Godawari Power & Ispat Limited
Annual Report 2021-22

HIRA
GODAWARI POWER & ISPAT

Scalability.
Responsibility.
Sustainability.

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 realized, 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.

Contents

Scalability.
Responsibility.
Sustainability.

At Godawari Power & Ispat Limited, we are engaged in strengthening our business model around three principal attributes.

With the objective to make our business scalable.

With a commitment keep our business consistently responsible,

With the assurance that our business will be sustainable across market cycles.

CORPORATE INFORMATION

Godawari Power & Ispat Limited.

Your Company is a responsible contrarian in India's mid-sized steel companies.

When most companies were only integrating forward to manufacture finished steel, GPIL was extending backward towards mine ownership (securing its resource base) and then forwards into a hot re-rolled wire rod mill.

When most steel companies were focusing on maximizing output across the steel value chain, GPIL focused on generating renewable energy to moderate costs.

When most steel companies were focusing growing their capacities (and hence, Balance Sheets), GPIL was focused on repaying debt and strengthening its Balance Sheet.

By doing so, GPIL has emerged as a dependable, responsible and sustainable steel company.

And 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.

Your Company is stewarded by Mr. B.L. Agrawal, 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. Dinesh Agrawal, Mr. Siddharth Agrawal and Mr. Abhishek Agrawal as well as professional managers.

Our locations

Plants

- Integrated Steel Plant, Siltara, Chhattisgarh
- Urla industrial Area, Chhattisgarh
- Bio-mass, Mahasamund, Chhattisgarh (HFAL)
- Windmill, Kundur, Karnataka (HFAL)
- Pelletisation plant, Odisha (ASPL)

Mines

- Ari Dongri iron ore captive mine, Chhattisgarh
- Boria Tibu iron ore captive mine, Chhattisgarh

Our talent

Your Company directly employed over 2300 individuals by the end of FY 2021-22. The average age of employees was 40 years as on 31st March 2022.

Our credit rating

The credit rating of the company was upgraded from A stable to A+ stable by CRISIL and India Ratings and Research (Ind-Ra). The rating upgrade reflects the company's strong business profile driven by integrated operation, established market position and improved financial risk profile.

Our manufactured products

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

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

Iron and steel billets: Processed iron or steel with a square cross section, formed after hot rolling with high ductility

Wire rods: Intermediate inputs for steel plants as well as for industries like construction and infrastructure

Hard black wires: Made from rolled steel through wire drawing; serve as raw material for construction and infrastructure

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

Our certifications

Your Company has been certified as a Great Place To Work (from December 2021 to December 2022).

Our sales footprint (Standalone)

(Rs. Crores)

	FY-20	FY-21	FY-22
Export sales	431.71	1,250.51	2,094.10
Domestic sales	2,342.30	2,390.35	2,980.50
	2,774.01	3,640.87	5,074.60

Our shareholding pattern as on 31st March 2022

Public shareholding	Shares	Per cent of total shareholders
Institutions	2908048	2.06
Non-institutions	42893528	30.44
Total	45801576	32.50

Promoter shareholding	Shares	Per cent of total shareholders
Total	95143412	67.50

9,20,000 equity shares of Rs. 5 each (0.65 Per cent of paid-up capital of 14,09,44,988 Equity Shares of Rs. 5 each) pledged with lenders of Hira Ferro Alloys Limited (a subsidiary company) have been released on 25.04.2022. Consequently, the total number of shares pledged by Promoter and Promoter Group became nil..

Our recognition

FY 2020-21

Received National Energy Management Award 2020 by Society of Energy Engineers & Managers

CFO Sanjay Bothra was awarded the best CFO award in ALL Cap (Mid Cap) category by Dalal Street Investment Journal.

Received the first position in Waste Dump Management Category (Group-B) and third position in Publicity & Propaganda Category (Group-B) from Mines Environment & Mineral Conservation (MEMC) Week FY 2021-22 under the aegis of Indian Bureau of Mines for the Boria Tibu Iron ore mines.

Received the first position in Waste Dump Management (Group-A2), second position in Sustainable Development (Group-A2), third prize in Rolling Trophy (Group-A2) Overall Performance and third position in Mineral Conservation (Group-A2) by Mines Environment & Mineral Conservation (MEMC) Week FY 2021-22 under the aegis of Indian Bureau of Mines for the Ari Dongri iron ore mines.

Received the third position in Exhibition Stall by Mines Environment & Mineral Conservation (MEMC) Week FY 2021-22 under the aegis of Indian Bureau of Mines.

Received Certificate of Achievement for Swachh Change in the ULB for Swachh Bharat Mission by Zone Commissioner, Municipal Corporation, Raipur.

Received SEEM Gold Award in Steel Products Category for excellence in energy conservation and management in the steel product category by SEEM National Energy Management Award (SNEMA).

FY 2018-19

Awarded for HR Best Practices by National HRD Network, Bhubaneshwar chapter

First steel company in India to be certified for ISO 45001:2018 by SGS India Limited

Participation in 'Think Progress Think Chhattisgarh' campaign organised by *The Economic Times* and *Times Now*

FY 2017-18 and FY 2018-19

Awarded by Concor India Limited (Navratna company) for being highest importer of scrap through containers.

Milestones in our growth journey

1999
Incorporated; came into existence.

2001
Commissioned sponge iron plant with a capacity of 105,000 MTPA.

2002
Commenced generation of captive power plant.

2003
Commissioned project to manufacture steel billets.

2004
Commenced the first phase of expansion (sponge iron, steel billet and captive power generation); commissioned a new facility to manufacture ferro-alloys and hard black wire.

2005
Completed the first phase of expansion; commenced production of hard black wire.

2006
Completed the IPO, mobilising Rs. 70 Crore. Commenced the production of ferro-alloys. Initiated the second expansion phase for sponge iron, steel billets and power generation.

2008
Mobilised Rs. 100 Crore through a QIP to commission a new pellet plant. Acquired a 75 Per cent stake in Ardent Steel Pvt. Ltd.

2010
Achieved commencement for the pellet plant of 0.6 Million. Commenced operations in the Ari Dongri mines. Won a bid to set up a 50MW solar thermal power plant under JNNSM. Formed Godawari Green Energy Ltd (erstwhile subsidiary).

2011
Merged Hira Industries (associate concern) and RR Ispat Ltd (wholly-owned subsidiary) with the company. Achieved commencement date for the pellet plant of 0.6 Million MTPA in Ardent Steel Private Limited.

2013
Commissioned the expansion for new 1.5 Million MTPA pelletisation plant. Commissioned coal gasification units, achieving cost savings in the production of iron ore pellets. Commissioned a 50MW solar thermal power plant.

2016-17
Expanded mining capacity to 2.0 Million MTPA. Modernization of steel melting shop. Completed debt restructuring.

2020
Commissioned a rolling mill of 0.2 Million MTPA (taking total rolling mill capacity to 0.4 Million MTPA). Commenced an iron ore beneficiation plant (1 Million MTPA). Diluted stake to 38 Per cent in Ardent Steel to induct a strategic partner with rich experience and influence.

2021
Moving towards debt-free carbon-neutral growth; setting up a captive solar PV plant.

2022
Simplified the Group structure; exited non-core businesses by disposing its stake in GGEL.

- Became net debt-free on a consolidated basis in Q4FY22
- Stakes increased in HFAL and GEL to 75.66 Per cent and 100 Per cent respectively.
- Proposed final dividend of Rs. 8.50 per share on the enhanced capital following a split and bonus; Rs 5 interim dividend paid pre-split and bonus.
- Stock split (1:2) and bonus shares (1:1) issued in FY22
- Three-year absolute stock returns of 363.4 Per cent
- Reduced promoters' pledged shareholding from 32.51 Per cent in June FY 2021-22 to nil as on 25th April 2022.
- Credit rating was upgraded to A+/ Stable by CRISIL and India Ratings and Research (Ind-Ra)
- Setting up three solar power projects with a capacity of 155MW. The process for all 3 projects was started.

GPIL's robust foundation is derived from a large portfolio of multi-decade assets

Captive Mines, Chhattisgarh

2.35
Million MTPA, Ari Dongri Iron ore captive mine, Chhattisgarh

0.7
Million MTPA, Boria Tibu iron ore captive mine, Chhattisgarh

Siltara integrated plant, Chhattisgarh

3.3
Million MTPA iron ore beneficiation

2.4
Million MTPA iron ore pellets

0.5
Million MTPA sponge iron

0.4
Million MTPA steel billets

0.2
Million MTPA wire-rod mill

0.3
Million MTPA HB wire

73
MW captive power

25
MW power from JPAL

16,500
MTPA ferro alloys

0.4
Million MTPA rolling mill

Urla Industrial Area

0.2
Million MTPA wire-rod mill

0.11
Million MTPA fabrication shop

60,500
TPA ferro alloys (HFAL)

20MW
captive power (HFAL)

Pelletisation plant, Odisha

Keonjhar:
0.8
Million MTPA (ASPL)

Other locations

8.50
MW bio-mass IPP (HFAL-Mahasamund)

1.50
MW wind mill (Karnataka)

Plant and product details

Iron ore mining capacity 3.05 MTPA

GPIL has captive iron ore mines in Ari Dongri and Boria Tibu (Chhattisgarh) with a combined production capacity of 2.1 Million Tonnes and now being expanded to 3 MTPA. The delivered cost of iron ore from these mines was ~Rs. 3,000/tonne, while the market rate for iron ore for FY22 was Rs. 6200/tonne. The estimated reserves at Ari Dongri were ~80Million Tonnes, while at Boria Tibu they were ~85Million Tonnes (exploration activity in process). These mines have sufficient reserves to last over 35 years and the company pays royalty at the lower old rates on the produce from the mines, strengthening its multi-decade sustainability.

The iron ore from the mines is delivered to the company's plant by road, despite proximate railway sidings. Going forward, iron ore will continue to be transported by road as the trucks generate local employment.

Following a change in the regime of a allocation of iron ore resources, the structure of the Indian iron ore industry has altered. Around 30 Per cent of India's iron ore Merchant Mines were auctioned amidst heightened bidding. Erstwhile merchant mines were successfully bid for by large steel companies, reducing retail supply and the royalty bid was on average around 90-100 Per cent of the iron ore sales selling price, increasing costs permanently by Rs. 1,500/tonne.

GPIL was allocated two iron ore mines in 2006. Your Company capitalised on the opportunity by commissioning a pellet plant that consumed iron ore (now ramped to 3.05 MTPA from 2.1 MTPA, climbing the value chain).

Given intense competition, only 19 Per cent mines were won by merchant miners. These winning bids were at an average premium of 129 Per cent of the IBM (Indian Bureau of Mines) price. What it means is that these merchant miners are willing to pay 129 Per cent of the market price (as published by IBM) and additionally pay 20 Per cent of the selling price as royalty and District Mineral Fund charges as well as 5 Per cent GST.

Pellet plant. *Capacity 2.4 MTPA*

GPIL commissioned an iron ore beneficiation plant and produces iron ore pellets of high grade (66 Per cent+ Fe). Due to these high-grade pellets used for making billets, the company's steel quality is at par with large primary steel producers. A pellet price premium over iron ore prices has been on an uptrend; GPIL is capitalising by increasing value-addition and productivity. GPIL's competitive advantage will sustain on account of an increase in iron ore's marginal cost of production.

Sponge iron plant. *Capacity 0.5 MTPA*

GPIL operates a 0.5 MTPA sponge iron plant (awaiting the state pollution control board's permission for the expansion to 0.6MTPA). The sponge iron plant runs on RB1 South African coal (16 Per cent ash content).

Power plant. *73 MW*

GPIL's in-plant power generation capacity comprises 73 MW (42 MW from waste heat recovery, 11 MW from coal thermal plant and 20 MW biomass power). This is used for captive consumption.

Silico Manganese plant. *Capacity 16,500 MTPA*

GPIL operates a 16,500 MTPA ferro alloy plant, which manufactures silico manganese. Silico manganese is an alloy with 65 Per cent to 68 Per cent manganese, 16 Per cent to 21 Per cent silicon, and 1.5 Per cent to 2 Per cent carbon. It is produced by smelting slag from high-carbon ferro manganese or manganese ore with coke and a quartz flux. Your Company uses ~40 Per cent output for captive use, while the rest is sold domestically or exported.

Rolling mill and wire rods. *Capacity 0.4 MTPA*

GPIL operates a 0.4 MTPA wire rods mill that produces different sizes (5mm, 5.5mm, 6mm, 8mm, 8.5mm, 10mm and 12mm diameter). The mill comprises advanced rolling equipment (reducing and sizing mill), high speed shear, pinch rolls, laying heads and controlled temperature rolling and controlled cooling to address processing requirements of carbon and alloy steel varieties.

Steel melting shop/ billets. *Capacity 0.4 MTPA*

GPIL has a 0.4 MTPA steel melting shop to make billets. This induction furnace uses 92 Per cent DRI and 8 Per cent scrap. Your Company is in the process of increasing capacity from 0.4 MTPA to 0.6 MTPA for an outlay of Rs. 600 Million. The increased capacity is expected to be commissioned in Q4 FY23.

Solar PV project, Rajnandgaon. *Capacity 70MW*

GPIL is commissioning a 70MW solar plant at Rajnandgaon for Rs. 2.6 Billion. The commissioning is expected in second quarter of FY23. The solar power plant is expected to generate 0.15 Million units of power per MW and operate at 17.5 Per cent PLF. Power generated from this plant will be captively consumed, replacing the grid power being imported and leading to substantial power cost savings.

