (Net of Tax)	Share of Other Comprehensive Income (Net of Tax) in associates and Joint Ventures	Total
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Retained Earnings			
Balance at the beginning of the reporting period 01.04.2019	**11,008.34**	**20,784.05**	**804.75**	**18,461.25**	**67,185.55**	**(218.36)**	**746.76**	**1,18,772.35**
Fair value of financial assets, net of taxes	-	-	-	-	-	(201.20)	-	(201.20)
Remeasurements of the net defined benefit plans, net of tax	-	-	-	-	(107.81)	-	-	(107.81)
Share of other comprehensive income	-	-	-	-	-	-	(768.32)	(768.32)
Profit/(loss)for the year	-	-	-	-	16,677.51	-	-	16,677.51
Transfer to General Reserve	-	-	(804.75)	804.75	-	-	-	-
Balance at the end of the reporting period 31.03.2020	**11,008.34**	**20,784.05**	**-**	**19,266.00**	**83,755.25**	**(419.56)**	**(21.56)**	**1,34,372.52**
Adjustment relating to changes in control					57.35	140.65	-	198.00
Fair value of financial assets, net of taxes	-	-	-	-	-	(99.61)	-	(99.61)
Remeasurements of the net defined benefit plans, net of tax	-	-	-	-	(27.10)	-	-	(27.10)
Share of other comprehensive income	-	-	-	-	-	-	3,611.77	3,611.77
Profit/(loss)for the year	-	-	-	-	63,854.31	-	-	63,854.31
Interim Dividend paid on Equity Share			-	-	(1,761.81)	-	-	(1,761.81)
Balance at the end of the reporting period 31.03.2021	**11,008.34**	**20,784.05**	**-**	**19,266.00**	**1,45,878.00**	**(378.52)**	**3,590.21**	**2,00,148.09**

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 OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

For and on behalf of the Board of Directors of

Godawari Power & Ispat Limited

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

Consolidated Notes to financial statements for the year ended 31st March, 2021

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 31.03.2021	As at 31.03.2020
Godawari Energy Limited	India	51.30%	51.30%
Godawari Green Energy Limited	India	76.12%	76.12%
Ardent Steel Limited (ASL) (upto 27.12.2020)	India	-	79.98%
Hira Energy Limited (subsidiary of ASL and step down subsidiary company (upto 27.12.2020)	India	-	97.52%

b) Associates

Name of the Company	Country of Incorporation	Proportion (%) of equity interest	
		As at 31.03.2021	As at 31.03.2020
Hira Ferro Alloys Limited	India	48.45%	48.45%
Jagdamba Power & Alloys Limited	India	33.96%	33.96%
Chhattisgarh Ispat Bhumi Limited	India	35.36%	35.36%
Ardent Steel Limited (w.e.f. 28.12.2020)	India	37.85%	-

c) Joint Venture

Name of the Company	Country of Incorporation	Proportion (%) of equity interest	
		As at 31.03.2021	As at 31.03.2020
Raipur Infrastructure Company Ltd.	India	33.33%	33.33%
Chhattisgarh Captive Coal Mining Pvt. Ltd.	India	25.93%	25.93%

1.1 The consolidated financial statements were approved for issue in accordance with a resolution of the directors on 25 May 2021.

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 (as amended from time to time) and and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

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 and
- Defined benefit plans

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

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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.

xi) The consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional balance sheet at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

2.2 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

The Group has assessed the possible impact of COVID-19 on its financial statements based on the internal and external information available up to the date of approval of these financial results and concluded that no adjustment is required in these financial statements. The Group continues to monitor the future economic conditions.

2.3 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.

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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) On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

ii) 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.

iii) 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.

iv) 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.

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

vi) 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.

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vii) 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.

viii) 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.

ix) 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

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies

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the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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 upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

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i) Revenue from sales of goods is recognised on output basis measured by units delivered, number of transactions etc.

ii) Revenue from sales of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.

Interest income

Interest income is recognised using the effective interest rate (EIR) method.

Dividends

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

Rendering of services

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

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 Mines are amortised over useful life of the mines or lease period whichever is shorter.

viii) Other Intangible assets i.e. Computer Softwares and Knowhow are amortized on a straight line basis over technically useful life i.e. 10 years.

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.

Consolidated Notes to financial statements for the year ended 31st March, 2021

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.

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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.

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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

Consolidated Notes to financial statements for the year ended 31st March, 2021

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.

2.4 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.

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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.

f) Amortization of leasehold land

The Group's lease asset classes primarily consist of leases for industrial land. The lease premium is the fair value of land paid by the Group to the state government at the time of aquisition and there is no liability at the end of lease term. The lease premium paid by the Group has been amortized over the lease period on a systematic basis and classified under Ind AS 16 and therefore, the requirements of both Ind AS 116 and Ind AS 17 as to the period over which, and the manner in which, the right of use asset (under Ind AS 116) or the asset arising from the finance lease (under Ind AS 17) amortized are similar.

2.5 New And Amended Standards

The Group has not early adopted any standards, amendments that have been issued but are not yet effective/ notified.

2.6 Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies amendments to the existing standards viz. Ind AS 116, 103, 1, 8, 107 & 109. There is no such impact of amendments which would have been applicable from April 1, 2020.

Consolidated Notes to financial statements for the year ended 31st March, 2021

3. Property, Plant and Equipment

(₹ in Lacs)

	Freehold Land	Leasehold Land	Site & Land Development	Building	Plant and Equipment	Furniture & Fixtures	Vehicles	Total
Gross Block								
Carring Value								
At 1 April 2019	5,670.05	672.16	6,501.12	31,574.59	2,13,547.21	648.28	841.80	2,59,455.21
Additions	282.66	-	-	2,411.59	13,043.73	13.36	103.18	15,854.52
Disposals	29.76	-	-	-	186.69	1.61	90.44	308.49
At 31 March, 2020	**5,922.96**	**672.16**	**6,501.12**	**33,986.18**	**2,26,404.26**	**660.02**	**854.53**	**2,75,001.23**
Additions	117.86	-	232.28	1,276.38	2,557.80	11.62	205.69	4,401.63
Deletion relating to changes in control	162.29	-	105.86	2,861.93	18,893.02	69.89	89.80	22,182.80
Disposals	105.86	-	-	434.24	2,084.83	1.81	112.14	2,738.87
At 31 March, 2021	**5,772.67**	**672.16**	**6,627.54**	**31,966.40**	**2,07,984.21**	**599.94**	**858.28**	**2,54,481.20**
Depreciation								
At 1 April 2019	-	13.21	-	5,694.94	39,767.63	330.86	333.26	46,139.90
Charge for the year	-	5.90	-	1,329.58	11,080.84	67.29	115.01	12,598.62
(Disposals)/Adjustment	-	-	-	-	114.70	1.03	83.54	199.27
At 31 March, 2020	**-**	**19.11**	**-**	**7,024.53**	**50,733.76**	**397.12**	**364.73**	**58,539.25**
Charge for the year	-	5.90	-	1,248.64	11,367.82	61.97	93.80	12,778.13
(Disposals)/Adjustment	-	-	-	182.49	1,261.37	1.72	84.64	1,530.21
Deletion relating to changes in control	-	-	-	983.29	6,216.93	50.64	40.02	7,290.88
At 31 March, 2021	**-**	**25.01**	**-**	**7,107.39**	**54,623.28**	**406.74**	**333.87**	**62,496.28**
Net Block								
At 31 March, 2020	**5,922.96**	**653.05**	**6,501.12**	**26,961.66**	**1,75,670.50**	**262.90**	**489.80**	**2,16,461.99**
At 31 March, 2021	**5,772.67**	**647.15**	**6,627.54**	**24,859.01**	**1,53,360.93**	**193.20**	**524.41**	**1,91,984.91**

