

# 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 all the disclosure norms and requirements under clause 49 of the Stock Exchange Listing Agreement.

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

Code of Corporate Governance is the means of achieving Corporate Objectives. The Company believes that maintenance of Code of Corporate Governance is essential for economic growth of the Company and protecting the interest of all the Stakeholders. Therefore, the Company is trying its best to follow the Code of Corporate Governance.

## 2. BOARD OF DIRECTORS:

The Board of Directors has a combination of Executive and Non-Executive Directors. The Board comprises of four Whole-time Directors (the Managing Director and three Executive Directors) and four Non-executive Directors. Three of the Non-executive Directors are Independent Directors. The Chairman of the Board is an Independent Director. Accordingly, the composition of the Board is in conformity with the Listing Agreement.

Except the Managing Director, all other Directors are liable to retire by rotation as per the provisions of the Companies Act, 1956.

2.1 The names and categories of the Directors on the Board and also the number of Directorships and Committee Memberships held by them during 2011-12 in other Companies are as under:



Name of the Directors	Category of Directors	No. of other Directorship held#	No. of Board Meetings attended	Last AGM attended	No. of other Board committees member/ chairman****
Mr. B. Choudhuri	Chairman Non Executive Independent	08	05	Present	06
Mr. B.L. Agrawal	Managing Director - Executive	08	05	Absent	04
Mr. Dinesh Agrawal	Non Executive	08	05	Absent	01
Mr. Dinesh Gandhi	Executive	03	05	Present	02
Mr. Shashi Kumar	Independent	04	03	Absent	Nil
Mr. B. N. Ojha	Independent	04	04	Present	02
Mr. Vinod Pillai	Executive	01	04	Present	Nil
Mr. Abhishek Agrawal *	Executive	02	01	Present	Nil
Mr. G. B. Desai**	Chairman Non Executive Independent	02	04	Present	Nil
Mr. Siddharth Agrawal **	Non-Executive	09	02	Present	Nil
Mr. O. P. Agrawal ***	Vice Chairman Non Executive	06	02	Absent	Nil
Mr. N. P. Agrawal ***	Non Executive	06	02	Absent	Nil

\* Appointed w.e.f. 09.11.2011

\*\* Resigned from the directorship of the company w.e.f. 09.11.2011

\*\*\* Resigned from the directorship of the company w.e.f. 06.08.2011

\*\*\*\* includes membership/Chairmanship of Audit Committee & Shareholders/Investors Grievance Committees only.

# Other Directorship excludes Directorship in Private Limited Companies.

#### Changes in the composition of Directors during the year:

Shri G. B. Desai, Chairman of the Company and an Independent Director has resigned from the directorship of the company with effect from 09.11.2011 and Shri Biswajit Choudhuri, Non Executive Independent Director of the Company has been appointed as the Chairman of the Company with effect from 09.11.2011.

Shri Abhishek Agrawal has been appointed as Whole Time Director on the Board of the Company with effect from 09.11.2011.

Shri Dinesh Agrawal has resigned as Whole Time Director of the Company with effect from 09.11.2011. However, he will continue to be on the Board of the Company as a Non-Executive Director.

Shri O. P. Agrawal and Shri N. P. Agrawal have resigned from the directorship of the Company with effect from 06.08.2011.

There has been no other change in the directorship of the Company during the period under review.

#### 2.2 Number of Board Meetings held:

During the year 2011-12, the Board met 05 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 in Table 2 below:

S. No.	Date of Meeting	No. of Directors Present
1	13.04.2011	09
2	22.05.2011	10
3	06.08.2011	08
4	09.11.2011	09
5	24.01.2012	06

#### Code of Conduct

The Board of Directors has laid down a Code of Conduct for all Board members and senior management of the Company. All the Board members and senior management personnel have affirmed compliance with the Code of Conduct. The Annual Report of the Company shall contain a declaration to this effect signed by the Chief Executive Officer (CEO).