How we performed in FY 2021-22

Operating performance

• Highest annual iron ore mining in FY22 of 2.3 MillionT (YoY increase of 36 Per cent) (previous best in FY21 of 1.6MnT)

• Record annual iron ore pellets production of 2399 KT (up 6 Per cent YoY) (previous best in FY21 of 2256 KT)

• Highest annual ferro-alloy production in FY22 of 16KT (up 14 Per cent YoY) (previous best in FY21 of 14KT)

Financial performance (standalone)

• Record turnover of Rs. 50,746 Million, up 39 Per cent YoY

• Highest EBITDA of Rs. 17,993 Million, up 78 Per cent YoY

• Record PAT of Rs. 13,510 Million, up 116 Per cent YoY

Balance Sheet performance

Your Company became long-term net debt-free on a standalone basis in Q1FY22 and net debt-free on a consolidated basis in Q4 FY22.

Governance

Your Company exited non-core businesses by divesting its stake completely in GGEL (solar thermal power plant)

Your Company consolidated its stake in subsidiaries; stakes increased in HFAL and GEL to 75.66 Per cent and 100 Per cent respectively

Shareholder value

•Rs. 8.50 per share was the final dividend on the enhanced capital following a share split and bonus; Rs. 5 was the interim dividend paid pre-split and bonus.

• Stock split (1:2) and bonus shares (1:1) were issued in FY22

• Three-year absolute stock returns was 363.4 Per cent

Reducing carbon footprint

• Setting up three solar power projects (155 MW)

• Generating 42 MW captive energy from waste heat recovery and 28 MW from biomass power capacity

Pledged shares were extinguished

• Reduced promoters' pledged shareholding from 32.51 Per cent in June FY 2021-22 to nil as on 25th April 2022

Credit Rating

• Credit rating was upgraded to A+/ Stable by CRISIL & India Ratings and Research (Ind-Ra)

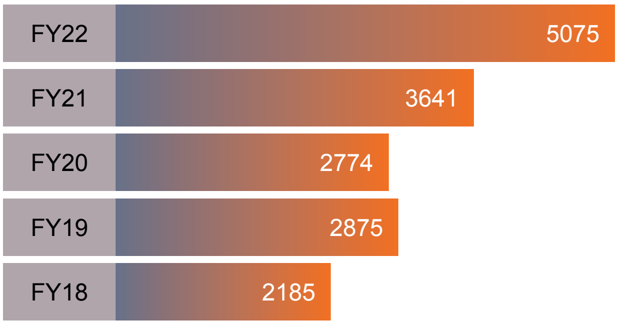
This is how we have grown in the last few years

Revenue

(Rs. Crore)

4 year CAGR

23.45%



Definition

Growth in sales net of taxes

Why this is measured

It is an index that showcases the Company's ability to maximize revenues, which provided a basis against which the company's success can be compared with sectoral peers.

What this means

Aggregate sales increased 48.28 Per cent to Rs. 5,075 Crore in FY 2021-22 from FY 2020-2021.

Value impact

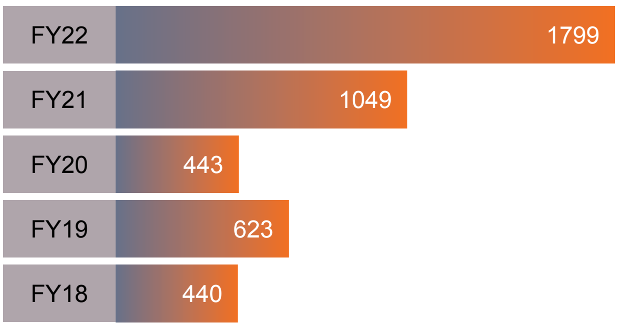
Improved product offtake enhanced Your Company's respect and provided an increased room to cover fixed costs.

EBITDA

(Rs. Crore)

4 year CAGR

42.20%



Definition

Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax)

Why this is measured

It is an index that showcases the Company's ability to generate a surplus after optimising operating costs, providing a base for comparison with sectoral peers.

What this means

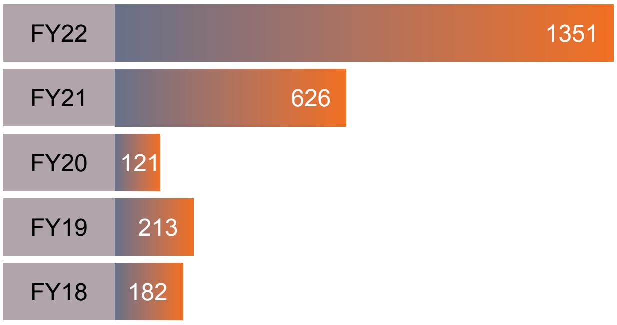
Helps create a robust growth surplus-generating engine that enhances reinvestment.

Value impact

Your Company reported a 77.69 Per cent increase in EBIDTA in FY 2021-22, an outcome of initiatives in improving operational efficiency and increased product realisations.

PAT (From ordinary activities)
(Rs. Crore)

4 year CAGR
65.03%



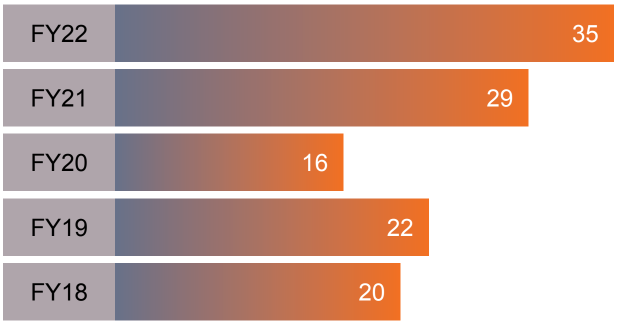
Definition
Profit earned during the year after deducting all expenses and provisions

Why this is measured
It highlights the strength of the business model in enhancing value for shareholders.

What this means
This ensures that adequate cash is available for reinvestment, leading to business sustainability.

Value impact
Your Company reported a 115.81 improvement in net profit in FY 2021-22, reflecting the growing attractiveness of the business model.

EBIDTA margin
(Per cent)



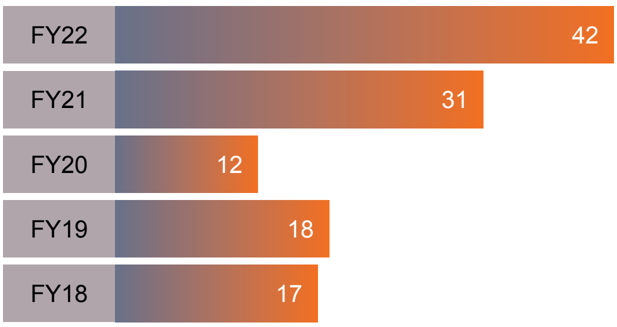
Definition
EBITDA margin is a profitability measure to ascertain a company's operating efficiency

Why this is measured
The EBIDTA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

What this means
This measure demonstrates the buffer in the business, which when multiplied by scale, can potentially enhance the surplus.

Value impact
Your Company reported a 570 bps increase in EBIDTA margin in FY 2021-22

ROCE
(Per cent)



Definition
This is a financial ratio that measures efficiency with which capital is employed in the company's business

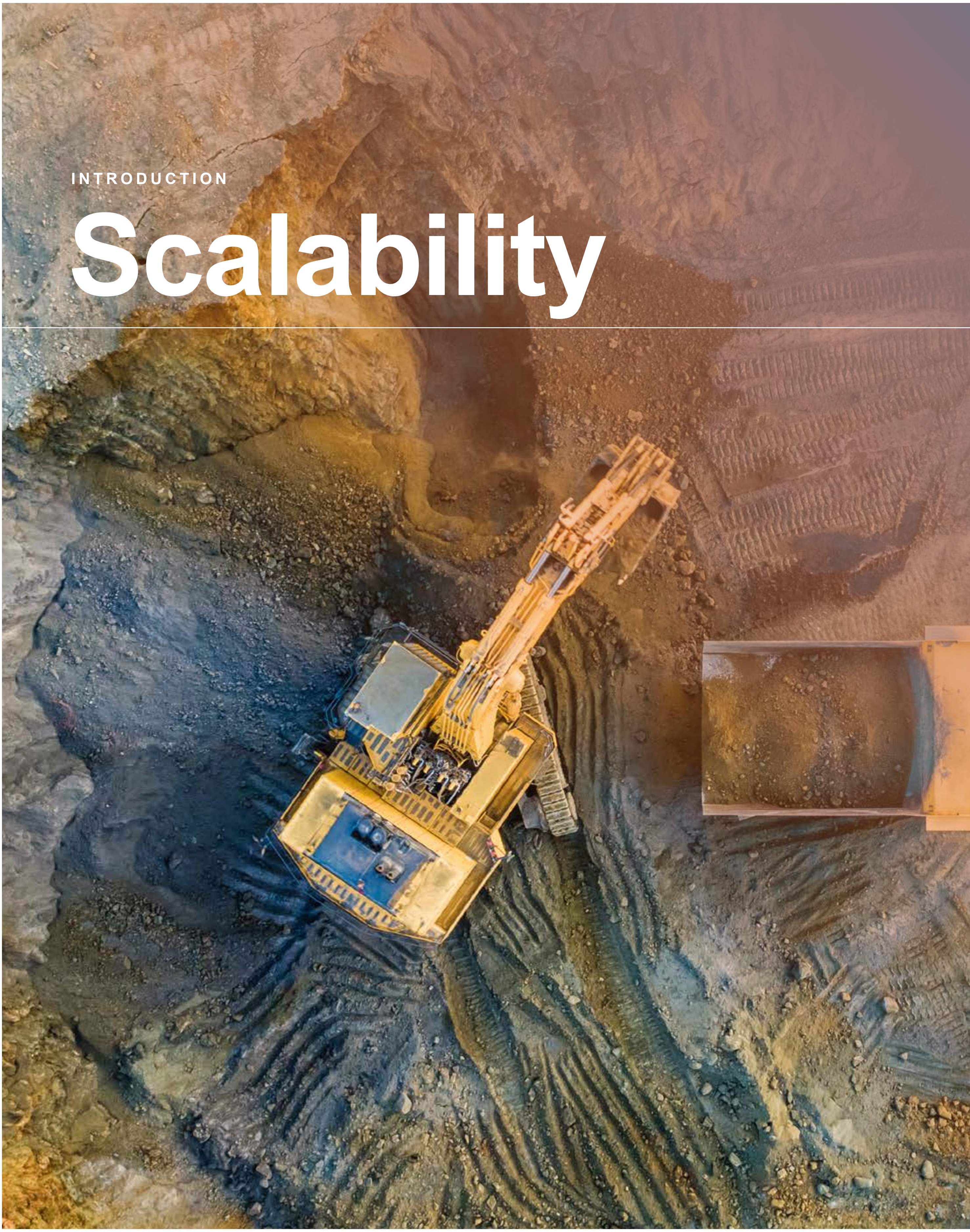
Why this is measured
ROCE is an insightful metric to compare profitability across companies based on their respective capital efficiency

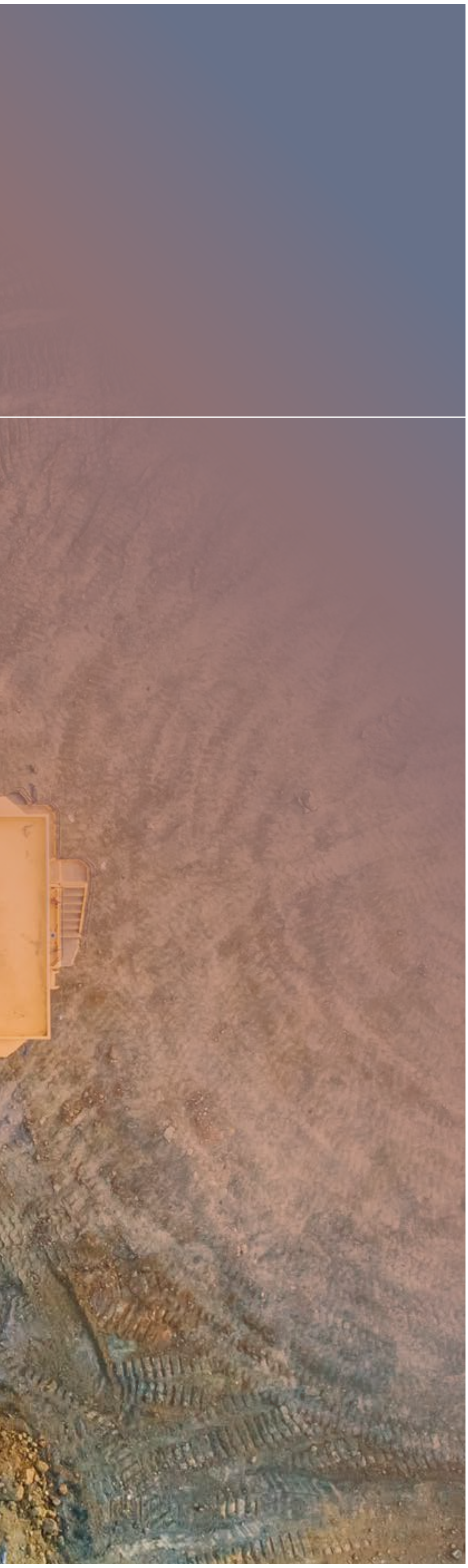
What this means
Enhanced ROCE can potentially drive valuations and market perception.