Movement in Capital Work-in-Progress

(₹ in Lacs)

	As on 01.04.2019	Addition	Transfer/ Deletion	As on 31.03.2020	Addition	Transfer/ Deletion	As on 31.03.2021
Capital Work-in-Progress	13,024.04	9,982.15	9,260.53	13,745.67	5,118.38	4,446.63	14,417.42
	13,024.04	**9,982.15**	**9,260.53**	**13,745.67**	**5,118.38**	**4,446.63**	**14,417.42**

Details of property, plant and equipment pledged against borrowings is presented in note 13 & 17.

Consolidated Notes to financial statements for the year ended 31st March, 2021

4. Other Intangible assets

Amount in ₹

	Computer software	Mining Assets	Know How	Total
Gross Block				
Carrying Value				
At 1 April 2019	989.19	13,534.55	400.00	14,923.73
Purchase/additions	-	-	-	-
At 31 March, 2020	**989.19**	**13,534.55**	**400.00**	**14,923.73**
Purchase/additions	3.79	-	-	3.79
Deletion relating to changes in control	-	-	400.00	400.00
At 31 March, 2021	**992.97**	**13,534.55**	**-**	**14,527.52**
Amortization				
At 1 April 2019	309.98	2,853.59	200.00	3,363.57
Charge for the year	94.99	946.20	50.00	1,091.19
At 31 March, 2020	**404.96**	**3,799.79**	**250.00**	**4,454.76**
Charge for the year	83.30	946.20	37.50	1,067.00
Deletion relating to changes in control	-	-	287.50	287.50
At 31 March, 2021	**488.26**	**4,745.99**	**-**	**5,234.26**
Net Block				
At 31 March, 2020	**584.22**	**9,734.75**	**150.00**	**10,468.98**
At 31 March, 2021	**504.71**	**8,788.55**	**-**	**9,293.26**

5 Investments

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Investment in associates and joint ventures		
Investments accounted for using the equity method		
Investment in associates		
Unquoted Equity Instruments	26,410.20	10,168.43
Investment in joint ventures		
Unquoted Equity Instruments	936.68	989.41
	27,346.88	**11,157.84**

6. Other investments

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Carried at Fair Value through OCI		
Investments in Unquoted Equity Instruments	340.19	612.88
Investments in Unquoted Preference Instruments	-	516.00
Investment in mutual fund, fully Paid up (quoted)	61.36	60.99
	401.54	**1,189.87**

Consolidated Notes to financial statements for the year ended 31st March, 2021

7. Other assets (unsecured, considered good)

(₹ in Lacs)

	Non-Current		Current	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Advances for capital goods	-	229.15		
Advances other than capital advances				
Advance to Vendors			11,341.45	10,701.58
Prepaid expenses			172.49	150.19
Balance with statutory/govt. authorities			5,533.01	4,257.25
Interest accrued on deposits			28.08	60.72
Security deposit with govt. & others	1,128.67	1,576.62	-	-
Total	**1,128.67**	**1,805.77**	**17,075.03**	**15,169.73**

8. Inventories (valued at lower of cost and net realizable value)

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Raw Materials	26,528.67	33,854.68
Work-in-progress	1,808.97	1,819.75
Finished goods & by-products	8,490.69	8,274.00
Stock-in-trade	2,725.21	909.64
Stores & spares	10,813.92	10,882.10
	50,367.46	**55,740.16**

9. Trade receivables

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Trade receivables considered good - Unsecured	27,523.30	17,678.11
Trade Receivables which have significant increase in Credit Risk	793.03	83.42
	28,316.34	17,761.52
Less: Provision for doubtful receivables	793.03	83.42
	27,523.30	**17,678.11**

10. Bank, Cash and cash equivalents

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Cash and cash equivalents		
Balances with banks:		
On current accounts	738.85	217.50
Deposits with original maturity of less than three months	113.00	-
Stamp in hand	1.23	1.23
Cash on hand	6.40	6.36
	859.48	**225.09**
Other bank balances		
Earmarked balances - Unpaid dividend account	6.11	7.74
Deposits with original maturity for more than 3 months but less than 12 months	5,155.92	2,663.19
	5,162.03	**2,670.93**
	6,021.51	**2,896.02**

Out of total Deposits, deposits of ₹5155.92 lacs (31st March,2020: ₹2663.19 lacs) are pledged with various banks for availing LC, Bank Guarantee, margin money and pledged with other Govt. Departments.

Consolidated Notes to financial statements for the year ended 31st March, 2021

11. Other financial assets (considered good, unsecured)

(₹ in Lacs)

	Current	
	As at 31.03.2021	As at 31.03.2020
Other receivables	1,783.58	1,783.58
Total	**1,783.58**	**1,783.58**

12A. Equity Share capital

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Authorised		
49800000 (31st March, 2020: 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, 2020: 35236247) equity shares of ₹10/- each fully paid-up	**3,411.12**	**3,411.12**
	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 31.03.2021		As at 31.03.2020	
	No.	₹	No.	₹
At the beginning of the period	3,52,36,247	3,411.12	3,52,36,247	3,411.12
Issued during the period	-	-	-	-
Outstanding at the end of the period	**3,52,36,247**	**3,411.12**	**3,52,36,247**	**3,411.12**

* Value of Treasury shares (1125000 nos.) held in the trust are deducted from the equity share capital.

b. Terms/rights attached to equity shares

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

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after 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 31.03.2021	As at 31.03.2020
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 31.03.2021		As at 31.03.2020	
	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 (HUF)	2738932	7.77	2738932	7.77

Consolidated Notes to financial statements for the year ended 31st March, 2021

12A. Equity Share capital (contd)

	As at 31.03.2021		As at 31.03.2020	
	No.	% of holding in the class	No.	% of holding in the class
Vinay Agrawal	1875466	5.32	1875466	5.32
Kumar Agrawal	2460678	6.98	2460678	6.98
	10712075	**30.39**	**10712075**	**30.39**

e. In the period of five years immediately preceding March 31, 2021, the Company has neither issued bonus shares, bought back any equity shares or has allotted any equity shares as fully paid up consideration other than cash.

f. There are no equity shares reserved for issue under options and there are no contracts or commitments for the sale of shares or disinvestments.

g. Apart from authorised equity share capital, the company is also having authorised preference share capital consisting 3200000 preference shares of ₹10/- each as on 31.03.2021 and 31.03.2020.