### 3. AUDIT COMMITTEE:

The Board of Directors re-constituted the Audit Sub-Committee on 09.11.2011 following the resignation of Mr. G. B. Desai, Independent

Director and member of the Committee. The Audit Committee consists of one executive Director and two Independent Directors with effect from 09.11.2011. The Audit Committee comprises of following Directors:

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

The committee met Four times during the year 2011-12 and the attendance of the members at these meetings was as follows:

Name of the Chairman/ Member	Status	Meetings attended
1. Mr. B. Choudhuri	Chairman (Independent Director)	04
2. Mr. G. B. Desai	Member (Independent Director)	03
3. Mr. B. N. Ojha	Member (Independent Director)	03
4. Mr. Dinesh Gandhi	Member (Executive Director)	04

All the members of the Audit Committee are financially literate as required by the revised Clause 49 of the Listing Agreement and Mr. Dinesh Gandhi is having accounting or related financial management expertise.

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 292A of the Companies Act, 1956 and Listing Agreements with the Stock Exchanges as are in force/ applicable from time to time.

#### Subsidiary Companies

The Board of Directors has nominated Shri B. N. Ojha as Independent Director on the Board of the subsidiary Company i.e. Ardent Steel Limited which has set up an iron ore pelletisation plant in the State of Orissa and the commercial production has already started.

Your Company has acquired 100% of the equity of M/s Godawari Green Energy Limited for setting up of 50 MW Solar Thermal Power

Project in the State of Rajasthan with an estimated Project Cost of ₹ 794.65 crores for which the Company has already done the financial closure. The above project is under implementation.

The Company has executed a Memorandum of Understanding with the Government of Chhattisgarh for setting up of Integrated Steel Plant with Captive Power Plant in the State of Chhattisgarh with proposed investment of ₹ 5920.00 crore and the project will be implemented by a Special Purpose Vehicle in the name of Godawari Integrated Steels (India) Limited (GISIL) as the Company's 100% subsidiary. The Company has already acquired 100% stake in GISIL and the project is in initial stage.

The Board of Directors of the Company shall nominate an Independent Director each on the Board of these two Companies, in due course, as and when these Companies start commercial operations.

The minutes of the Board meetings of Subsidiary Companies are being regularly put up before the Board and the Audit Committee for review.

#### Disclosure:

##### Basis of related party transaction:

A statement, in summary form, of all the transactions entered into with the related parties in the ordinary course of business, details of material individual transactions with related parties are placed before the audit committee for the review. There are no material transactions with related parties, which require separate disclosure. A comprehensive list of transactions entered into with the related parties as required by the Accounting Standards (AS) 18 issued by the Institute of Chartered Accountants of India is given at note No.29 of notes to financial statements for the year ended 31 March, 2012 in the Annual Report.

##### 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.

##### Risk Management

The risk management issues are discussed in detail in the report of Management Discussion and Analysis. The Company has taken necessary steps for risk management and the system is being strengthened on a continuous basis.

##### Proceeds from public issues, right issues, preferential issues etc

Your Company has not made any public issue, right issue, preferential issue etc. of equity shares during the financial year 2011-12. The company, however, issued 800, Secured Redeemable Non Convertible

Debentures of ₹ 10,00,000 each aggregating ₹ 80 Crores, the proceeds of which have been utilized for general corporate purposes, normal capital expenditure and for meeting long term working capital requirements of the company.

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

The company has complied with the requirements of regulatory authorities on capital markets and no penalty/ stricture was imposed on the Company by stock exchange or SEBI or any statutory authority, on any matter related to capital markets during the last one year from the date of its listing on the stock exchanges.

#### 4. REMUNERATION COMMITTEE:

The Board of Directors re-constituted the Remuneration Committee on 09.11.2011 following the resignation of Mr. G. B. Desai, Independent Director and member of the Committee. Mr. B. N. Ojha, Independent Director of the Company has been inducted as a Member of the Committee in place of Mr. B. L. Agrawal, Managing Director and a member of the Committee. The Remuneration Committee consists of one executive Director and two Independent Directors with effect from 09.11.2011. The detailed composition of the members of the Remuneration Committee at present is given below:

1. Mr. Shashi Kumar: Chairman (Independent Non-Executive Director)
2. Mr. B. N. Ojha: Member (Independent Non-Executive Director)
3. Mr. Dinesh Gandhi: Member (Executive Director - Finance)

##### Remuneration Of Directors:

The non- executive directors are paid sitting fee of ₹ 15,000 for attending each Board meeting and ₹ 5000 for attending each Committee Meeting. The company has paid a remuneration of ₹ 36.00 Lacs to Mr. B.L. Agrawal, Managing Director, ₹ 16.36 Lacs to Mr. Siddharth Agrawal, Executive Director (01.04.2011 to 09.11.2011), ₹ 16.53 Lacs to Mr. Dinesh Agrawal, Executive Director (01.06.2011 to 09.11.2011), ₹ 17.91 Lacs to Mr. Abhishek Agrawal, Executive Director (w.e.f. 09.11.2011), ₹ 7.86 lacs to Mr. Vinod Pillai, Executive Director (w.e.f. 01.06.2011) and ₹ 32.64 lacs to Mr. Dinesh Gandhi, Director (Finance) of the company during the financial year 2011-12.