Value impact
Your Company reported a 1100 bps increase in ROCE in FY 2021-22.

INTRODUCTION

Scalability





At GPIL, we are engaged in building a business that can be scaled attractively and sustainably into the long-term.

This scalability has been marked by fungible capacities, empowering Your Company to ramp product capacities in line with emerging demand.

This scalability will be made sustainable by the virtue of moderated or negligible Balance Sheet risk woven around strategic caution.

This scalability will provide a platform to service the growing product needs of our customers.

The scalability will also empower us to cover our fixed costs more effectively, strengthening margins.

The scalability represents one of the most effective levers availability with which to enhance stakeholder value.

INTRODUCTION

Responsibility

At GPIL, we have invested extensively in our business to moderate waste and environment impact.

We have invested in advanced technologies to moderate waste. We have trained our people to manage hazards and challenges without impact. We have prioritized business growth with environment preservation. We have invested in renewable energy to moderate carbon footprint.

The responsibility with which we have been progressively decoupling our growth from our carbon footprint validates our responsible citizenship.

INTRODUCTION

Sustainablity

At GPIL, we are engaged in a business marked by commodity cycles.

Our objective is to build a business that is liquid, agile and profitable across these cycles.

We are building a company resilient enough to report profits during the bottom end of the business cycle and attractive profits during the uptrend.

An investment in de-risking and opportunity-responsiveness has enhanced our business sustainability.

What we are

Among India's most competitive mid-sized steel companies (by product quality, margins, material efficiency, asset utilisation and worker productivity)

Strong Balance Sheet with zero long-term debt

Attractive credit-rating of A+

What we wish to be

Carbon neutral in steel production; increased renewable energy proportion in our energy mix; enhance energy efficiency through the use of high grade iron ore

Leverage our most competitive strength; increase iron ore production; beneficiate low grade iron ore

Enhance multi-year revenue and EBIDTA visibility.

BUILDING A NEW GPIL

GPIL: Committed to governance with the objective to enhance stakeholder value

Overview

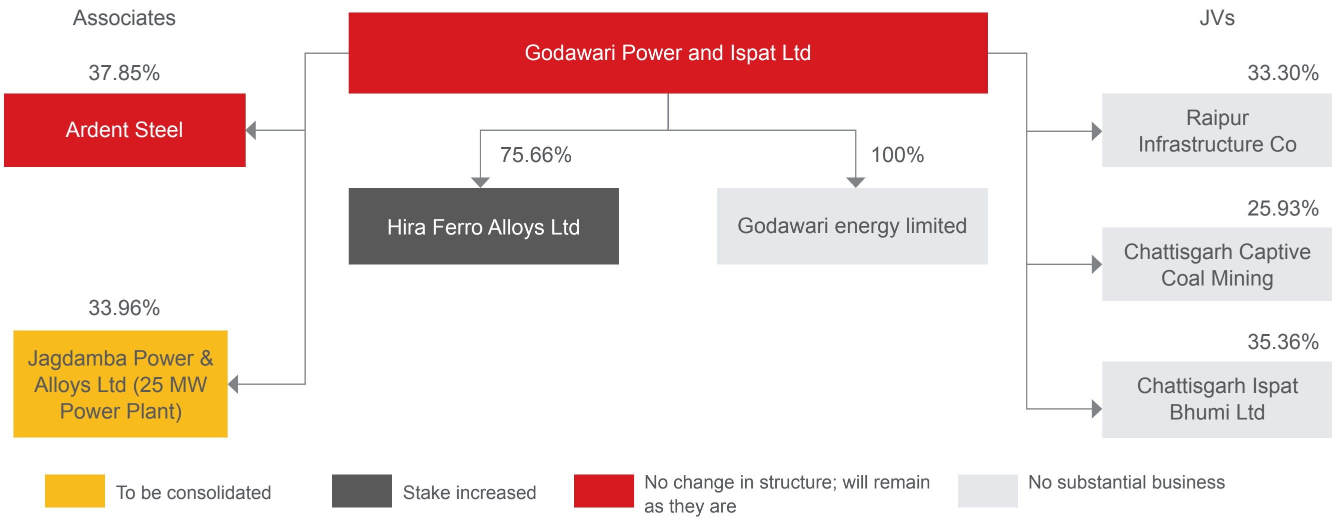
At GPIL, we are engaged in business to enhance value for our stakeholders. This value has been enhanced through a culture of responsibility and transparency.

Your Company simplified its Group structure with the objective of enhancing shareholder understanding.

Your Company increased its stake in Hira Ferro Alloys Limited to 75.66 Per cent during FY22 to consolidate the ferro alloys business under one umbrella.

GPIL identified Ardent Steel and Godawari Green as non-core assets. GPIL sold a 42 Per cent stake in Ardent Steel to a strategic buyer in Odisha. This business comprised a standalone pellet plant without accompanying mines subject to vagaries of raw material availability. The stake sale facilitated the induction of a partner with corresponding interests, strengthening Your Company's prospects. GPIL also exited a solar thermal power plant with 50MW capacity, owned through its wholly owned (99.95 Per cent stake) in erstwhile subsidiary Godawari Green Energy Limited.

How we simplified our Group structure



BUILDING A NEW GPIL

GPIL: Possessing the robust foundation of a net-cash Balance Sheet

Overview

Conventionally in a capital-intensive sector, steel companies were expected to be debt-heavy.

During favourable industry phases, this debt-driven approach enhanced shareholder value and increased earnings more than the steady interest outflow.

However, during industry downtrends – generally sharp – the surplus was seldom adequate to cover the sizable interest outflow, resulting in losses.

At GPIL, we grew our business with a singular resolve during the last few years: utilize our accruals and replace the debt on our books, securely growing the business through net worth.

Your Company generated more cash from its business than the warranted capital expenditure, building on its free cash in hand to pare debt. This capital allocation discipline was visible across the last five years when consolidated net debt on our Balance Sheet declined from a peak of Rs. 19.29 Billion every year. The net debt positioned transformed to a net cash position of Rs. 5.64 Billion during the last financial year.

This turnaround signals the start of a virtuous cycle that positions Your Company uniquely: a cash surplus on the books in a capital-intensive business and aggressive business growth driven out of accruals.

This positioning will empower the company to enhance shareholder value in an attractive and sustainable manner.

Consolidated net debt (Rs. Million)

FY17	FY18	FY19	FY20	FY21	FY22
19,287	18,207	16,043	14,355	7,197	-5,645

	Cash flows from operations	Capital expenditure	Free cash flows
FY17	146	530	-2,975
FY18	4,511	1,051	827
FY19	5,498	760	2,212
FY20	5,508	1634	1755
FY 21	9,688	396	7,753
FY22	13,303	6,063	7,043

Net debt-free status = Stronger business platform

Productive mindset	Shareholder value focus	Long-term approach	Any-market viability
Long-term sustainability	Quality business	Stronger trade terms	Better rating

BUILDING A NEW GPIL

GPIL: One of the most integrated mid-sized secondary steel producers in India

Overview

At GPIL, we are engaged in a business where realisations are largely outside our control.

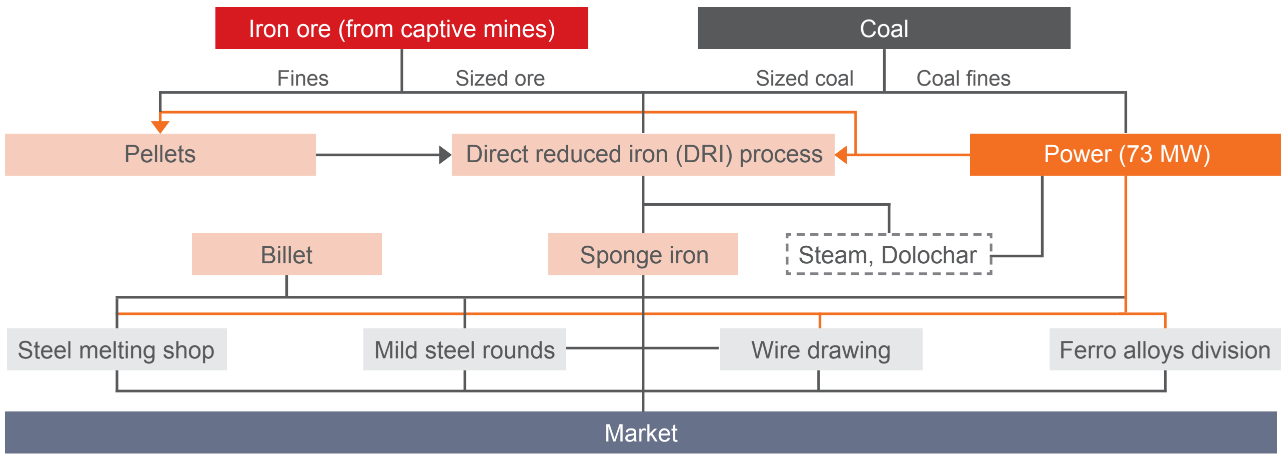
In view of this, Your Company embarked on a safety-first operating structure. It selected to maximize the factors of production within its control, where one end product became the raw material for the other. The capacities of the various projects were sized in a manner that a majority of the output was consumed within and a nominal part of the output was sold to external buyers.

Our extensive presence across the steel value chain

Plant	U/M	Licensed capacity	Production FY22	Capacity utilisation (Per cent)
Iron ore mining	MT	30,55,000	23,12,888	76 Per cent
Iron ore pellets	MT	24,00,000	23,99,500	100 Per cent
Sponge iron	MT	4,95,000	4,94,982	100 Per cent
Steel billets	MT	4,00,000	3,27,050	82 Per cent
Wire rods	MT	4,00,000	1,30,607	33 Per cent
HB wires	MT	1,00,000	18,356	18 Per cent
Ferro alloys	MT	16,500	16,152	98 Per cent
Power	MW	73	49	67 Per cent
Wire rods	MT	2,14,000	92,662	52 Per cent
HB wires	MT	3,00,000	17,690	6 Per cent
Galvanisation	MT	1,10,000	53,996	49 Per cent

Hira Ferro Alloys Limited

Plant	U/M	Licensed capacity	Production FY-22	Capacity utilisation Per cent
Ferro alloys	MT	60,500	47,504	79 Per cent
Power (Thermal)	MW	20	18	92 Per cent
Biomass	MW	8.5	10.33	121 per cent
Windmill	MW	1.5	0.31	21 per cent



Source: GPIL, Phillip Capital India Research

BUILDING A NEW GPIL

GPIL: Committed to emerge as a low carbon footprint mid-sized steel player

Overview

At GPIL, we are committed to deepen our recall as a responsible corporate citizen.

Your Company is investing in a range of activities to moderate its carbon footprint.

Your Company intends to commission 155 MW in captive solar power capacity

The Rs. 625 Crore project (to be commissioned in FY23) will be funded primarily through internal accruals. The project will replace high cost captive thermal and grid power, service enhanced pellet capacity and recoup investment in less than five years.

The carbon neutrality will enhance the company's respect as a responsible company that seeks to moderate it carbon footprint and manufacture 'green' steel.

EAGLE VISION

Our MD's overview

Performance review

I am pleased to present a year of record performance of your company. A few years ago, we embarked on a journey directed to make our organization robust and resilient to business cycles. We invested in backward integration to strengthen our business model. I am happy to say the results of those strategic changes are now visible across our financials.

Your company finished with revenues of Rs. 5,399 Crore, 36 Per cent higher than the previous high; EBIDTA of Rs. 1,864 Crore was 64 Per cent higher than the previous peak and profit after tax of Rs. 1,481 Crore was 136 higher than the previous high. Your company finished the year under review with net cash of Rs. 564.5 Crore. EBIDTA margin strengthened 600 bps to 35 Per cent while Return on Capital Employed strengthened 1100 bps to 42 Per cent.

The Board declared a final dividend of Rs. 8.5 per share on the expanded share capital following a split of equity shares 1:2 and bonus shares in the ratio of 1:1.

Green Energy

Your company has divested its investments in non-core solar thermal power plant (IPP) and decided to invest the proceeds in captive solar power project. Your Company is setting up a 155 MW of solar power plant with an investment of Rs.625 Crore, a clean cost-effective energy source for captive consumption providing the company with predictable annuity revenues. Out of this 155 MW, the 70 MW solar power project is expected to commission in the second quarter of the current year and balance capacities are expected to be commissioned by the end of FY23. This will not only help the company to reduce thermal energy consumption by 25 Per cent, but also increase in return of capital invested, as compared to return on investment in solar IPP project. This will empower the business to make a decisive leap towards carbon neutrality – possibly the first in India's iron and steel sector – and strengthen the company's quest to emerge as a responsible 'green steel' manufacturer with environmentally conscious customers who seek to moderate their carbon footprint through responsible procurement.

Iron Ore Mines

I am pleased report that with the additional exploration activities undertaken by the Company in both the iron ore mines, the iron ore reserves have already proven to be around 165 MT (4x of earlier estimates). Your Company proposes to obtain environmental clearance to enhance its iron ore mining capacity from present 3 million Tonnes to 5 million Tonnes in about three years and eventually 9 million Tonnes in five to seven years depending on growth plans.

Expansion Project

Your Company is proposing to set up 1.5-million-ton green field steel plant in Chhattisgarh and have already applied for the land acquisition and environmental approval. Further details on products to be manufactured and capital investment is under working and shall be finalized upon completion of land acquisition and receipt of environmental approval. Further in order limit the initial capital investment in the project, the Company will focus on setting up facilities for manufacture of Iron ore Pellets and Pig Iron/DRI and subsequently integrate to finished steel making facilities. Your company's endeavor is to integrate business from mined resource at one end to the manufacture of ore-intensive steel products at the other, coupled with renewable energy and accrual-driven investing, which will empower your company to be amongst the last ones standing during an industry downtrend.