12B. Other Equity

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Capital Reserve		
Balance as per last financial statements	11,008.34	11,008.34
	11,008.34	**11,008.34**
Securities Premium		
Balance as per last financial statements	20,784.05	20,784.05
	20,784.05	**20,784.05**
Debenture Redemption Reserve		
Balance as per last financial statements	-	804.75
Less: Transfer to general reserve	-	804.75
	-	**-**
General Reserve		
Balance as per last financial statements	19,266.00	18,461.25
Add: Transfer from debenture redemption reserve	-	804.75
	19,266.00	**19,266.00**
Retained Earnings		
Balance as per last financial statements	83,755.25	67,185.55
Profit for the year	63,854.31	16,677.51
Remeasurements of the net defined benefit plans, Net of Tax	(27.10)	(107.81)
Adjustment relating to changes in control	57.35	-
Interim Dividend paid on Equity Share	(1,761.81)	-
	1,45,878.00	**83,755.25**
Items of Other Comprehensive Income		
Fair Value of financial assets through Other Comprehensive Income		
Balance as per last financial statements	(419.56)	(218.36)
Other Comprehensive Income reognised during the year, net of tax	(99.61)	(201.20)
Adjustment relating to changes in control	140.65	-
	(378.52)	**(419.56)**
Share of Other Comprehensive Income in associates and Joint Ventures		
Balance as per last financial statements	(21.56)	746.76
Other Comprehensive Income reognised during the year, net of tax	3,611.77	(768.32)
	3,590.21	**(21.56)**
	2,00,148.09	**1,34,372.52**

Consolidated Notes to financial statements for the year ended 31st March, 2021

12B. Other Equity (contd)

Notes:

a. Capital Reserve is created on account of change in control i.e. additional ownership interest in a subsidary and the excess of net assets acquired during amalgamation, over the cost of consideration paid is treated as capital reserve.

b. Securities Premium is used to record the premium received on issue of shares. It is to be utilised in accordance with the provisions of Companies Act, 2013.

c. Debenture Redemption Reserve (DRR) has been created out of profit of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. The amounts credited to the DRR can be utilised by the company only to redeem debentures.

d. Under the erstwhile Companies Act, 1956, a General Reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. General Reserve is available for payment of dividend to the shareholders as per the provisions of Companies Act, 2013.

e. The cumulative gains and losses arising from fair value changes of equity investments measured at fair value through other comprehensive income are recognised in fair value of financial assets. The balance of the reserve represents such changes recognised net of amounts reclassified to retained earnings on disposal of such investments.

13. Borrowings

(₹ in Lacs)

	Non-current portion		Current maturities	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Term Loans				
Secured loan from bank	77,105.52	1,46,391.05	4,402.22	7,171.17
Other loans and advances				
Other loans from bank and financial institution(secured)	-	57.48	-	14.26
	77,105.52	**1,46,448.53**	**4,402.22**	**7,185.43**
The above amount includes				
Secured borrowings	77,105.52	1,46,448.53	4,402.22	7,185.43
Unsecured borrowings	-	-	-	-
Amount disclosed under the head				
"other financial liabilities" (refer note 19)			(4,402.22)	(7,185.43)
Net amount	**77,105.52**	**1,46,448.53**	**-**	**-**

Security and terms & conditions for above loans:

a. The rupee term loans of parent company 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 and 2nd pari passu charge on pledge of 75,01,846 equity shares of the Company held by the promoters.

The rupee term loans of subsidiary companies are secured by first pari passu charge on all immovable properties of the company, both present and future and hypothecation of all tangible movable assets, book debts, receivables, all bank accounts including the Escrow/ Trust & retention a/c, debt service reserve a/c etc. and all intangible including, goodwill, uncalled capital, rights, undertakings etc. of the company, both present and future. The loan is further secured by Assignment of all rights, titles, interest, claims etc of the company in all the Project Documents, insurance policies, clearances, etc and assignment of the company's rights and interests related to the Project under Letter of Credit, guarantee or performance bond provided by any party in favour of the company, for any contract related to the Project, both present and future.

Consolidated Notes to financial statements for the year ended 31st March, 2021

13. Borrowings (contd)

The loan of subsidiary company is further secured by Pledge of 51% of the equity shares of the company held by the holding company. In case fresh equity shares will be issued by the company during currency of loan than 51% of the enhanced share capital also will be pledged with the lenders to secure their term loan and personal guarantee of the promoters of the company.

b. 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. Rupee term loan outstanding aggregating to ₹45518 lacs (Previous year ₹103291 lacs) are repayable in 168 monthly instalments which shall be ended on 31st March 2032.

b. Rupee term loan outstanding agreegating to ₹ Nil (Previous year ₹1831 lacs) are repayable in 88 monthly instalments which shall be ended on 31st March 2026.

c. Rupee term loan outstanding agreegating to ₹35990 lacs (Previous year ₹40950 lacs) are repayable in 180 monthly instalments which shall be ended on 30th September 2031.

14. Other non-current financial liabilities

(₹ in Lacs)

	Non Current	
	As at 31.03.2021	As at 31.03.2020
Retention money payable	295.44	206.69
	295.44	**206.69**

15. Provisions

(₹ in Lacs)

	Current		Non-Current	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Provision for Employee Benefits				
- Gratuity	1,149.38	1,111.45	62.83	64.79
- Leave obligations	278.25	248.16	16.99	16.56
	1,427.63	**1,359.62**	**79.82**	**81.35**

16. Deferred Tax (Assets)/Liabilities

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Deferred Tax (Assets)/Liabilities		
Temporary differences on account of PPE & Other intangible assets	22,738.51	27,381.13
Temporary differences on account of fair valuation of Investments	(44.48)	(93.56)
Temporary differences on account of Employee Benefits	(435.11)	(491.57)
Unused MAT Credit	-	(16,854.27)
Others	(5,476.92)	(5,459.62)
Net deferred tax (assets)/ liabilities	**16,782.00**	**4,482.10**
RECONCILIATION OF DEFERRED TAX (ASSETS)/LIABILITIES (NET)		
Deferred Tax (Assets)/Liabilities		
Deferred tax liability / (assets) at the beginning of the year	4,482.10	81.20
Temporary differences on account of PPE & Other intangible assets	1,382.77	2,434.14
Temporary differences on account of Employee Benefits	56.46	(142.29)
Other temporary differences	31.79	(613.59)

Consolidated Notes to financial statements for the year ended 31st March, 2021

16. Deferred Tax (Assets)/Liabilities (contd)

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Recognition/(utilization) of unrecognized tax losses	-	254.70
Impact of change in tax rate for future period	(6,025.40)	-
MAT credit forgo (adopting new tax resigm from next year)	1,236.94	-
MAT Credit utilized/(arised)	15,617.33	2,467.93
DEFERRED TAX LIABILITIES / (ASSETS) AT THE END OF THE YEAR	**16,782.00**	**4,482.10**

17. Borrowings

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Cash Credit facility from banks (secured)	8,138.59	15,870.58
Loans and advances from body corporate and others (unsecured)	-	168.17
	8,138.59	**16,038.75**
The above amount includes		
Secured borrowings	**8,138.59**	**15,870.58**
Unsecured borrowings	**-**	**168.17**

Terms & Conditions of Secured Loans

The cash credit facilities from Banks of the parent company are secured by first pari passu charge over entire current assets i.e. stocks of raw materials, finished goods, stock in process, stores & consumables, trade receivables of the Company and second charge over the other movable assets and immovable assets of the Company.