##### Disclosure Of Material Transactions

No material transaction has been entered into by the Company with the promoters, directors or the management, their subsidiaries or relatives etc that may have a potential conflict with interest of the company.

##### Insider Trading Disclosure:

Comprehensive insider trading disclosure guidelines in line with the

SEBI Regulations have been adopted by the Board in which the procedure to be followed by all the key managerial persons, staff and other relevant business associates for disclosure of all security transactions of the shares of the company.

**Particulars of Directors seeking appointment / reappointment:**

Particulars of Directors seeking appointment/reappointment at the ensuing Annual General Meeting to be held on 29th September, 2012 are given as under:

A Name	Shri Dinesh Agrawal	Shri Dinesh Gandhi
B Brief resume		
i) Age	41 years	48 Years
ii) Qualification	B.E. (Electrical)	Chartered Accountant and Company Secretary
iii) date of Appointment on the Board of the company	21.09.1999	25.02.2005
C Nature of expertise in specific functional areas	He has been associated with the company's Ferro alloys and steel rolling units in the past. He is currently overseeing the setting up of the captive power plant. He has been associated with the Company since incorporation.	He has over two decades of experience in the areas of accounts, finance, project planning and financing. A dynamic financial analyst, his competence strategically directs the company.
D Name(s) of other Public Limited Companies in which Directorships held	Godawari Clinkers and Cement Limited Godawari Natural Resources Limited Krishna Global Minerals Limited Godawari Integrated Steels (India) Limited Hira Global Limited Godawari Techfab Limited	Godawari Green Energy Limited Ardent Steel Limited Maruti Clean Coal and Power Limited
E Chairman/Member of the Committee of the Board of Directors of the Company	Member of Shareholders Grievance Committee	Member of Audit Committee, Remuneration Committee, Shareholders Grievance Committee and Debenture Committee
F No. of Shares of ₹ 10/- each held by the Directors	1846347	24789
G Relationship with Directors inter-se (As per Section 6 and Schedule 1A of the Companies Act,1956)	Related to Mr. B. L. Agrawal and Mr. Abhishek Agrawal	No Relationship with Directors

## SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE:

The Board of Directors re-constituted the Shareholders/Investors Grievance Committee on 09.11.2011 following the resignation of Mr. G. B. Desai, Independent Director and Chairman of the Committee. The Shareholders/Investors Grievance Committee consists of Three Directors. The detailed composition of the members of the Shareholders/Investors Grievances Committee at present is given below:

1. Mr. B. N. Ojha	:	Chairman (Independent Non-Executive Director)
2. Mr. Dinesh Agrawal	:	Member (Non-Executive Director)
3. Mr. Dinesh Gandhi	:	Member (Executive Director)

### Other information to Shareholders:

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

YEAR	DATE	TIME	VENUE
2008-2009	22.09.2009	03.00 p.m.	Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur (C.G.)
2009-2010	25.09.2010	03.00 p.m.	Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur (C.G.)
2010-2011	30.09.2011	03.00 p.m.	Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur (C.G.)

Special Resolution passed in previous three Annual General Meetings:

At the Annual General Meeting of the Company held on 30th September, 2011, Special Resolution for approval of remuneration payable to Shri Abhishek Agrawal as Chief Executive (Operations) with effect from 1st April, 2011 was passed unanimously.

### Postal Ballot

During the year under review, we have conducted one postal ballot in pursuance of Section 192A of the Companies Act, 1956 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

Mr. Brajesh R. Agrawal, F.C.S, Practicing Company Secretary was appointed as Scrutinizer for the Postal Ballot.

The results of the postal ballot were published in Hitavada (English Daily) and Deshbandhu (Hindi Daily). The gist of the results is as follows:

Date of Declaration of Results: 2nd July, 2011.

Type of Resolution: Special

Particulars of resolution passed: Increase in the limit of making loan, investment, security, guarantee U/s Sec 372A of the Companies Act, 1956.