In the meanwhile, your Company is investing Rs. 500 Crores in FY23 in addition to the investment of Rs. 625 crores in solar project, in existing facilities for iron ore beneficiation, enhancement in steel melting capacity and setting of new power generating turbine for energy efficiency and higher power generation without additional input cost, which will help Company in improving the efficiency in its operations resulting in increase in operating margins. The capex will be primarily funded through internal accruals.

Outlook

Your company is engaged in building a responsible business where a number of operating priorities will converge: enhanced scale, deeper integration, cost leadership, accrual-driven investing and an enhanced role for renewable energy. We believe that this complement will enhance business scalability and responsibility that translates into longterm sustainability.

BL Agrawal, Managing Director

Our growth agenda

- Plan to enhance iron ore mining capacity to 5MnT over three years and to 9MnT over seven years
- Focus on the manufacture of intermediate products like pellets/pig iron/billets and increase their capacities
- 4x increase in reserves of iron ore mines to around 165MnT; exploration still in progress. Mine life of 35+ years
- Fund majority of capital expenditure through internal accruals

RESPONSIBILITY

An ESG commitment lies at the core of our business

We are deepening our commitment to responsible corporate citizenship

ESG and value creation at GPIL

Complete compliances	Business continuity	Operational visibility	Enhanced employee productivity	Investment and asset optimization	Reinvestment

Overview

A deep environment-social-governance culture enhances corporate stability, increases counter-cyclicality and lays the foundation for the enhancement of long-term stakeholder value. At GPIL, a commitment to environment-social-governance (ESG) represents the core of our business. This commitment is critical considering that we manufacture a product that consumes a large quantum of electricity or other finite resources and is engaged in a hazardous process. This puts a premium on safety and responsibility in our operations. The need to be completely responsible (and hence sustainable) has empowered us to treat the subject of ESG by focusing on three buckets for enhanced attention.

GPIL and ESG

At GPIL, the business has been aligned with a number of United Nations' principles for manufacturing responsibility and environmental sustainability. Mining and the manufacture of steel products consume finite fossil fuels and generate emission and effluents that could be harmful for the eco-system if left untreated and not adequately neutralised. This makes ESG integral to our business; any improvement in commitment only makes our business more responsible, profitable and sustainable.

Our environment component ensures that we consume environmentally responsible resources, utilize an optimal quantum of finite fossil fuels, moderate electricity consumption, recycle waste and moderate our carbon footprint, the basis for a resistance to climate change.

Our social component addresses a proactive investment in talent, relationships (customer and vendors) and social responsibility, which ensures a stability of our eco-system.

Our governance component indicates how we will do business, indicating strategic clarity, priority to integrity, alignment with generally accepted good manufacturing practices and prudent de-risking.

This platform – environment, social and governance – will make it possible for GPIL to generate long-term growth across market cycles, enhancing stability in a commodity business that enhances value for all our stakeholders.

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

Our 5 P's ESG platform

People

We are a preferred employer among Indian mid-sized secondary steel companies

We recruit subject matter experts and ITI graduates

We recruit for attitude, experience and knowledge

Result: We generated a high per person productivity (revenues and production)

Product

We provide a range of products, a single-point solution provider

Our products are manufactured around the highest quality (Fe content) and environment standards

Our product quality generates loyal customers, enhancing revenue visibility

Result: The wide products range has helped broadbase revenue risk

Process

Focus on relationship integrity (vendors, employees and customers)

Focus on operational integration leading to outperformance

Investment in digital, automated and environment-friendly interventions

Result: Multi-stage quality control leading to a high asset uptime and revenues

Profit

Integration widening operating margins

Net cash surplus business fed by free annual cash flows

Accruals-driven investing, making profitability sustainable

Result: Low break-even points across each product segment

Planet

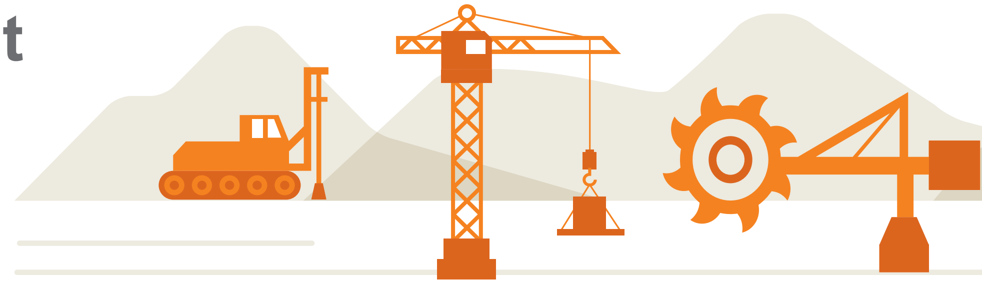
Invested in renewable energy ahead of the curve

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

Our environment responsibility



At GPIL, we are committed to the manufacture of steel sector products through processes that moderate the consumption of energy and natural resources, reducing negative environmental impact.

Your 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.

Your Company invested in technologies sourced from the best Indian and global vendors based on their productivity, safety and price-value proposition. Your Company invested in documented workflows, standard operating protocols, study of probable downsides and enhanced training

The 4 R's at GPIL

At GPIL, our environment responsibility has been reinforced through the various R's comprising reduction, restoration, replacement and renewables.

Reduction

Pelletisation: Iron ore pellets (small, hardened iron balls), used as raw material for iron/steel manufacture, are made from iron ore fines and beneficiated low-grade ore. Pellets are suited for efficient iron making over other feeds due to their uniform size, high metallization rate and increased permeability in blast furnaces. The result is a superior input-output ratio and lower fuel consumption. Besides, the use of pellets reduces carbon and harmful gas emissions (Sox, NOx and CO2 particulate matters), moderates waste gas treatment, fuel gas desulphurization and scrubbers, etc.

Your Company invested in an effluent treatment plant to eliminate zero liquid discharge at its manufacturing facilities. Your Company recycled and reused water derived from the cooling tower to use in the process, reducing freshwater consumption. Besides, the Company undertook rainwater harvesting projects at its manufacturing units.

Your Company invested in iron ore beneficiation to maximize resource utilisation (lean grade ores, mined waste, processed tailings and blue dust fines). Most of these resources exist as fine particles, while lean-grade ores require fine grinding for the liberation of associated gangue minerals. Finer fines resulting from the beneficiation process cannot usually be processed in a sintering plant and must be agglomerated in a pelletizing plant.

Your Company invested in modern beneficiation processes like crushing, milling, gravity or heavy media separation, screening and silica froth flotation to improve ore concentration and remove impurities.

Your 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.

Your Company's decision to utilize iron ore feed higher than 62 Per cent Fe content enhanced blast furnace productivity (smaller quantity of ore and slag). The use of low silica content in the ore helped reduce flux in the furnace, resulting in lower slag and higher productivity. Besides, low alumina content helped improve RDI by at least six points, moderating blast furnace coke rate by 14 Kilogram per tonne of hot metal and increasing productivity 30 Per cent.

Your Company also invested in emission control equipment. Your Company reduced in-plant vehicular movement and increased load ability that moderated emissions and fuel consumption.

Renewables

To monetize the waste gas from sponge iron manufacture, the company invested in aggregate waste heat recovery capacities of 42 MW. The DRI plant generates fuel gases at around 950°C from the sponge iron kiln; the company achieved 85 Per cent waste heat recovery from these gases, utilized to produce steam and electrical energy. The electricity produced addresses 100 Per cent of the company's captive needs; the rest is 'exported' to the state power grid, which has helped reduce the grid's carbon footprint as well. The Company's captive co-generation power plants are closed loop units resulting in zero emission of hazardous gases. Your Company also invested in 20 MW of biomass energy generation, validating its commitment to 'green' power. Your Company invested in 155 MW of solar energy and 20 MW of biomass power capacity.

Restoration

GPIL planted 10,000 trees approximately in and around its manufacturing units (total 10,000 in FY 2021-22).

Replacement

Your Company invested in the use high grade pellets (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 SO_2 emission.

Your Company replaced sodium vapour lamps with LED equivalents that helped reduce power consumption.

Your Company invested in a coal gasifier in FY 2014-15 to transform coal into syngas that can be used to efficiently produce clean electricity. Cost-effective syngas clean-up technology is key to achieving near-zero emissions from gasification-based power generation. Gasification-based systems provide the lowest cost option for capturing and sequestering carbon dioxide from coal use. Gasification, as opposed to combustion, is the most thermally efficient and cleanest way to convert the energy content of coal into electricity, hydrogen, clean fuels, and value-added chemicals. Gasification avoids burning coal altogether: it turns coal into gas. One of the major environmental opportunities of this technology is that impurities can be entirely filtered when coal is transformed from a solin into a gas, alleviating environmental concerns of coal-fired power plants.

Conservation initiatives, FY 2021-22

- Development of oxyzone plantation comprising 37,000 saplings across 102 acres in three years in addition to the development of a 33 Per cent 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 Per cent dry sludge disposal through filter press (instead of sludge drying beds)

GPIL's pelletization advantages

85
Per cent Reduction in Co_2 emission

90
Per cent Reduction in SOx emission

20
Per cent Reduction in NOx

30
Per cent Energy savings

Your Company invested in an effluent treatment plant to eliminate zero liquid discharge at its manufacturing facilities. Your Company recycled and reused water derived from the cooling tower to use in the process, reducing freshwater consumption.

Water conservation measures, FY 2021-22

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

Your 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

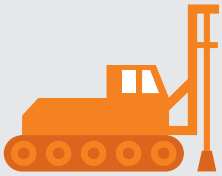
• Reduce the likelihood of low-frequency, high-impact objectionable incidents through intensive documentation and examination

How we intend to moderate our carbon footprint

Particulars	Capacity FY23	Capex (in Rs. Million)			Current Status
		Total	FY22	FY23	
Solar PV projects					
GPIL - Rajnandgaon	70 MW	2600	2250	350	Plant is ready (except for grid synchronization)
GPIL - Rajnandgaon	25 MW	1100	580	520	Land acquisition in process; solar modules delivered; commissioning expected by Q3 FY23 in Rajnandgaon.
HFAL – Bemetara	60 MW	2650	1742	908	Land acquisition in process. 136 acres acquired (out of 150 acres needed). Solar modules delivered. Project construction started in April 2022; commissioning by Q3 FY23.

Our mines

Boria Tibbu iron ore mines



Operated by mechanised open cast method since FY 2014-15

Total lease area of 110 hectares; entire lease area forest land; mining lease valid to 14 March 2060.

Forest clearance for entire forest land obtained from MoEF&CC

Mining plan for ROM production capacity of 4.705 MTPA approved by IBM

Environment clearance for 0.705 MTPA capacity accorded by MoEF&CC; process for EC of proposed expansion of 4.705 MTPA capacity under progress.

Consent to establish and consent to operate granted by CECB for 0.705 MTPA capacity.

Aridongri iron ore mines

Located in Boria (FC numbers 535 and 536) in Manpur tehsil and Rajnandgaon district (Chhattisgarh) with the nearest town being Dalli Rajahara and nearest railhead being Rajnandgaon (~95 km) and Dalli Rajahara (~35 km). The nearest highway is SH 7 (~6.5 km) and the nearest airport is Raipur (~180km).

There is no national park/ wildlife sanctuary/ biosphere reserve / tiger reserve / elephant reserve or stream/ river/water body within a 10 km radius. Regular desilting of settling ponds and garland drains are done after the monsoons

Ground water recharge is being carried out through recharge ponds, collecting rain water in mine sump, ground water recharge structures with boulder check dams and roof top rain water harvesting structures. Following Rain water harvesting measures have been adopted by GPIL in the Kachche Aridongri iron ore mines.

Two ponds have been constructed capable of recharging 33150 cu.m water annually; 111457.50 cu.m/ year rain water is being recharged through a mine sump constructed at the bottom-most bench of the quarry; 13 recharge structures of 1 m diameter and 2.0 m depth have been constructed at Aridongri mines, capable of recharging 1560 cu.m water per year. Six recharge structures of 1.5 m diameter and 2.0 m depth with check dams were constructed at the Aridongri mines, capable of recharging of 30,000 cu.m water per year.

Our social responsibility

At GPIL, our competitiveness and organisational stability is derived from the relationships we share with our people, customers and vendors. The robustness of this eco-system empowers us to deliver across market cycles.

Employees

At GPIL, we invested in a culture benchmarked around excellence, comprising superior resource productivity, cost leadership, asset utilisation, funds management, operational safety and talent investments (recruitment, retention and training)

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

Your 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.

Customers and vendors

Your Company sustained its stable eco-system of vendors (those providing capital equipment, spares and resources) through repeat engagement, enhancing stability.

Community

Your Company engaged with the community around its mining and manufacturing locations, widening its circle of prosperity in line with the United Nations' Sustainable Development Goals.

At GPIL, we believe that business responsibility is derived from a safe, clean and healthy workplace. Such an environment enhances talent presence, productivity and morale. Besides, a company with a credible HSE record enhances its reputation and credit-rating, translating into enhanced competitiveness.