The above credit facilities are also secured by personal guarantee of promoter directors of the Company and also secured in line with rupee term loans by pledge of 75,01,846 equity shares of the company held by the promoters.

The cash credit facilities from Bank of the subsidiary companies are secured by hypothecation of stock, book debts and personal guarantee of the directors of the company.

18. Trade Payable

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	85.10	27.62
- total outstanding dues of creditors other than micro enterprises and small enterprises	19,533.83	17,797.53
	19,618.93	**17,825.15**

19. Other Financial Liabilities

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Current maturities of long-term borrowings (secured) (refer note-13)	4,402.22	7,185.43
Interest accrued but not due on borrowings	333.76	966.08
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	6.11	7.74
Expenses and other Payable	4,424.16	2,797.93
	9,166.24	**10,957.18**

Consolidated Notes to financial statements for the year ended 31st March, 2021

20. Other Current Liabilities

(₹ in Lacs)

	As at 31.03.2021	As at 31.03.2020
Advances from Customer	972.56	377.40
Creditors for capital goods	-	118.05
	972.56	**495.45**

21. Revenue from operations

(₹ in Lacs)

	2020-21	2019-20
Revenue from operations		
Sale of products		
Manufacturing Goods and By-Products	3,88,307.17	3,05,503.65
Electricity	11,427.74	9,934.70
Traded Goods	5,424.78	9,199.05
Others	1,715.77	1,715.45
Other operating revenue		
Scrap & Other sales	316.39	2,499.73
Revenue from operations	**4,07,191.84**	**3,28,852.59**

22. Other Income

(₹ in Lacs)

	2020-21	2019-20
Interest Income on		
Bank Deposits	163.62	104.33
Others	78.29	219.73
Profit on sale of non-current Investments	-	5.21
Profit on sale of property, plant and equipment	53.96	132.12
Other non-operating income (net of expenses directly attributable to such income)	107.87	4.06
	403.74	**465.45**

23. Cost of materials consumed

(₹ in Lacs)

	2020-21	2019-20
Inventory at the beginning of the year	33,854.68	36,486.78
Add: purchases	1,79,636.55	1,65,517.12
	2,13,491.23	2,02,003.89
Less : Inventory at the end of the year	26,528.67	33,854.68
Less : Inventory related to changes in control	6,976.60	-
Cost of materials consumed	**1,79,985.96**	**1,68,149.22**

Consolidated Notes to financial statements for the year ended 31st March, 2021

24. Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods

(₹ in Lacs)

	2020-21	2019-20	(Increase)/ Decrease
			2020-21
Inventories at the end of the year			
Finished goods and by-products	8,490.69	8,274.00	(216.70)
Work-in-progress	1,808.97	1,819.75	10.78
Traded goods	2,725.21	909.64	(1,815.57)
Inventory related to changes in control	671.12	-	(671.12)
	13,696.00	**11,003.38**	**(2,692.62)**
Inventories at the beginning of the year			**2019-20**
Finished goods and by-products	8,274.00	9,480.75	1,206.75
Work-in-progress	1,819.75	4,911.41	3,091.66
Traded goods	909.64	1,102.36	192.72
	11,003.38	**15,494.52**	**4,491.14**
Net (increase)/ decrease in inventories	**2,692.62**	**(4,491.14)**	

25. Employee benefits expense

(₹ in Lacs)

	2020-21	2019-20
Salaries, wages and other benefits	12,709.03	11,375.78
Contribution to provident and other fund	668.29	773.09
Gratuity expense	224.12	189.25
Leave obligation expense	142.82	98.89
Staff welfare expenses	535.96	604.75
	14,280.24	**13,041.76**

26. Finance Costs

(₹ in Lacs)

	2020-21	2019-20
Interest		
- on debentures	-	110.23
- on term loans	13,434.31	18,868.57
- on working capital	1,261.31	1,390.25
- on others	104.79	160.73
Bank charges	593.76	663.63
	15,394.17	**21,193.41**

27. Depreciation and amortization expense

(₹ in Lacs)

	2020-21	2019-20
Depreciation on property, plant and equipment	12,778.13	12,598.62
Amortization of intangible assets	1,067.00	1,091.19
	13,845.13	**13,689.81**

Consolidated Notes to financial statements for the year ended 31st March, 2021

28. Other Expenses

(₹ in Lacs)

	2020-21	2019-20
Consumption of stores and spares	16,791.17	13,838.57
Grid Parallel operation charges	215.28	200.82
Power & Fuel	21,761.83	23,916.18
Water Charges	349.75	360.60
Other manufacturing expenses	7,835.87	8,469.00
CDM Expenses	25.01	61.93
Rent	78.79	96.21
Rates and taxes	871.52	936.27
Insurance	558.27	288.76
Repairs and maintenance		
- Plant and machinery	1,361.94	1,588.05
- Buildings	499.11	457.60
- Others	216.92	264.46
Rebate, shortage claims & other deductions	1,067.95	1,836.80
Commission - Other than Sole selling agents	478.73	368.63
Provision/Allowances for credit loss on debtors	767.32	(272.79)
Travelling and conveyance	377.76	519.35
Communication expenses	93.69	114.33
Printing and stationery	29.16	41.91
Legal and professional fees	833.47	429.89
Directors' remuneration	987.91	939.84
Directors' sitting fees	26.21	24.86
Payment to Auditor	46.60	41.02
Frieght and forwarding charges	26,219.73	13,593.65
Security service charges	472.33	496.45
Bad Debts written off	-	723.43
Advances no more recoverable written off	-	1,057.43
Corporate Social Responsibility	572.28	335.36
Miscellaneous expenses	2,722.78	1,208.93
	85,261.37	**71,937.56**

29. Earnings per share (EPS)

Amount in ₹

	2020-21	2019-20
Net profit/(loss) for the year as per the statement of profit and loss	65,451.28	17,723.65
Net profit/(loss) attributable to equity holders of the parents	63,838.75	16,677.51
Nominal Value of Equity Shares (₹)	10.00	10.00
Weighted average number of equity shares in calculating Basic EPS	3,52,36,247	3,52,36,247
Weighted average number of equity shares in calculating Diluted EPS	3,52,36,247	3,52,36,247
Basic & Diluted EPS		
- Basic earning per share (₹)	181.17	47.33
- Diluted earning per share (₹)	181.17	47.33