Particulars	No. of Postal Ballots Forms	No. of Shares (₹ 10/-each)	% of Total Paid up Equity Capital
a) Total Postal Ballot Forms received	745	17423227	54.87
b) Less: Invalid Postal Ballot Forms	25	9556	0.03
c) Net valid Postal Ballot Forms	720	17413671	54.84
d) Postal ballot Forms with Assent for Special Resolution <b>as a percentage of net valid shares polled.</b>	679	17405969	99.96
e) Postal ballot Forms with dissent for Special Resolution <b>as a percentage of net valid shares polled.</b>	41	7416	0.04

No Special Resolution is proposed to be conducted through postal ballot.

**Procedure for postal ballot:**

1. After obtaining consent to act as Scrutinizer the Board of Directors appoints Scrutinizer to conduct Postal Ballot process in true, fair and transparent manner.
2. Cut Off date is fixed for identifying shareholders entitled to receive notice of the postal ballot.
3. Board resolution along with calendar of events is filed with Registrar of Companies within one week of the date of the Board Meeting.
4. Postal Ballot Notice along with explanatory statement and Postal Ballot form with instructions are dispatched to shareholders by Speed Post.
5. Company advertises dispatch of postal ballot in one English Newspaper and one Vernacular language.
6. The postal ballot form duly completed and signed should be sent to the Scrutinizer appointed by the Company at the address of the Registrar & Transfer Agents, Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai -400 078 on or before the close of the Business hours on specified date.
7. Scrutinizer after carrying out postal ballot process submits their Report to the company on the specified date.
8. Result of the postal ballot is declared at the corporate office of the company and the same is notified to stock exchanges as well as published in one English Newspaper and one Vernacular language.

**GENERAL INFORMATION:**

**1. Annual General Meeting:**

Date 29th September, 2012

Time 12.30 pm.

Venue: Corporate Office of the Company at Godawari Power & Ispat Ltd, at 2nd floor, Hira Arcade, Near New Bus Stand, Pandri Raipur (C.G.) - 492001

**2. Financial Calendar (2012-2013) (tentative)**

Board Meeting (for Financial Result)-

Quarter ending on 30th June 2012 : On or before August 14, 2012

Half-year ending on 30th September 2012 : On or before November 15, 2012

Quarter ending on 31st December 2012 : On or before February 15, 2013

Year ending on 31st March, 2013 : May, 2013

3. **Date of Book Closure** 22nd September, 2012 to 29th September, 2012.

4. **Dividend Payment Date** : Within 20 days of declaration

5. **Listing on Stock Exchange** The shares of the company are Listed with National Stock Exchange and Stock Exchange, Mumbai.

6. **Stock Code** NSE: GPIL

BSE: 532734

ISIN: INE177H01013

## 7. Market Price Data



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

Month	NSE		BSE	
	High	Low	High	Low
April, 2011	208.30	175.50	196.00	174.95
May, 2011	199.00	166.10	200.00	166.00
June, 2011	174.80	148.00	174.95	150.10
July, 2011	174.00	155.10	174.15	155.45
August, 2011	165.20	127.50	164.90	127.50
September, 2011	161.90	120.00	161.60	119.20
October, 2011	125.80	107.80	129.80	107.95
November, 2011	125.80	110.00	124.90	111.10
December, 2011	115.85	69.50	116.80	69.90
January, 2012	109.65	70.05	109.50	70.10
February, 2012	127.00	98.10	125.00	98.55
March, 2012	112.00	98.90	111.70	99.10

## 9 Registrar and Transfer Agent: M/s. Link Intime India Pvt. Ltd.

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



10 Share transfer system:

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

11. Distribution Of Shareholding As On 31.03.2012:

Shareholding of Nominal Value (₹)	Shareholders		Shares Held	
	Number	% to Total	Number	% to Total
Up to 5000	26259	92.7159	2754721	8.6746
5001-10000	1028	3.6297	823854	2.5943
10001- 20000	480	1.6948	733770	2.3106
20001-30000	178	0.6285	456328	1.4370
30001-40000	73	0.2578	258377	0.8136
40001-50000	91	0.3213	428221	1.3485
50001-100000	95	0.3354	681056	2.1446
100001 and above	118	0.4166	25619920	80.6768
<b>TOTAL</b>	<b>28322</b>	<b>100</b>	<b>31756247</b>	<b>100</b>