Pandemic protection initiatives, FY 2021-22

Introduced customised workplace safety / sanitation standards	Thermal screening of all employees and visitors at the entry gates of office and factories	Hand sanitization facility at all entry gates, sections, offices, canteens and administrative building
Additional buses deployed to reduce passengers per bus and enhance safe distancing	Protocol to submit medical examination certificate after two days of leave before the resumption of attendance	Disinfection machines for all paper documents provided across all offices
Free vaccination provision for all employees	Implementation of working from home whenever possible	Enhanced engagement through electronic video communication

Our governance responsibility

At GPIL, our governance responsibility comprises a clarity on the way we will grow our business, assuring stakeholders of our responsiveness in specific situations.

Board of Directors

At GPIL, our strategic direction is influenced by our Board of Directors, comprising professionals and industrialists of standing and have enriched our multi-sectorial business understanding and strategic direction.

Disciplined capital allocation

At GPIL, we had invested debt and accruals in the past but much of our company's investments will be driven through internal accruals from this point onwards. This could translate into controlled and secured growth from this point onwards.

Best over big

At GPIL, a combination of business breadth (integration) and reasonable scale is expected to make our growth responsible and sustainable. We believe that passionate mid-sized steel companies can deliver operating efficiencies better than the industry average.

No speculative positions

At GPIL, we recognise that our competence lies in efficient resource conversion into quality end products. In line with this, we do not take speculative positions on our resources or end products that could compromise our profitability.

Integration

At GPIL, we built a mining presence coupled with the manufacture of intermediate steel products, selecting to remain a B2B business. This integration helped moderate costs (one end product becoming the raw material of the other) and enhance value-addition.

Responsible

At GPIL, we focused on iron ore mining and pellet manufacture as the foundation of our business. The day is not far off when this responsible route of steel making is statutorily recommended. Your Company invested in the manufacture of high-grade pellets (higher Fe content), the preserve of select global players.

Flexible portfolio

At GPIL, we possess the flexibility to move from one product to another based on prevailing market realisations and dynamics, strengthening our margins.

Environment responsibility

At GPIL, we will make deeper investments in environment responsibility that are manifested in compliance with regulations, enhanced employee morale, community respect, lender confidence, shareholder assurance and a superior credit-rating.

Simplification

At GPIL, we simplified our organisational structure with the objective to close a number of subsidiaries or merge them into GPIL, enhancing simplicity and transparency. Besides, we engaged in the sale of non-core assets that strengthened our liquidity.

Robust risk management

At GPIL, we created a robust risk management framework that has comprehensively mapped risks coupled with timely responsiveness and a competent delegated structure to address them.

Our 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 Independent Directors. Accordingly, the Composition of the Board is in conformity with the SEBI (LODR).

The names and categories of the Director on the Board are as under:

Mr Shashi Kumar

(Chairman & Independent Director):

4+ decades of experience; B.Sc. In Mining Engineering; Advisor to NTPC, IFFCO & Chhattisgarh Power Ltd. Former Chairman of Coal India Ltd.

Mr B.L. Agrawal

(Managing Director):

1st generation entrepreneur with almost 4 decades of experience; graduated as an electronic engineer; started GPIL

Mr. Dinesh Agrawal

(Executive Director):

2+ decades of association with GPIL; 2nd generation entrepreneur; Electrical Engineer; overseeing the setting up of a captive power plant

Mr Abhishek Agrawal

(Executive Director):

Second generation entrepreneur; Master's in international business from Leeds University Started a pellet plant in GPIL

Mr. Siddharth Agrawal

(Non-Executive Director):

Managing Director of erstwhile subsidiary Godawari Green Energy Limited; MBA with over 10 years of experience in various competencies

Mr. Dinesh Gandhi

(Non-Executive Director):

3 decades of experience in Accounts, Finance & Project Financing; Chartered Accountant and Company Secretary

Mr. Vinod Pillai

(Executive Director):

2+ decades of experience in Sales, Administration, Liaison & Logistics; Commerce graduate; plays a vital role in commissioning new projects of Hira Group of Industries

Mr. B N Ojha

(Independent Director):

Bachelor of Electrical Engineering from BIT Sindari with over 4 decades of experience; Member of Export Committee, Department of Atomic Energy, Govt. of India.

Mr. Harishankar Khandelwal

(Independent Director):

Almost 3 decades of experience in corporate planning & strategy, financial analysis, budgeting etc. Chartered Accountant by profession

Ms. Bhavna G. Desai

(Woman Independent Director):

Over 2 decades of capital market experience; Bachelor of Commerce from University of Mumbai

Director's Report

To the Members,

Your Directors have pleasure in presenting the 23rd Annual Report on the business & operations of the Company together with the Standalone and Consolidated Audited Financial Statement for the year ended 31st March 2022.

1. FINANCIAL HIGHLIGHTS:

₹ In Crores

Particulars			Consolidated	
	2021-22	2020-21	2021-22	2020-21
Gross Revenue from operations	5,074.60	3,640.87	5,399.18	3,957.64
Other Income	18.34	5.20	29.37	3.39
Total Revenue	**5,092.94**	**3,646.07**	**5,428.55**	**3,961.03**
Operating expenses	**3,293.62**	**2,596.86**	**3,535.01**	**2,820.64**
Profit before Interest, Depreciation, Tax and Amortization (EBIDTA)	**1,799.32**	**1,049.21**	**1,893.54**	**1,140.39**
Finance Costs	17.35	109.99	19.69	114.96
Depreciation and amortization expenses	101.75	96.49	104.7	108.96
Profit/(loss) before exceptional item and tax	**1,680.22**	**842.73**	**1,769.15**	**916.47**
Add: Share of Profit/(Loss) of Associates & Joint Ventures net of tax	**0.00**	**0.00**	**65.17**	**30.03**
Exceptional item	98.74	63.00	98.74	0.00
Profit/(Loss) Before Taxation	**1,778.97**	**905.73**	**1,933.07**	**946.50**
Taxation (including Deferred Tax)	428.00	279.97	451.15	307.07
Profit/(Loss) after Taxation (PAT)	**1,350.96**	**625.76**	**1,481.92**	**639.43**

2. REVIEW OF PERFORMANCE:

Your Company's performance during the year under review has been record high and highest ever in the history of the Company, in view of higher demand for iron ore pellets in international and domestic market, coupled with higher demand of sponge iron & other finished products. In view of higher demand, the realizations of all the products have also increased especially in iron ore pellets in the first half of the year and sponge iron, ferro alloys & finished steel products in the second half of the year, as compared to previous year which in turn contributed towards increased operating margins/EBIDTA of the Company. As communicated in our last reports, the Company's efforts for making high grade pellets has been successful and also contributed to the profitability of the Company. Given the above backdrop, the highlight of standalone & consolidated results are given below:

Standalone Operations:

- Revenue from operations for the year increased by 39.38% to ₹5,074.60 Crores as compared to ₹3,640.87 Crores achieved during previous Financial Year.
- EBIDTA for the year increased by 71.49% to ₹1799.32 Crores as compared to EBIDTA of ₹1049.21 Crores achieved in previous Financial Year.
- Profit after tax increased by 115.89% to ₹1350.96 Crores (excluding profit from sale of investments) as compared to net profit of ₹625.76 Crores in previous Financial Year.

Consolidated Operations:

- Revenue from operations for the year increased by 36.42% to ₹5399.18 Crores as compared to ₹3957.64 Crores during the previous Financial Year;
- EBIDTA for the year increased by 66.04% to ₹1893.54 Crores as compared to EBIDTA of ₹1140.39 Crores achieved during previous Financial Year.
- Profit after tax during the year increased by 131.76% to ₹1481.92 Crores as compared to net profit after tax of ₹639.43 Crores during previous Financial Year.

The detailed comments on the operating & performance of the Company, during year under review has been given in the Management Discussions & Analysis.

3. DIVIDEND:

Your Company has paid an interim dividend of ₹5 per equity share of ₹10/- each (previous year ₹5/- per share), before subdivision of equity shares & issue of bonus shares and recommended final dividend of ₹8.50 per equity share of ₹5/- each (previous year ₹13.5 per equity share of face value of ₹10/-) on the enhanced paid up capital of the Company after subdivision of equity shares & issue of bonus shares for the financial year 2021-22. The outflow of funds on account of interim dividend was ₹17.62 crores (previous year ₹17.62 crores) and final dividend shall be ₹119.80 crores (previous year ₹45.57 crores) The final dividend for the financial year 2021-22, if approved, by the shareholders of the company in the ensuing Annual General Meeting, the same will be paid in due course as per the applicable provisions.

4. SHARE CAPITAL:

During the year under review, the shareholders in their Extra Ordinary General Meeting (EGM) held on 14th October, 2021 has approved the:

1. Alteration of capital Clause in Memorandum of Association (MOA) consequent upon sub division.

2. Increase in Authorised Share Capital of the Company from ₹53,00,00,000 to ₹74,00,00,000.

3. Sub division of 1 (One) equity share of ₹10/- each into 2 (Two) equity share of ₹5/- each.

4. Issue of Bonus Shares of ₹5/- each fully paid up for every 1 (One) Equity Shares.

Consequently the Authorised Share Capital has been increased from ₹53,00,00,000 to ₹74,00,00,000 divided into 14,16,00,000 Equity Shares of ₹5/- each and 32,00,000 Preference Shares of ₹10/- each.

As on 31st March, 2022, the paid up Equity Share Capital of the company was ₹70.47 Crores divided into 14,09,44,988 Equity Shares of ₹5 each/-, consequent upon sub division and issue of bonus shares.

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 2022, 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, 2022. The dematerialization facility is available to all 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 ISIN: INE177H01021 due to sub division of Equity shares of the Company for dematerialization of shares of the company.

5. WITHDRAWL OF SCHEME OF ARRANGEMENT:

The Board in its meeting held on 14.09.2021 has withdrawn the Scheme of Arrangement for demerger of power business of JPAL and merge the same with the company. JPAL continues to supply power to the Company under the PPA, which will continue till an alternate proposal is mutually agreed between the parties for acquisition of power business by the Company.

6. EXPANSION/NEW PROJECTS:

Your Company's Ari Dongri iron ore mine capacity has been enhanced during the year from 1.4 million ton to 2.3 million tons consequent upon receipt of environment and other regulatory approvals and has started commercial operations of the enhanced capacity. In order to improve the operating efficiency of mine & quality of iron ore, your Company has taken up project for setting up iron ore crushing & beneficiation facilities at Ari Dongri mines at a capex of ₹125 crores, which is progressing well and the same is expected to be completed by end of Q3FY23.

The Company's project to enhance the capacity of steel melting shop (steel billets) from 0.4 million to 0.6 million tons at a cost of ₹80 crores is kept on hold for change in business plan for manufacture of steel slab and rolling mill for manufacture of low width strips, which is under evaluation stage. The Company is expected to finalise the modification plan within next two months along-with revised amount of capex. The capacity enhancement project shall be taken up after the plan is finalised by Q2FY23.

Your Company is also setting up 95MW of captive solar PV power plant at Rajnandgaon, Chhattisgarh at a cost of ₹370 crores to meet the enhanced power requirement for integrated steel plant & iron ore mines and also to replace the power purchased from grid at high cost. The project will support the green initiatives of the Company and reduce the carbon foot print. Out of 95 MW solar power project, the construction of 70 MW with installation of modules has been completed and awaiting synchronisation with the grid and expected to start generation before the end of Q1FY23. The balance 25MW project is expected to be commissioned by Q3FY23.

In addition to above, your Company has also taken up project for replacement of old power generation turbine with new energy efficient turbine at cost of ₹86 crores at the existing integrated steel plant, which is expected to be completed by end of FY23. This will help in generating additional 8MW power without additional fuel consumption and save cost.

Further the Board of Directors of the Company has approved acquisition of power business of JPAL, comprising of 25MW thermal power plant located at Industrial area, Phase – I, Raipur, Chhattisgarh as a going concern on slump sale basis at a cost of ₹70 crores plus value of net current assets as on the transfer date. It may be mentioned that JPAL power plant is captive power plant for GPIL and GPIL has been purchasing power from JPAL since 2018. The acquisition of power business will help the Company to be self-sufficient in meeting power requirement of the Company along-with the additional power to be generated by captive solar power plant and upon replacement of old turbine with new energy efficient turbine.

Your Company is also proposing to set up a new green field steel plant, which is in initial stage. The Company has identified the land and applied to the state government for allotment of land for the project and also applied for environment and other approvals from the concerned regulatory authorities. The Company initially plans to set a 1-million-ton Pig Iron plant backed by captive iron ore, pellet plant and sintering facilities. The final project configuration shall be decided closure to the commencement of the implementation of the project upon getting land allotment and upon obtaining regulatory approvals. In order to meet the captive iron ore requirement for the expansion project, the Company has initiated process for environment approval for enhancement in capacity from 3 million tons to 5 million tons. It may be mentioned, based on the exploration activities undertaken by the Company, its proven iron ore reserves in both the mines is estimated to be 165 million tons, which give raw material security for long period of time. The Company has balance life of mines to over 30 years.

7. ANNUAL RETURN:

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

8. NUMBER OF MEETINGS OF BOARD:

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

9. 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.

10. 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.

11. SEPERATE MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors held their separate meeting on 28th May, 2022 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

12. 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.