Consolidated Notes to financial statements for the year ended 31st March, 2021

30. Contingent Liabilities and capital commitments :-

Claims against the companies not acknowledged as debts:

i) Disputed liability of ₹144.45 lacs (Previous Year ₹144.59 lacs) on account of Service Tax against which the company has preferred an appeal.

ii) Disputed liability of ₹329.68 lacs (Previous Year ₹244.88 lacs) on account of CENVAT against which the company has preferred an appeal.

iii) Disputed liability of ₹286.55 lacs (Previous year ₹514.04 lacs) on account of Sales Tax against which the Group has preferred an appeal.

iv) Disputed liability of ₹10 lacs (Previous Year ₹10 lacs) on account of Custom Duty against which the company has preferred an appeal.

v) Disputed energy development cess demanded by the Chief Electrical Inspector, Govt. of Chhattisgarh ₹5546.24 lacs (Previous Year ₹5102.04 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.

vi) Demand raised by NTPC Vidyut Vyapar Nigam Limited (NVVN) amounting to ₹36.32 Crores (Previous Year ₹31.10 Crores) on account of penalty towards minimum guaranteed generation under PPA up-to FY 2019-20. NVVN has withheld amount of ₹17.84 crores against their demand from the amount of sales receivable from them towards sale of electricity under PPA. The lower than minimum guaranteed generation of power is on account of lower DNI, grid failure on certain occasions and certain other issues. The Subsidiary company had filed a petition before honourable CERC. CERC in its order directed the NVVN to calculate the penalty after taking into account the grid failure and giving consideration to some other points including actual amount of damages suffered by NVVN. However no relief was granted on account lower DNI. The NVVN has preferred an appeal against the order of CERC before the Appellate Authority towards relief granted by CERC to the company. The Subsidiary company has also preferred an appeal before Appellate Authority against the CERC order to consider the lower DNI as 'force measure' and allow proportionate relief towards higher tariff on sale of electricity under PPA and also on account of loss of power generation on account of lower DNI for the purpose of calculation of minimum guaranteed generation under PPA for levying penalty. The Subsidiary company has been legally advised that no liability is likely to accrue towards the minimum guaranteed generation on account of lower DNI and relief granted by CERC and accordingly no provision for penalty has been made in the accounts.

vii) Disputed demand of ₹192.66 lacs (Previous Year ₹192.66 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.

viii) Disputed payment for delayed wages as estimated ₹Nil (Previous year ₹5.57 lacs) plus 10 times compensation amounting to ₹Nil (Previous year ₹55.71 lacs) is pending case under The Payment of Wages Act,1936, case with SDJM, Kendujhar.

ix) Disputed demand of ₹68.77 lacs (Previous Year ₹68.77 lacs) from Mining Department of Chhattisgarh against which the company has preferred an appeal.

Guarantees excluding financial guarantees:

i) Counter Guarantees given to banks against Bank guarantees issued by the group Banker aggregate to ₹3429.64 lacs (Previous Year ₹2962.19 lacs.)

Capital Commitments:

i) Estimated amount of contracts remaining to be executed on capital accounts Rs. Nil (Previous Year Rs. Nil).

31. The legal & professional expenses incurred by the Subsidiary Company during the previous year amounting to Rs.723.16 lacs towards the Arbitration Proceedings has been charged to statement of profit & loss account as exceptional items, in view of one time cost incurred to defend Company's stand against the claims raised by EPC Contractor (now stands dismissed) relating to setting up of Company's 50MW Solar Thermal Power Plant. Further, the Subsidiary Company has also disclosed as exceptional items of expense amounting to Rs.305.33 lacs incurred on account of government direction for shifting of its water pipeline from Indira Gandhi Nahar Project (IGNP) to its Solar Power Plant on account of widening of Road by the government agencies.

Consolidated Notes to financial statements for the year ended 31st March, 2021

32. Disclosures as Required by Indian Accounting Standard (Ind As) 19 Employee Benefits:

a. Defined Contribution Plan:

The Group has certain defined contribution plans viz. provident fund . Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Amount of ₹668.29 lacs (P.Y. ₹773.09 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 25).

b. Defined benefit plan:

Leave Obligations:

The Group provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment. The liability is provided based on the number days of unutilised leave at each balance sheet date on the basis of year-end actuarial valuation using projected unit credit method. The scheme is unfunded.

Based on past experience and in keeping with Group's practice, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months and accordingly the total year end provision determined on actuarial valuation, as aforesaid is classified between current and non current.

An amount of ₹142.82 lacs (P.Y. ₹98.89 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 25)

Gratuity:

The Gratuity scheme is a final salary defined benefit plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. Benefits provided under this plan is as per the requirement of the Payment of Gratuity Act, 1972. The scheme is unfunded.

(₹in lacs)

Particulars		Gratuity	
		2020-21 (Non Funded)	2019-20 (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	1,057.23	898.22
	Interest Cost	74.01	60.87
	Current Service Cost	128.62	128.38
	Past Service Cost	-	-
	Benefit paid directly by employer	(32.03)	(57.16)
	Acturial Changes arising from changes in financial assumption	17.48	87.12
	Acturial Changes arising from changes in expirence assumption	(33.10)	58.79
	Present value of defined benefit obiligation at the end of the year	**1,212.20**	**1,176.22**
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	32.03	57.16
	Benefit paid from the fund	(32.03)	(57.16)
	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	1,212.20	1,176.22
	Fair value of plan assets at the end of the year	-	-
	Amount recognised in the balance sheet	-	-
	Net asset / (liability) - Current	62.83	64.78
	Net asset / (liability) - Non Current	1,149.37	1111.44

Consolidated Notes to financial statements for the year ended 31st March, 2021

32. Disclosures as Required by Indian Accounting Standard (Ind As) 19 Employee Benefits:(contd)

(₹in lacs)

Particulars		Gratuity 2020-21 (Non Funded)	Gratuity 2019-20 (Non Funded)
IV	**Expenses recognized in the statement of profit and loss for the year:**		
	Current Service Cost	143.07	128.38
	Interest Cost on benefit obiligation (Net)	81.05	60.87
	Total expenses included in employee benefits expenses	224.12	189.25
V	**Recognized in other comprehensive income for the year:**		
	Acturial Changes arising from changes in financial assumption	17.48	87.12
	Acturial Changes arising from changes in expirence assumption	(33.10)	58.79
	Recognized in other comprehensive income for the year:	(15.63)	145.91
VI	**Maturity profile of defined benefit obiligation:**		
	Within the next 12 months (next annual reporting period)	62.83	64.78
	Between 2 and 5 years	76.41	293.61
	Between 6 and 10 years and above	1,072.96	817.83
VII	**Quantitative Sensitivity analysis for significant assumption is as below:**		
1	1% point increase in discount rate	1,093.63	1,059.99
	1% point decrease in discount rate	1,352.03	1,313.64
	1% point increase rate of salary Increase	1,352.37	1,314.24
	1% point decrease rate of salary Increase	1,090.90	1,057.14
	1% point increase rate of employee turnover rate	1,221.90	1,187.09
	1% point decrease rate of employee turnover rate	1,201.04	1,163.73

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.