Shareholding Pattern As On 31st March, 2012:

Sl. No.	Category	No. of Shares held	Percentage
1	Promoters (including person acting in concert)	2,02,55,853	63.79
2	Institutional Investors i.e. MFs, FIIs, banks etc	22,09,862	6.96
3	Bodies Corporate	18,42,763	5.80
4	NRIs	3,48,020	1.09
5	General Public	70,20,295	22.11
6	Clearing Member / Trust	79,454	0.25
	<b>TOTAL</b>	<b>3,17,56,247</b>	<b>100.00</b>

Equity Shares in the Suspense Account

As per Clause 5A of the Listing Agreement, the Company reports that 1,571 Equity Shares are lying in the suspense account as on 31st March, 2012.

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

13. LOCATION OF PLANT, REGISTERED OFFICE AND CORPORATE OFFICE:

**Plant & Registered Office**

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

**Corporate Office**

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

**Investors Relation Centre:**

Godawari Power & Ispat Ltd,

Hira Group, 606, Town Centre, Andheri Kurla Road, Near Mittal Estate, Sakinaka, Andheri (East), Mumbai-400059 Tel No: +91 22 28592621/22/23

Fax No: +91 22 28592851 e-mail: investors@gpilindia.in

**14. Green Initiative In The Corporate Governance:**

The Ministry of Corporate Affairs has taken a Green Initiative in the Corporate Governance by allowing paperless compliances by the Companies after considering sections 2,4,5 and 81 of the Information Technology Act, 2000 for legal validity of compliances under Companies Act, 1956 through electronic mode, issued a Circular NO. 18/2011 dated 29.04.2011 clarified that the company would be in compliance of sections 219(1) of the Companies Act, 1956, in case, a copy of Balance Sheet etc. is sent by electronic mail to its members subject to the fact that company has obtained:

- a) E-mail address of its members for sending the Notice with Balance Sheet, Profit & Loss Account, Auditor's Report, Director's Report, and Explanatory Statement etc. through e-mail, after giving an advance opportunity to the member to register his e-mail address and changes therein from time to time with the company or with the concerned depository.
- b) Company's website display full text of these documents well in advance prior to mandatory period and issue advertisement in prominent newspapers in both vernacular and English stating that the copies of aforesaid documents are available in the website and for inspection at the Registered Office of the company during office hours. Website must be designed in a way so that documents can be opened easily and quickly.
- c) In cases where any member(s) has not registered his e-mail address for receiving the Balance Sheet etc. through e-mail, the Balance Sheet etc. will be sent by other modes of services as provided under Section 53 of the Companies Act, 1956.
- d) In case any member(s) insist for physical copies of above documents, the same should be sent to him physically, by post free of cost.

In order to support the Government in its endeavor to Go Green, your company has decided to send the Annual Report for the Financial Year 2011-12 onwards through e-mail to all the shareholders subject to the above conditions.

**CEO/CFO Certification**

The Chief Executive Officer and the Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required in clause 49 of the listing agreement and the said certificate is contained in this annual report.

**Report on Corporate Governance**

This chapter, read together with the information given in the chapter titled Management Discussion and Analysis constitute compliance report on Corporate Governance during 2011-12.

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

Place: Raipur

Date: 22nd May, 2012

Chairman

## CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To,

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

We have reviewed the financial statements and the cash flow statement for the financial year 2011-12 and hereby certify that to the best of our knowledge and belief:-

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2011-12 which are fraudulent, illegal or violate the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control system for the purpose of financial reporting of the Company and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems for the purpose of financial reporting and that we have taken the required steps to rectify these deficiencies.
5. We further certify that :-
  - a) There have been no significant changes in internal control during this year.
  - b) There have been no significant changes in accounting policies during this year.
  - c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system

B. L. Agrawal  
Managing Director

Dinesh Gandhi  
Director (Finance)

Dated: 22nd May, 2012

## AUDITORS' CERTIFICATE

(On Corporate Governance)

To

The Members of  
Godawari Power and Ispat Limited  
Raipur - Chhattisgarh

We have examined the compliance of conditions of Corporate Governance of M/s. Godawari Power and Ispat Limited for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreements of the said Company, with the stock exchange(s).

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

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

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

For O.P. SINGHANIA & CO.  
Chartered Accountants

Sanjay Singhania  
Partner  
(Membership No.076961)

Place: Raipur

Date: 22nd May, 2012