Subsequent to change in designation of Mr. Dinesh Kumar Gandhi from Non Executive to Executive Director of the Company, the Nomination and Remuneration committee has been reconstituted by the Board of directors in its meeting held on 09.04.2022, by inducting Ms. Bhavna Govindbhai Desai, Independent Non-Executive Director, as member of the Nomination and Remuneration Committee to comply with the provisions of Regulation 19(1) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

Presently it consists of following three Independent Directors:

S. No.	NAME	DESIGNATION
1	Shri Bhirgu Nath Ojha	Chairman and Member - Independent – Non Executive Director
2	Shri Shashi Kumar	Member- Independent – Non Executive Director
3	Ms. Bhavna Govindbhai Desai	Member- Independent – Non Executive Director

More details are given in the Corporate Governance Report.

13. 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.

The Audit Committee and Board of Directors of the Company shall consider in their respective next meetings, the proposal for reappointment of M/s. JDS & Co., Chartered Accountants, Firm Regn. No. 018400C as Statutory Auditors of the company for the period of second term of five consecutive Financial Years from the conclusion of ensuing Annual General Meeting to be held in the year 2022 to the conclusion of Annual General Meeting to be held in the year 2027 after obtaining a certificate from M/s. JDS & Co. to the effect that if their appointment is made, the same would be within the limits prescribed under Section 141 (3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment and also satisfies the criteria as mentioned under Section 141 and they have obtained peer review certificate as required under SEBI Guidelines for appointment of Statutory Auditors of listed companies.

Cost Auditors

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

14. 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 2021-22 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 2021-22.

- **Secretarial Audit**

  The Secretarial Audit Report received from the Secretarial Auditor of the Company for the Financial Year 2021-22 is annexed herewith as **ANNEXURE 01**.

  The Company's subsidiary company namely Hira Ferro Alloys Limited (HFAL) 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 Report 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 for the Financial Year 2021-22 and hence does not require any explanations or comments by the Board.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The particulars of investments made and loans given 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, 6 and 11). Your Company has not extended corporate guarantee on behalf of any other Company.

16. TRANSFER TO RESERVES:

Your Company has not transferred any amount to the General Reserves Account during the Financial Year 2021-22.

17. 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 the Interim and final dividend amount of ₹ 24,4451/- and ₹82,813/- respectively 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 2013-14.

During the year under review, the Company has also transferred 3541 Equity Shares to the Investor Education and Protection Fund (IEPF) relating to 51 shareholders of the Company, whose dividends 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 relating to the Interim Dividend and Final Dividend paid by the Company for FY 2013-14.

During the year under review, the Company has subdivided its Equity Shares in the ratio of 2:1 and the Corporate Action for Sub-Division was executed on 28.10.2021 including NSDL IEPF account in respect of Sub-division of Shares. Also, your company has credited/allotted Bonus Shares in the ratio of 1:1 on 30.10.2021 and the corporate action for CDSL Account was executed on 02.11.2021 and for NSDL Account was executed on 03.11.2021 including NSDL IEPF account in respect of Bonus Shares allotted.

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 28th August 2021 (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 2013-14.

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

18. 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, 2022 and date of this report except imposition of export duty on iron ore, iron ore concentrates, iron ore pellets and other steel products.

19. 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**.

20. AUDIT COMMITTEE COMPOSITION:

The Audit Committee was reconstituted pursuant to resignation of Mr. Biswajit Choudhuri from the Directorship and Chairmanship/Membership from the board of the company w.e.f 16.10.2021. Presently it consists of following four Independent Directors all having financial literacy.

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. Hari Shankar Khandelwal	Member (Independent Non-Executive Director)
4	Ms. Bhavna Govindbhai Desai	Member (Independent Non-Executive Director)

More details are given in the Corporate Governance Report.

21. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee was reconstituted pursuant to resignation of Mr. Biswajit Choudhuri from the Directorship and Chairmanship/Membership from the board of the company with effect from 16.10.2021. Presently it consists of Two Independent Directors, Two Executive Directors and Two Key Managerial Personnel of the company.

More details are given in the Corporate Governance Report.

The risk management issues are discussed in detail in the report of Management Discussion and Analysis.

22. 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.

23. 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 the Board in its meeting held on 31.01.2022 have approved the revised policy framed as per amendments inserted by the Companies (Amendment) Act, 2019, Companies (Amendment) Act, 2020 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and the same has been disclosed on the website of the Company at http://godawaripowerispat.com/wp-content/uploads/2022/02/CSR-Policy.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 2021-22 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member and Date of Meeting	24.05.2021	30.10.2021
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.

24. 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**.

25. 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.

26. 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.

27. CHANGES IN NATURE OF BUSINESS:

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

28. 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 till 31.03.2022. However the Board of Directors in its meeting held on 09.04.2022 has changed the designations of Mr. Siddharth Agrawal and Mr. Dinesh Kumar Gandhi from Non-Executive Directors to Executive Directors with effect from 01.04.2022. Also, the designation of Mr. Vinod Pillai has been changed from Executive Director to Non- Executive Director w.e.f. 01.04.2022.

Mr. Prakhar Agrawal also resigned from the Directorship of the company with effect from 01.04.2022; the Board of Directors accepted his resignation and placed on record its deep sense of appreciation for the services rendered and guidance given by him.

In accordance with the provisions of Section 152(6) (c) of the Companies Act, 2013 and the Company's Articles of Association, Mr. Abhishek Agrawal and Mr. Dinesh Kumar

Gandhi, Directors of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for reappointment.

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

A. GODAWARI GREEN ENERGY LTD (GGEL):

The Board of Directors in its meeting held on 19.02.2022 has approved in-principle proposal for divestment of its entire shareholding in Godawari Green Energy Limited (GGEL) a Material Subsidiary by way of sale/transfer to Virescent Renewable Energy Trust, an Infrastructure Investment Trust, represented and acting through its investment manager, Virescent Infrastructure Investment Manager Private Limited ("Buyer"). The Shareholders in their Extra Ordinary General Meeting held on 16.03.2022 has approved the proposal for divestment of Company's entire shareholding in Godawari Green Energy Limited (GGEL) a Material Subsidiary.

Accordingly, on 17.03.2022 your company has sold 2,52,47,000 equity shares held in Godawari Green Energy Limited to Virescent Renewable Energy Trust, an Infrastructure Investment Trust. Thus, Godawari Green Energy Limited has ceased to be subsidiary of the company w.e.f. 17.03.2022.

B. HIRA FERRO ALLOYS Ltd (HFAL):

During the year under review, HFAL became subsidiary of your company. The Company has acquired additional 80,54,621 equity shares of HFAL at an investment of ₹169.98 crores taking its total stake from 48.45% to 76.45%. HFAL is operating ferro alloys manufacturing plant with capacity of 60500 MT along-with 20 MW captive thermal power plant. HFAL also has 8.5 MW Bio Mass IPP power plant and wind mill of 1.5 MW. HFAL is in the process of setting up 70MW Captive solar PV power plant at an investment of ₹240 Crores. The project is proposed to be funded by equity of ₹70.20 crores (subscribed by your Company) & debt of ₹170 crores from bank.

C. ACQUISITION IN GEL:

Your company has acquired all the shares of Godawari Energy Limited (GEL) from its shareholders thus GEL becoming a wholly owned subsidiary of your company with effect from 22.07.2021. GEL does not have any business activity but have rights on a parcel of land located in Chhattisgarh, which was earlier acquired for setting up thermal power plant, which was subsequently abandoned.

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

There were no changes, in the status of Associates of the Company.

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

Hira Ferro Alloys Limited (HFAL) - Subsidiary Company:

During FY 2021-22, HFAL produced 47504 MTs of Ferro Alloys as compared to 35304 MTs in FY 2020-21 & sold 45066 MTs of Ferro Alloys in FY 2021-22 as compared to 36513.02 MTs in FY 2020-21. During FY 2021-22, HFAL also generated 16,19,96,285 units of power in its Thermal Power Plant as compared to 15,82,76,400 units in FY 2020-21, 9,04,58,760 units of power in its Bio-mass Power Plant as compared to 8,12,47,560 units in FY 2020-21 and 27,44,343 units of power in its Wind Power as compared to 29,24,697 units in FY 2020-21.The Company achieved gross sales of ₹593.21 crores, EBIDTA of ₹169.01 Crores & PAT of ₹113.49 crores during year as compared to gross sales of ₹314.46 crores, EBIDTA of ₹33.66 Crores & PAT of ₹21.14 crores during the previous year. The performance of the Company was led by higher demand for ferro alloys in domestic & global markets and which resulted into higher production volumes and better realisations and consequently contributed to the higher profitability 436.85% YoY.

Ardent Steel Private Limited (ASPL) - Associate Company:

During FY 2021-22, ASPL produced 747850 MTs of iron ore pellets as compared to 705804 MTs in FY 2020-21 & sold 770378 MTs of pellets in FY 2021-22 as compared to 689882 MTs in FY 2020-21. The Company achieved gross sales of ₹842.80 crores, EBIDTA of ₹151.00 Crores & PAT of ₹99.00 crores during year as compared to gross sales of ₹538.29 crores, EBIDTA of ₹176.97 Crores & PAT of ₹111.14 crores during the previous year. The PAT was impacted due to increase in input cost during the year.

Jagadamba Power and Alloys Limited (JPAL) – Associate Company:

During FY22, the JPAL generated 172.11million units as compared to 162.75 million units generation in FY21. The net revenue, EBIDTA & Profit/(Loss) for the period of the Company stood at ₹75.01 crores, ₹8.66 crores & ₹4.65 crores respectively during the year as compared to ₹63.82 crore, ₹9.48 crore & ₹5.08 crore respectively during previous year.

The performance and financial position of the Company's subsidiaries namely Hira Ferro Alloys Limited and Godawari

Energy Limited, Associate Companies namely Ardent Steel Private Limited and Jagdamba Power & Alloys Limited for the Financial Year 2021-22 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.

31. 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.

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

There were no contracts, arrangements or transactions entered into during fiscal 2022. Hence the information as required under the Companies Act, 2013 in the prescribed Form AOC-2 is not applicable.

33. 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.

34. 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.

35. 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.

36. 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.

37. 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 2021-22.

38. 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.

During the year Mr. Biswajit Chodhuri resigned from the Chairmanship of the Audit Committee and Mr. Shashi Kumar was appointed as the Chairman of Audit Committee. The Board of Directors of the Company in its meeting held on 31.01.2022 has revised the details of the Chairman of the Audit Committee mentioned in Clause 8 of the existing Whistle Blower Policy.

The said revised 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.

39. 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 2021-22 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	₹1.98 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	68	38	51
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

40. 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**.

41. BUSINESS RESPONSIBILITY REPORT:

The 'Business Responsibility Report' (BRR) of your Company for the year 2021-22 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.

42. 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**.

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

There are no applications made during the financial year 2021-22 by or against the company and there are no proceedings pending under the Insolvency and Bankruptcy Code 2016.

44. 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.

45. 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**.

46. SECRETARIAL STANDARDS:

The Company has followed the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

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	**B.L. Agrawal**	**Abhishek Agrawal**
Date:28.05.2022	Managing Director	Executive Director

ANNEXURE-01 TO DIRECTORS' REPORT 2021-22

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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 (CIN: L27106CT1999PLC013756)** (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 , 2022 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, 2022 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. Energy Conservation Act, 2011;

    6. Central Electricity Authority (Safety requirements for construction, operation and maintenance of electrical plants and electric lines) Regulations, 2011;

    7. Indian Electricity Grid Code;

    8. Indian Boilers Act, 1923 and Indian Boiler Regulations, 1950

    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 monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, following 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:

1. The Company has approved the proposal for making the investment of ₹70.20 Crores in one or more tranches in the preferential offer of 36,00,000 Equity Shares in M/s Hira Ferro Alloys Limited at the Board Meeting held on 27.07.2021 to finance the proposed 70 MW Solar Power Plant, Hira Ferro Alloys Limited (HFAL) and accordingly HFAL became subsidiary of GPIL.

2. The Company has withdrawn the Scheme of Arrangement for demerger of Power business of M/s Jagdamba Power & Alloys Limited (JPAL) and merge the same with GPIL due to changed business environment of the Company at the Board Meeting held on 14.09.2021.

3. Shri Biswajit Choudhuri, Chairman of the Board and Independent Director of the company has resigned from the Directorship and Chairmanship of the Board and Chairmanship/Membership from various Committees in which he was Chairman and/or Member w.e.f 16.10.2021.

4. Consequent upon resignation of Shri Biswajit Choudhuri from the directorship and chairmanship of the Board, Shri Shashi Kumar, Independent director of the company has been appointed as Chairman of the Board w.e.f 16.10.2021. Further audit committee, nomination and remuneration committee, Risk Management Committee and stakeholder relationship committee have also been reconstituted, accordingly on 16.10.2021.

4. The Company has sub divided its one Equity Share of ₹10/- each fully paid-up into 2 Equity Shares of ₹5/- each fully paid-up, during the period under review and the approval of the Shareholder of the Company has been obtained at the Extra Ordinary General Meeting held on 14.10.2021.

5. The Company has issued bonus shares in the ratio of 1:1 and the consent of the Shareholder by way of ordinary Resolution has been obtained at the EGM held on 14.10.2021.

6. The Authorized Share Capital of the Company has been increased from ₹53,00,00,000/- (Rupees Fifty Three Crore only) to ₹74,00,00,000 /- (Rupees Seventy Four Crores only) by creation of 4,20,00,000 Equity Shares of ₹5/- each and 32,00,000 Preference Shares of ₹10/- each at the Board meeting held on 14.09.2021 and the consent of the Shareholder has been obtained at the EGM held on 14.10.2021.