(₹ in lacs)

Particulars		Gratuity 2020-21 (Non Funded)	Gratuity 2019-20 (Non Funded)
VIII	**Actuarial assumptions:**		
1	Discount rate	6.90%	7.00%
2	Salary escalation	6.00%	6.00%
3	Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)
4	Mortality post retirement rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)
5	Rate of Employee Turnover	1% to 8%	1% to 8%

Notes:

(i) The actuarial valuation of the defined obligation were carried out at 31st March, 2021. 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.

Consolidated Notes to financial statements for the year ended 31st March, 2021

32. Disclosures as Required by Indian Accounting Standard (Ind As) 19 Employee Benefits:(contd)

(ii) **Risk Exposure**

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

Interest rate risk :

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk :

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk :

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

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.

Consolidated Notes to financial statements for the year ended 31st March, 2021

33. Financial Risk Management Objective and Policies (contd)

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-21	31-Mar-20
Trade receivables	27,523.30	17,678.11
Bank, Cash and cash equivalents	**6,021.51**	**2,896.02**

Impairment losses

₹ in Lacs

	31-Mar-21	31-Mar-20
Trade receivables (measured under life time excepted credit loss model)		
Opening balance	83.42	480.98
Provided during the year	709.62	-
Reversal of provision	-	397.56
Closing balance	**793.04**	**83.42**

Ageing analysis

₹ in Lacs

	31-Mar-21	31-Mar-20
Upto 3 months	26,107.49	15,486.20
3-6 months	227.61	227.61
More than 6 months	1,188.20	1,964.29
	27,523.30	**17,678.11**

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-21	31-Mar-20
Cash Credit facilities	13,227.41	7,373.42

Maturities of financial liabilities

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

₹ in Lacs

As at 31 March 2021	Less than 1 year	<1-5 years	More than 5 years	Total
Borrowings	12,540.81	37,717.00	39388.52	89,646.33
Trade payables	19,618.93	-	-	19,618.93
Other financial liabilities	4,764.02	295.44	-	5,059.46
	36,923.76	**38,012.44**	**39,388.52**	**1,14,324.73**

Consolidated Notes to financial statements for the year ended 31st March, 2021

33. Financial Risk Management Objective and Policies (contd)

₹ in Lacs

As at 31 March 2020	Less than 1 year	<1-5 years	More than 5 years	Total
Borrowings	23,224.18	61,696.92	-84919.40	1.70
Trade payables	17,825.15	-	-	17,825.15
Other financial liabilities	3,771.75	206.69	-	3,978.44
	44,821.09	61,903.61	-84,919.40	21,805.29

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 Group. The Group is exposed to long term and short-term borrowings. 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-21	31-Mar-20
Variable rate borrowings	89,646.33	(70.04)
Fixed rate borrowings	-	71.74

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-21	31-Mar-20
Interest rates - increase by 70 basis points	627.52	(0.49)
Interest rates - decrease by 70 basis points	(627.52)	0.49

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.

Particulars	Currency	Currency in Lacs	
		2020-21	2019-20
Borrowings	USD	11.10	33.00
Trade Payables	USD	308.62	45.35
Receivable	USD	143.32	66.59

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-21	31-Mar-20
Foreign exchange rates - increase by 1%	90.28	**8.17**
Foreign exchange rates - decrease by 1%	**(90.28)**	**(8.17)**

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.

Consolidated Notes to financial statements for the year ended 31st March, 2021

33. Financial Risk Management Objective and Policies (contd)

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 ₹8.03 lacs (2019-20: ₹23.80 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 21	31 March 20
Total borrowings	89,646.33	1,69,672.71
Less : Bank, Cash and cash equivalent	6,015.41	2,888.28
Net debt	**83,630.92**	**1,66,784.43**
Total equity	**2,03,559.21**	**1,37,783.65**
Net debt to equity ratio	**0.41**	**1.21**

The Group has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting period

35. Distribution made and proposed:

₹ in Lacs

	31 March 21	31 March 20
Dividends on equity shares declared and paid:		
Interim dividend for the year ended on 31 March 2021: ₹5 per share (31 March 2020: Nil)	1,761.81	-
Proposed dividends on Equity shares:		
Proposed dividend for the year ended on 31 March 2021: ₹13.50 per share (31 March 2020: Nil)	**4,756.89**	**-**
	6,518.71	**-**

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March 2021.

Consolidated Notes to financial statements for the year ended 31st March, 2021

36. Financial Instruments - Accounting Classifications and Fair Value Measurements

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

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

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation 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 valueare observable, either directly or indirectly

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

₹ in Lacs

	Carrying amount			
	As at 31.03.2021	**Level 1**	**Level 2**	**Level 3**
Financial assets at amortised cost:				
Investments	27346.88	-	-	-
Trade receivables	27523.30	-	-	-
Bank, Cash and bank balances	6021.51	-	-	-
Other financial assets	1783.58	-	-	-
	62675.27	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:				
Investments	401.54	61.36	340.19	-
Total	**401.54**	**61.36**	**340.19**	**-**
Financial liabilities at amortised cost:				
Long term borrowings	77105.52	-	-	-
Short term borrowings	8138.59	-	-	-
Trade payables	19618.93	-	-	-
Other financial liabilities	9461.68	-	-	-
Total	**114324.73**	**-**	**-**	**-**

₹ in Lacs

	Carrying amount			
	As at 31.03.2020	**Level 1**	**Level 2**	**Level 3**
Financial assets at amortised cost:				
Investments	11157.84	-	-	-
Trade receivables	17678.11	-	-	-
Bank, Cash and bank balances	2896.02	-	-	-
Other financial assets	1,783.58	-	-	-
	33515.55	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	1189.87	60.99	1128.88	-
Total	**1189.87**	**60.99**	**1128.88**	**-**

Consolidated Notes to financial statements for the year ended 31st March, 2021

36. Financial Instruments - Accounting Classifications and Fair Value Measurements (contd)

₹ in Lacs

	Carrying amount			
	As at 31.03.2020	Level 1	Level 2	Level 3
Financial liabilities at amortised cost:				
Long term borrowings	146448.53	-	-	-
Short term borrowings	16038.75	-	-	-
Trade payables	17825.15	-	-	-
Other financial liabilities	11163.87	-	-	-
Total	**191476.30**	**-**	**-**	**-**

During the reporting period ending 31st March, 2021 and 31st March, 2020, there were no transfers between Level 1 and Level 2 fair value measurements.

37. Information on Related Party Disclosures are given below :

i) Related Parties

a) **Associates**

- -- Jagdamba Power & Alloys Ltd.
- -- Chhattisgarh Ispat Bhumi Limited
- -- Hira Ferro Alloys Limited
- -- Ardent Steel Limited (w.e.f. 28.12.2020)

b) **Joint Ventures**

- -- Raipur Infrastructure Company Ltd.
- -- Chhattisgarh Captive Coal Mining Pvt. Ltd.

c) **Key Management Personnel**

- -- Shri B.L.Agrawal (Managing Director)
- -- Shri Abhishek Agrawal (Whole Time Director)
- -- Shri Siddharth Agrawal (Director)
- -- Shri Dinesh Agrawal (Whole Time Director)
- -- Shri Prakhar Agrawal (Director)
- -- Shri Vinod Pillai (Whole Time Director)
- -- Shri Sanjay Bothra (CFO)
- -- Shri Y.C. Rao (Company Secretary)
- -- Shri Dinesh Kumar Gandhi (Director)
- -- Shri Sudeep Chakarborty (Director)
- -- Shri Vivek Agrawal (Chief Operational Officer)

d) **Other Related Parties**

- -- Hira Cement Ltd.
- -- Raipur Complex
- -- Godawari Emobility Private Limited

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

(₹ in lacs)

		2020-21	2019-20
a) **Associates**	Sale of Materials	433.41	555.59
	Purchase of Materials	595.46	1,897.06
	Purchase of Electricity	8,072.34	7,068.97
	Interest received	14.51	21.39
	Service and other charges paid	369.31	378.96
	Income From Services / Misc other receipts	0.33	0.62
	Purchase of capital goods	69.60	-
	Outstandings		
	Receivables	855.21	2,572.72
	Payables	131.38	88.31
b) **Other Related Parties**	Purchase of Materials	314.53	343.03
	Sale of Materials	21.90	2.06
	Purchase of capital goods	2.14	7.17
	Other charges paid	111.45	254.25

Consolidated Notes to financial statements for the year ended 31st March, 2021

37. Information on Related Party Disclosures are given below : (contd)

(₹ in lacs)

		2020-21	2019-20
	Income From Services / Misc other receipts	19.29	34.72
	Salary	0.00	19.97
	Rent Paid	12.79	10.20
	Outstandings		
	Receivables	0.23	24.73
	Payables	43.08	14.49
c) **Joint Ventures**	Credit note received	189.52	-
	Purchase of capital goods	-	0.59
	Outstandings		
	Payables	79.79	269.30
	Guarantee & Collaterals	0.00	0.00
d) **Key Management Personnel**	Remuneration/ Salary Paid	1,587.10	1,438.82
	Loan Received	-	2.30
	Outstandings		
	Payables	-	15.20

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

(₹ in lacs)

	2020-21	2019-20
a) **Purchase of Materials:**		
Hira Ferro Alloys Ltd	595.46	1,897.06
Hira Cement Ltd	314.53	343.03
b) **Service Charges Paid:**		
Chhattisgarh Ispat Bhumi Limited	368.93	378.61
Hira Cement Ltd.	111.45	231.77
c) **Sale of Materials:**		
Hira Ferro Alloys Ltd.	37.17	431.20
Ardent Steel Ltd.	279.92	-
Jagdamba Power & Alloys Ltd.	116.22	124.25
d) **Income From Services / Misc other receipts:**		
Godawari Emobility Pvt. Ltd.	18.58	34.22
e) **Purchase of Capital Goods:**		
Godawari Emobility Pvt. Ltd.	2.14	7.17
Hira Ferro Alloys Ltd	69.60	-
f) **Purchase of Electricity**		
Jagdamba Power & Alloys Ltd.	6,386.10	4,856.12
Hira Ferro Alloys Ltd	1,686.24	2,212.85
g) **Interest received:**		
Hira Ferro Alloys Ltd	14.51	21.39
h) **Rent Paid:**		
Raipur Complex	12.64	10.20
i) **Credit note received**		
Raipur Infrastructure Company Ltd.	189.52	-
j) **Remuneration/ salary paid:**		
Shri B.L.Agrawal	240.00	240.00
Shri Dinesh Agrawal	192.00	196.00
Shri Abhishek Agrawal	192.00	180.00
Shri Siddharth Agrawal	192.00	196.00

Consolidated Notes to financial statements for the year ended 31st March, 2021

37. Information on Related Party Disclosures are given below : (contd)

(₹ in lacs)

		2020-21	2019-20
k)	**Outstanding - Receivables**		
	Hira Ferro Alloys Limited	-	1,860.29
	Jagdamba Power & Alloys Limited	839.68	712.44
l)	**Outstanding - Payables**		
	Raipur Infrastructure Company Ltd.	-	190.28
	Hira Ferro Alloys Limited	70.64	-
	Chhattisgarh Ispat Bhumi Limited	61.14	-
	Hira Cement Ltd.	43.08	-
	Chhattisgarh Captive Coal Mining Pvt. Ltd.	79.02	79.02

iv) **Terms and conditions of transactions with related parties**

All related party transactions entered during the year were in ordinary course of business and on arm's length basis. Outstanding balances at the year-end are unsecured and will be settled in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

v) Transactions and balances with subsidiaries are eliminated on consolidation.

38. Segment-wise Revenue Results :

Basis of preparation :

i) Business segments of the Group 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 significant Export Market Revenue, the same has not been disclosed. The entire capital employed is within India.

Information about business Segments-Primary

A) Revenue

₹ in Lacs

Particulars	External Sales		Inter Segment Sales		Eliminations		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Steel	395764.10	319570.38	0.00	0.00	0.00	0.00	395764.10	319570.38
Electricity Segment	11427.74	9282.21	0.00	0.00	0.00	0.00	11427.74	9282.21
Total Segment Revenue	407191.84	328852.59	0.00	0.00	0.00	0.00	407191.84	328852.59

B) Results

₹ in Lacs

	2020-21	2019-20
Segment Operational Profit		
Steel	1,03,328.08	43,682.55
Electricity	6120.09	4489.85
Operating Profit	**1,09,448.17**	**48172.40**
Interest Expenses	(15394.17)	(21193.41)
Less: Tax Expense	31605.37	9536.02
Share of profit/(loss)of associates and JV	3002.66	280.69
Net Profit/(Loss)	**65,451.28**	**17723.65**
Other Comprehensive income	3,469.50	(1112.88)
Total Comprehensive income	**68920.78**	**16610.77**

Consolidated Notes to financial statements for the year ended 31st March, 2021

38. Segment-wise Revenue Results : (contd)

C) Other Information

₹ in Lacs

	2020-21	2019-20
Segment Assets		
Steel Segment	273717.94	271233.57
Electricity Segment	73637.48	76916.66
Total Segment Assets	**347355.42**	**348150.23**
Segment Liabilities and Provisions		
Steel Segment	99482.76	156801.98
Electricity Segment	37071.26	41092.84
Total Segment Liabilities & Provisions	**136554.02**	**197894.82**
Capital Expenditure		
Steel Segment	5154.39	16576.14
Electricity Segment	0.00	0.00
Total Capital Expenditure	**5154.39**	**16576.14**
Depreciation & Amortisation		
Steel Segment	10896.49	10732.38
Electricity Segment	2948.64	2957.43
Total Segment Depreciation & Amortisation	**13845.13**	**13689.81**

39. The Company proposes to divest its investments in subsidiary company viz. Godawari Green Energy Limited (GGEL), as approved by the Board of Directors of the Company in its meeting held on 01.05.2021. Accordingly, the Company is having negotioations with prospective Buyers/Investors. Since the proposal was considered in the current financial year i.e. after the reporting period, no effect of the same has been given in the financial statements for the year ended 31st March, 2021 in accordance with Ind AS-105 read with Ind AS-10.