7. The Company has fully divested its Investments in Godawari Green Energy Limited (Subsidiary Company) having 50 MW Solar Thermal Power Plant in Rajasthan and the approval of the Shareholder of the Company has been obtained at the Extra Ordinary General Meeting held on 16.03.2021.

Tanveer Kaur Tuteja
Practicing Company Secretary
M. No.:7704
C. P. No.:8512
PR: 1027/2020
UDIN: F007704D000363983

Place: Raipur
Date: 23.05.2022

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

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 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.

7. The List of law applicable to the Company to the secretarial Audit Report is as confirmed by the Management of the Company. The secretarial audit report is neither an assurance nor a confirmation that the list is exhaustive

Tanveer Kaur Tuteja
Practicing Company Secretary
M. No.:7704
C. P. No.:8512
PR: 1027/2020
UDIN: F007704D000363983

Place: Raipur
Date: 23.05.2022

ANNEXURE-02 TO DIRECTORS' REPORT 2021-22
FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

(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,
Hira Ferro Alloys Limited

I have conducted the secretarial audit of the compliance of applicable statutory provision and the adherence to good corporate practices by **Hira Ferro Alloys Limited (CIN:U27101CT1984PLC005837)** (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 Hira Ferro Alloys 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, and considering the relaxations granted by 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 , 2022 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 Hira Ferro Alloys Limited for the financial year ended on 31st March, 2022 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. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
4. The following Act, are specially applicable to the Company namely:
   a) Electricity Act, 2003 & The Electricity Rules, 2005;
   b) Central Electricity Authority (Safety requirements for construction, operation and maintenance of electrical plants and electric lines) Regulations, 2011;
   c) Indian Electricity Grid Code;
   d) The Indian Boilers Act-1923
   e) Industrial Dispute Act,1947
5. Other laws applicable to the company as per the representations made by the Management.
6. 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, 2021
   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;

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. 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, following 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:

1. The Company has allotted 36,00,000 equity shares of ₹10/- each at a price of ₹195 per share (Including premium of ₹185 per share), on preferential basis to Godawari Power and Ispat Limited (GPIL) aggregating to ₹70,20,00,000/- (Rupees Seventy Crores Twenty lacs)pursuant to the terms of issue of equity shares as approved by shareholders of the Company in their 37th Annual General Meeting held on 18th September, 2021for the purpose of setting up of Solar Power Plant.

2. The Company has increased the Authorized Share Capital of the Company from ₹20,00,00,000/- (Rupees Twenty Crores) to ₹23,60,00,000 (Rupees Twenty Three Crores sixty lakhs only) by creation of additional 36,00,000 equity shares of ₹10 each at the Annual General Meeting held on 18th September, 2021

3. Shri Biswajit Choudhuri, Chairman of the Board and Independent Director of the company has resigned from the Directorship and Chairmanship of the Board and Chairmanship/Membership from various Committees in which he was Chairman and/or Member w.e.f 16.10.2021

4. Consequent upon resignation of Shri Biswajit Choudhuri from the directorship and chairmanship of the Board, Shri Y.C Rao, director of the company has been appointed as Chairman of the Board w.e.f 16.10.2021. Further audit committee, nomination and remuneration committee and stakeholder relationship committee has also been reconstituted, accordingly on 16.10.2021

Tanveer Kaur Tuteja
Practicing Company Secretary
M. No.:7704
C. P. No.:8512
PR:1027/2020
UDIN:F007704D000259153

Place: Raipur
Date: 03.05.2022

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
Hira Ferro Alloys 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.
7. The List of law applicable to the Company to the secretarial Audit Report is as confirmed by the Management of the Company. The secretarial audit report is neither an assurance nor a confirmation that the list is exhaustive

Tanveer Kaur Tuteja
Practicing Company Secretary
M. No.:7704
C. P. No.:8512
PR:1027/2020
UDIN:F007704D000259153

Place: Raipur
Date: 03.05.2022

ANNEXURE-03 TO THE DIRECTORS' REPORT 2021-22

(A) CONSERVATION OF ENERGY-

(i) THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY:

Gasifier Division:

Replacement of conventional lights with LED Lights.

Pellet Division:

Replacement of HPSV 250 W and 70 W lights with LED Lights

Sponge Iron Division:

Inverter provided for ABC HP Pump in Phase 1 SID;

Inverter provided for KAESER Compressor Blowers in both SID Phase 1 & 2;

Replacement of HPSV lights with LED Lights in SID

Replacement of Cooling Tower AC Motors 02 Nos. by AC Unit 5.5 ST 05 Nos. (without Compressor) in SID Ph-2 Control Room Office

Power Division:

Replacement of conventional lights with LED Lights.

Replacement of Phase 2 BFP Pump

THE IMPACT OF ABOVE MEASURES:-

Gasifier Division:

Replacement of conventional lights with LED Lights saved electricity 50544 KWH per year.

Pellet Division:

Replacement of HPSV 250 W and 70 W lights with LED Lights saved electricity 12264 KWH per year.

Sponge Iron Division:

Inverter provided for ABC HP Pump in Phase 1 SID saved 76725 units per year;

Inverter provided for KAESER Compressor Blowers in both SID Phase 1 & 2 saved 15345 units per year;

Replacement of HPSV lights with LED Lights in SID saved 26915 units per year

Replacement of Cooling Tower AC Motors 02 Nos. by AC Unit 5.5 ST 05 Nos. (without Compressor) in SID Ph-2 Control Room Office saved 74460 units per year

Specific energy reduction: The unit consumption has been reduced from 65 to 61 saving 4 units by enhancement in production with better operation, process control, maintenance and raw materials.

Power Division:

Replacement of conventional lights with LED Lights saved electricity 86300 KWH per year.

Replacement of Phase 2 BFP Pump saved 11,50,000 KWH per year,

(ii) THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY:

The Company has been generating power by recovering and utilizing waste heat generated in sponge iron division and is also setting up Solar Power Plant to meet its additional power requirement.

(iii) CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS	₹ In Lacs
Gasifier Division:	
Replacement of conventional lights with LED Lights (Gasifier)	1.19
Pellet Division:	
Replacement of HPSV 250 W and 70 W lights with LED Lights.	4.51
Sponge Iron Division:	
1. Inverter provided for ABC HP Pump in Phase 1 SID	4.00
2. Inverter provided for KAESER Compressor Blowers in both SID Phase 1 & 2	0.40
3. Replacement of HPSV lights with LED Lights in SID	1.65
4. Replacement of Cooling Tower AC Motors 02 Nos. by AC Unit 5.5 ST 05 Nos. (without Compressor) in SID Ph-2 Control Room Office	2.60
Power Division:	
Replacement of conventional lights with LED Lights.	4.56
Replacement of Phase 2 BFP Pump	53.00
TOTAL INVESTMENTS	**71.91**
SAVINGS:	
Gasifier Division:	
Replacement of conventional lights with LED Lights (@₹5 per unit)	0.61
Pellet Division:	
Replacement of HPSV 250 W and 70 W lights with LED Lights (@₹5 per unit).	2.52
Sponge Iron Division:	
Reduction in specific electrical energy by enhancing production with better operation, process control, maintenance and raw materials.	101.50
Power Division:	
Replacement of conventional lights with LED Lights (@₹5 per unit)	4.30
Replacement of Phase 2 BFP Pump	55.00
TOTAL SAVINGS	**163.93**
(B) TECHNOLOGY ABSORPTION-	
(i) the efforts made towards technology absorption;	None
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	Nil
(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	
Foreign Exchange outgo during the year in terms of actual outflows.	

ANNEXURE-04 TO THE DIRECTORS' REPORT 2021-22

ANNUAL REPORT ON CSR ACTIVITIES

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	2
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	2020-21	140.95	NIL
2	2019-20	NIL	NIL
3	2018-19	NIL	NIL
	Total	**NIL**	**NIL**

6. Average net profit of the company as per section 135(5)- ₹48,445.39 lakhs
7. (a) Two percent of average net profit of the company as per section 135(5)- ₹968.91 lakhs

   (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- ₹140.95 lakhs

   (d) Total CSR obligation for the financial year 2021-22 (7a+7b-7c) - ₹827.96 lakhs

8. **(a) CSR amount spent or unspent for the financial year 2021-22:**

Total Amount Spent for the Financial Year (₹ In lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount.	Date of transfer
₹950.55 lakhs	NA	NIL	NA	NIL	NA

(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 Lakhs.).	Amount spent in the current financial Year (₹ in Lakhs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ In Lakhs).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration No.
1							NIL					
	Total											

(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 Lakhs.).	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, and Water Tanker engaged for Dust Suppression	Drinking Water	Yes	Chhattisgarh	Gram Panchayat Tanda, Siltara, Mandhar, charoda, Mohadi Dharsiwa, Dafaipara, & Peripheral villages of Boria & Kachhe mines	23.72	Yes	NA	NA
2.	Monthly Salary of 42 Community Teachers and 03 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 for the Session 2021	23.87	Yes	NA	NA
3.	Financial Aid provided to Aakanksha Lions School, and to Govt. Pt Shyamcharan Shukla College Dharsiwa for Skill Development Training	Education	Yes	Chhattisgarh	Raipur City Gram Panchayat Dharsiwa	13.00	Yes	NA	NA
4.	Operation Cost of I.T.I. Hathband under Public Private Partnership (PPP)	Education	Yes	Chhattisgarh	Hathband Raipur	3.82	Yes	NA	NA
5.	Expenses on Maintenance of Garden & Plantation.	Environment Conservation	Yes	Chhattisgarh	Raipur City, Gram Panchayat Dharsiwa, Siltara & Ambleshwar	183.83	Yes	NA	NA
6.	Financial Aid for Medical Treatment to Ms. Aakarshika Pandey	Health Care	Yes	Chhattisgarh	Raipur City	5.00	Yes	NA	NA
7.	Operating Free First Aid Health Centre & Ambulance Service for villagers	Health Care	Yes	Chhattisgarh	Peripheral villages of Kachhe AariDongri Mines, Boria Mines	76.08	No	Through Red to Green Health services & Shaheed Hospital	
8.	Financial support for Medical Treatment of a needy person and for Breast Cancer Awareness Campaign organized by NH MMI Hospital	Health Care	Yes	Chhattisgarh	Raipur City	4.89	Yes	Through NH MMI Hospital	

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 Lakhs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
9.	Free Ambulance Service engaged in First Aid Health Center	Health Care	Yes	Chhattisgarh	Peripheral villages of Boria Mines	0.30	Yes	NA	NA
10.	Renovation, Beautification & Equipments Installation Work at Diagnostic Center Bhanupratappur	Health Care	Yes	Chhattisgarh	Kanker District	32.33	Yes	NA	NA
11.	Construction of CC Road in : Ward No-04 (Tanda) Ward No-19 (Mandhar) Ward No-01 & 02 (Siltara) and 2000 Mtr. CC Road Width 6mtr from Shalhe Chowk to Kachche Village	Infrastructure Development	Yes	Chhattisgarh	Gram Panchayat Tanda, Mandhar & Siltara	123.48	Yes	NA	NA
12.	Construction Boundary Wall, Gate, Panchayat & School Gate At Village Parrekodo	Infrastructure Development	Yes	Chhattisgarh	Gram Panchayat Parrekodo	0.82	Yes	NA	NA
13.	Repairing & Leveling of roads	Infrastructure Development	Yes	Chhattisgarh	Gram Panchayat Tanda, Siltara, Mandhar, Neuirdih, Charoda, Dharsiwa, Akoli etc.	5.07	Yes	NA	NA
14.	Construction of Rcc Retaining Wall CC Road, Weekly Market Platform, Shed, CC Drain and Black Top Road at Village Kachche	Infrastructure Development	Yes	Chhattisgarh	Gram Panchayat Kachche	167.30	Yes	NA	NA
15.	Payment to Gram Panchayat Kachhe for Infrastructure Development	Infrastructure Development	Yes	Chhattisgarh	Gram Panchayat Kachche	15.60	Yes	NA	NA
16	Construction of 03 Class Rooms in Govt. School at Village Murethi	Infrastructure Development	Yes	Chhattisgarh	Gram Panchayat Murethi	3.24	Yes	NA	NA
17.	High Flow Nasal Oxygen Therapy Device, Procurement of Remidisiver Injection and 300 Pieces of Pulse Oxymeter	Medical Aid for COVID-19 Disaster relief	Yes	Chhattisgarh	Kanker District	80.10	Yes	NA	NA
18.	Financial Aid to Hargovind Rai Ganpatrai Charitable Trust and to Sumit Foundation for Ventilator Ambulance	Medical Aid for COVID-19 Disaster relief	Yes	Chhattisgarh	Raipur City	4.00	Yes	NA	NA
19.	Purchase & Transportation charges of Medical Oxygen Gas for Supply in Hospitals & COVID Care Centers	Medical Aid for COVID-19 Disaster relief	Yes	Chhattisgarh	Raipur, Kanker, Rajanadgaon, Kabirdhaam & Kawardha District	28.45	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 Lakhs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
20.	Procurement of Remidisiver Injection on request of CHMO through Collector Kabirdhaam	Medical Aid for COVID-19 Disaster relief	Yes	Chhattisgarh	Kabirdhaam District	47.04	Yes	NA	NA
21.	Financial Assistance for COVID-19 Relief to Gram Panchayat Siltara	Medical Aid for COVID-19 Disaster relief	Yes	Chhattisgarh	Gram Panchayat Siltara	0.50	Yes	NA	NA
22.	Financial Assistance for COVID-19 Relief to Central Postal Ladies Organization	Medical Aid for COVID-19 Disaster relief	Yes	Chhattisgarh	Pan India	5.00	Yes	NA	NA
23.	Pond Deepening & Cleaning and Fixing of Fencing Pole at Village Tanda	Community Welfare	Yes	Chhattisgarh	Gram Panchayat Tanda	19.75	Yes	NA	NA
24.	Construction of Waiting Room, Storage Shade and Installation of LED Street Lights at village Mandhar	Community Welfare	Yes	Chhattisgarh	Gram Panchayat Mandhar	3.17	Yes	NA	NA
25.	Beautification & Plantation of Muktidhaam and Distribution of Blanket in Winter Season	Community Welfare	Yes	Chhattisgarh	Raipur City	13.89	Yes	NA	NA
26.	Financial Contribution to Feel Parmartham Foundation for Shelter to helpless Elderly & Mentally ill Abandoned people	Community Welfare	Yes	Chhattisgarh	Raipur & Durg District	0.15	Yes	NA	NA
27.	Fixing of Fencing Pole in Gothan of village Tanda	Community Welfare	Yes	Chhattisgarh	Gram Panchayat Tanda	2.12	Yes	NA	NA
28.	Fabrication of Bench, Dustbin & See-Saw for Public Places in nearby villages	Community Welfare	Yes	Chhattisgarh	Gram Panchayat Tanda, Siltara, Mandhar, Akoli etc.	0.20	Yes	NA	NA
29.	Financial support for Vishwa Adiwasi Kalyan Samaj	Community Welfare	Yes	Chhattisgarh	Raipur City	0.30	Yes	NA	NA
30.	Operational cost of Free Stitching & Tailoring Center at Kachhe & Parrekodo for tribal women	Women Empowerment	Yes	Chhattisgarh	Gram Panchayat Kachhe & Parrekodo	1.81	Yes	NA	NA
31.	Fiancial Support to Ujjala Gram Sanghtan (Women SHG)	Women Empowerment	Yes	Chhattisgarh	Serikhrdi Raipur City	0.43	Yes	NA	NA
32.	Purchase of T-Shirt / Caps on the eve of Women Day / Yoga Day	Women Empowerment	Yes	Chhattisgarh	Raipur City	1.70	Yes	NA	NA
33.	Monthly Financial Aid for livelihood of 04 Girls of village Dhaneli	Livelihood	Yes	Chhattisgarh	Gram Panchayat Dhaneli	0.60	Yes	NA	NA
34.	HIRA CSR Foundation	Education	Yes	Chhattisgarh		59.00	Yes	Through Hira CSR Foundation having Registration No. CSR00008219.	
	TOTAL					**950.55**			