40. No impact of the proposed demerger of power business of Jagdamba Power & Alloys Ltd (JPAL) and merger of the same with the Company, has been given in the financial statements, as the matter is pending before the Hon'ble National Company Law Tribunal (NCLT) and impact of the same in financial statement of the Company shall be given as & when , all the approval for the propsoed merger are received and final order of honourable NCLT is filed with Registrar of the Companies.

41. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

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

per OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

Statement pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 in respect of the Subsidiary, Associate Companies and Joint Ventures

PART "A" summary of financial information of subsidiary companies as on 31.03.2021

(₹ 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	Godawari Green Energy Limited	INR	2344.70	23702.28	63932.47	37885.49	0.00	11427.74	64.93	2319.81	898.57	1421.24	NIL	76.12%
2	Godawari Energy Limited	INR	2300.00	504.80	9705.01	6900.21	0.00	0.00	0.00	(2.15)	0.00	(2.15)	NIL	51.30%

Names of Subsidiaries which are yet to commence operations -

Sl. No.	Name of Companies
1	Godawari Energy Limited

PART "B" Summary Of Financial Information Of Associates And Joint Ventures As On 31.03.2021

(₹ in lacs)

Sl. No.	Name of Associate and Joint Ventures	Latest Audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end (Refer Note- B)			Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year		Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
			No.	Amount of Investment in Associates/ Joint Venture	Extend of Holding %		Considered in Consolidation	Not Considered in Consolidation		
Associates										
1	Jagdamba Power and Alloys Limited	31.03.2021	2605000	260.50	33.96%	2,677.35	172.57	0.00	Note- A	---
2	Chhattisgarh Ispat Bhumi Limited	Unaudited Balance Sheet as on 31.03.2021 has been consolidated	2810000	489.40	35.36%	828.58	4.54	0.00	Note- A	---
3	Hira Ferro Alloys Limited	31.03.2021	9491000	2,234.26	48.45%	11,332.39	1041.28	0.00	Note-A	__
4	Ardent Steel Limited	31.03.2021	3998800	2,362.09	37.85%	11,571.87	1837.00	0.00	Note-A	__

(₹ in lacs)

Sl. No.	Name of Associate and Joint Ventures	Latest Audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end (Refer Note- B)			Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year		Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated
			No.	Amount of Investment in Associates/ Joint Venture	Extend of Holding %		Considered in Consolidation	Not Considered in Consolidation		
Joint Ventures										
1	Raipur Infrastructure Company Limited	Unaudited Balance Sheet as on 31.03.2021 has been consolidated	130800	210.70	33.31%	573.35	(52.77)	0.00	Note- A	---
2	Chhattisgarh Captive Coal Mining Private Limited	Unaudited Balance Sheet as on 31.03.2021 has been consolidated	342824	473.54	25.93%	363.34	0.04	0.00	Note- A	---

Names of Associate/ Joint Venture which are yet to commence operations -

Sl. No.	Name of Companies
1	Chhattisgarh Captive Coal Mining Private Limited

Note:

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

B. Shares of Associate/Joint Ventures held by the company is shown as per the audited financial statements of Godawari Power and Ispat Ltd. as on 31.03.2021.

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

per OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Executive Director
DIN: 02434507

Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

Additional Information related to Consolidated Financial Statement

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 (₹ in lacs)	As % of consolidated net profit or loss	Amount (₹ in lacs)	As % of consolidated other comprehensive income	Amount (₹ in lacs)	As % of consolidated total comprehensive income	Amount (₹ in lacs)
	Parent	**73.34%**	**154602.75**	**83.88%**	**54,898.00**	**1.80%**	**62.39**	**79.74%**	**54960.39**
	Subsidiaries (Indian)								
1	Ardent Steels Limited (Upto 27.12.2020)	0.00%	0.00	7.31%	4782.39	-1.82%	-63.00	6.85%	4719.39
2	Godawari Green Energy Limited	9.57%	20177.26	1.77%	1156.80	0.02%	0.65	1.68%	1157.45
3	Godawari Energy Limited	0.68%	1432.33	0.00%	(1.10)	0.00%	0.00	0.00%	-1.10
	Non Controlling Interests in all subsidiaries	3.44%	7242.19	2.46%	1612.54	-0.45%	-15.57	2.32%	1596.97
	Associates (investment as per equity method) (Indian)								
1	Jagdamba Power and Alloys Limited	1.27%	2677.35	0.26%	172.57	-0.01%	-0.28	0.25%	172.29
2	Chhattisgarh Ispat Bhumi Limited	0.39%	828.58	0.01%	4.54	0.00%	0.00	0.01%	4.54
3	Hira Ferro Alloys Limited	5.38%	11332.39	1.59%	1041.28	99.48%	3451.58	6.52%	4492.86
4	Ardent Steels Limited (w.e.f. 28.12.2020)	5.49%	11571.87	2.81%	1837.00	0.97%	33.72	2.71%	1870.72
	Joint Ventures (investment as per equity method) (Indian)								
1	Raipur Infrastructure Company Limited	0.27%	573.35	-0.08%	-52.78	0.00%	0.00	-0.08%	-52.78
2	Chhattisgarh Captive Coal Mining Private Limited	0.17%	363.34	0.00%	0.04	0.00%	0.00	0.00%	0.04

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

per OP Singhania
Partner
Membership No.051909

Place : Raipur
Date : 25.05.2021

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

B.L.Agrawal
Managing Director
DIN: 00479747

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Executive Director
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Y.C. Rao
Company Secretary

Sanjay Bothra
CFO

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GODAWARI POWER & ISPAT

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

GODAWARI POWER AND ISPAT LIMITED
CIN: L27106CT1999PLCO13756

Registered Office & Works:
Plot No. 428/2, Phase I, Industrial Area, Siltara – 493 111,
Dist. Raipur, Chhattisgarh, India
P: +91 – 0771 4082333; F: 4082234

Corporate Office:
First Floor, Hira Arcade, Near New Bus Stand, Pandri,
Raipur – 492 004, Chhattisgarh, India
P: +91 – 771 – 4082000 F: 4057601

www.godawaripowerispat.com