(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) - ₹**950.55 Lakhs.**

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

Sl. No.	Particular	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	₹968.91
(ii)	Excess Amount Spent in Previous financial year	₹140.95
(iii)	Net amount to be spent in the Financial Year (i)-(ii)	₹827.96
(iv)	Total amount spent for the Financial Year	₹950.55
(v)	Excess amount spent for the financial year [(iv)-(iii)]	₹122.59
(vi)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(vii)	Amount available for set off in succeeding financial years	₹122.59

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 Rs).	Date of transfer	
1	2018-19	NIL	NIL	NA	NIL	NA	NIL
2	2019-20	NIL	NIL	NA	NIL	NA	NIL
3	2020-21	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 Rs).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project Completed /Ongoing.
1					NIL			

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**

Sd/-

B.L. Agrawal, MD

(Chief Executive Officer or Managing Director or Director)

Sd/-

Shashi Kumar,

(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 THE DIRECTOR'S REPORT 2021-22

FINANCIAL RESULTS OF SUBSIDIARIES AND ASSOCIATE COMPANIES

THE YEAR ENDED ON 31ST MARCH, 2022

₹ In lacs

Sr. No.	Particulars	Subsidiaries		Associate Companies	
		Hira Ferro Alloys Limited	Godawari Energy Limited	Ardent Steel Private Limited	Jagdamba Power and Alloys Limited
		31.03.2022	31.03.2022	31.03.2022	31.03.2022
		Audited	Audited	Audited	Audited
1	(a) Revenue from Operations (Gross)	59321.29	0.00	84280.13	7500.68
	(b) Other Income	1505.01	8.12	728.77	368.56
	Total	**60826.30**	**8.12**	**85008.90**	**7869.24**
2	Expenditure				
	a) (Increase)/decrease in inventories of finished goods, work in progress, stock in trade and traded goods	(2166.27)	0.00	(1435.67)	0.00
	b) Cost of raw material and component consumed	30180.71	0.00	52633.75	5451.28
	c) Purchase of Traded goods	2012.00	0.00	2388.27	0.00
	d) Employees Benefit Expenses	1397.04	0.00	1514.67	402.37
	e) Finance Costs	453.36	0.70	104.94	17.35
	f) Depreciation & Amortisation Expenses	599.38	0.00	1459.22	216.19
	g) Other Expenditure	12501.31	1.30	14805.97	1148.71
	Total	**44977.53**	**2.00**	**71471.15**	**7235.90**
3	**Profit/(Loss) from ordinary activities before exceptional items and Tax (1-2)**	**15848.77**	**6.12**	**13537.75**	**633.34**
4	**Exceptional items**	**0.00**	**0.00**	**0.00**	**0.00**
5	**Profit/(Loss) from ordinary activities before tax (3-4))**	**15848.77**	**6.12**	**13537.75**	**633.34**
6	**Tax Expenses**	**4499.65**	**0.00**	**3636.89**	**168.56**
	Current Tax	3400.91	0.00	3738.15	98.76
	Deferred Tax	1098.74	0.00	(101.26)	69.80
7	**Net Profit/(Loss) from ordinary Activities after tax (5-6)**	**11349.12**	**6.12**	**9900.86**	**464.78**

₹ In lacs

Sr. No.	Particulars	Subsidiaries		Associate Companies	
		Hira Ferro Alloys Limited	Godawari Energy Limited	Ardent Steel Private Limited	Jagdamba Power and Alloys Limited
		31.03.2022	31.03.2022	31.03.2022	31.03.2022
		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	(5.25)	0.00	(7.27)	(3.20)
	Income tax relating to items that will not be classified to profit or loss	1.60	0.00	(0.49)	0.89
	Items that will be reclassified to profit or loss				
	Profit/(loss) on fair value of financial assets, net of tax	11519.53	0.00	1595.51	0.00
	Income tax relating to items that will be classified to profit or loss	(1415.11)	0.00	(349.64)	0.00
9	**Total comprehensive Income for the year, net of tax**	**21449.89**	**6.12**	**11138.97**	**462.47**
10	Paid up equity share capital (face value of shares of ₹10/- each)	2318.85	2300.00	1056.50	766.97
11	Other Equity	48750.69	510.92	39989.01	7579.34
12	**Earning Per Share**				
	(a) Basic	53.83	0.03	93.71	6.06
	(b) Diluted	53.83	0.03	93.71	6.06

ANNEXURE-06 TO DIRECTOR'S REPORT

1. The Ratio of the remuneration of each Director to the Median Remuneration of the employees of the company for the Financial Year 2021-22:

SL. No.	Name of Director	Designation	Remuneration (₹)	Median Remuneration (MR)	Ratio No. of times to MR
1	Mr. Biswajit Choudhuri	Independent Director	1,700,000	302,841	5.61
2	Mr. Shashi Kumar	Independent Director	1,805,000	302,841	5.96
3	Mr. B. N. Ojha	Independent Director	1,950,000	302,841	6.44
4	Mr. Harishankar Khandelwal	Independent Director	1,825,000	302,841	6.03
5	Ms. Bhavna G. Desai	Independent Director	1,840,000	302,841	6.08
6	Mr. B. L. Agrawal	Managing Director	24,000,000	302,841	79.25
7	Mr. Abhishek Agrawal	Executive Director	19,800,000	302,841	65.38
8	Mr. Dinesh Agrawal	Executive Director	19,200,000	302,841	63.40
9	Mr. Vinod Pillai	Executive Director	2,690,400	302,841	8.88
10	Mr. Dinesh Gandhi	Non Executive Director	2,500,000	302,841	9.17

2. The percentage increase in remuneration of each Director, CFO, CEO, Company Secretary for the Financial Year 2021-22 as compared to 2020-21:

SL. No.	Name of Director	Designation	Remuneration 2020-21 ₹	Remuneration 2021-22 ₹	% increase/ (Decrease)
1	Mr. Biswajit Choudhuri	Independent Director	1160000	1700000	46.55
2	Mr. Shashi Kumar	Independent Director	940000	1805000	92.02
3	Mr. B. N. Ojha	Independent Director	1160000	1950000	68.10
4	Mr. Harishankar Khandelwal	Independent Director	1040000	1825000	75.48
5	Ms. Bhavna G. Desai	Independent Director	1100000	1840000	67.27
6	Mr. B. L. Agrawal	Managing Director	24000000	24000000	0.00
7	Mr. Abhishek Agrawal	Executive Director	19200000	19800000	3.13
8	Mr. Dinesh Agrawal	Executive Director	19200000	19200000	0.00
9	Mr. Vinod Pillai	Executive Director	2280000	2690400	18.00
10	Mr. Dinesh Gandhi	Non Executive Director*	2500000	2500000	0.00
11	Mr. Sanjay Bothra	Chief Financial Officer	6661723	7497701	12.55
12	Mr. Y.C.Rao	Company Secretary	6305224	6819316	8.15

* Mr. Dinesh Gandhi has been appointed as Executive Director with effect from 01.04.2022.

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

SL. No.	Name	Designation	Remuneration (per annum) (₹)
1	Mr. Vivek Agrawal	Chief Operating Officer	9866052
2	Mr. Sanjay Bothra	Chief Financial Officer	7497701
3	Mr. Yarra Chandra Rao	Company Secretary	6819316
4	Mr. Vinay Shandilya	President (Power Division)	5592052
5	Mr. Ratna Deep Gupta	Vice President (Sponge Iron Division)	4614852
6	Mr. Kundan Kumar Jha	Vice President (Electrical)	3809728
7	Mr. Ganga Ram Verma	Vice President (Mines)	3628764
8	Mr. KVSKN Ravindra	President (Pellet Division)	3484516
9	Mr. Kiran Fernandes	General Manager (Administration)	3245279
10	Mr. Rahul Karwal	Vice President (Steel)	3023360

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 decrease in the median remuneration of employees in the Financial Year 2021-22 is 5.97% due to increase in the number of employees in the lower salary grades.

5. No. of permanent employees on rolls of the company as on 31.03.2022 is 2721.

6. **Average percentile increase already made in the salaries of the employees other than the Managerial Personnel in the FY 2021-22 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:** During the Financial Year 2021-22, the average percentage increase in salary of the Company's employees, excluding the Key Managerial Personnel (KMP) was 15.97%. The total remuneration of KMPs for Financial Year 2021-22 was ₹383.17 lakhs as against ₹369.67 lakhs during the previous year, an increase of 3.65%.

7. Affirmation:

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

ANNEXURE-07 TO DIRECTOR'S REPORT 2021-22

CORPORATE GOVERNANCE REPORT

The Board of Directors of the Company pays utmost importance on the broad principles of Corporate Governance which is modus operandi of governing corporate entity which includes a set of systems, procedures and practices which ensure that the Company is maintaining a valuable relationship and trust with all stakeholders. 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 Five Non-Executive Directors including Four Independent Directors one of whom is a Woman Director. During the year one Independent Director resigned from the directorship w.e.f 16.10.2021 and after his resignation Board comprises of Four Independent Directors. 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, 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 2021-22 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	05/08	Yes	Nil	Nil	Nil
Mr. Bajrang Lal Agrawal	Managing Director - Executive (Promoter)	08/08	Yes	01	Nil	Nil
Mr. Dinesh Kumar Agrawal	Executive (Promoter)	06/08	Yes	05	Nil	Nil
Mr. Abhishek Agrawal	Executive (Belongs to Promoter Group)	08/08	Yes	02	Nil	Nil
Mr. Vinod Pillai	Executive	07/08	Yes	06	02	Nil
Mr. Siddharth Agrawal	Non Executive (Belongs to Promoter Group)	08/08	Yes	10	Nil	Nil
Mr. Dinesh Kumar Gandhi	Non-Executive	08/08	Yes	02	Nil	Nil
Mr. Shashi Kumar##	Chairman, Non-Executive, Independent	08/08	Yes	04	Nil	Nil
Mr. Bhrigu Nath Ojha	Non-Executive, Independent	08/08	Yes	03	02	02

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. Harishankar Khandelwal	Non-Executive, Independent	07/08	Yes	08	Nil	Nil
Ms. Bhavna G. Desai	Non-Executive, Independent	07/08	Yes	03	03	Nil
Mr. Prakhar Agrawal@	Executive Director (Belongs to Promoter Group)	07/08	Yes	Nil	02	Nil

* Mr. Biswajit Choudhuri, was Independent Non-Executive Director in Ludlow Jute & Specialities Limited, a Listed Entity. He resigned from the Directorship of the Company w.e.f. 16.10.2021.

** 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. Shashi Kumar was appointed as Chairman of the Company w.e.f. 16.10.2021.

@ Mr. Prakhar Agrawal has resigned from the Directorship of the Company w.e.f. 01.04.2022.

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

During the period under review, Mr. Biswajit Choudhuri (DIN: 00149018) has resigned from the Directorship/Chairmanship of the Company w.e.f. 16.10.2021. On 16.10.2021 Mr. Shashi Kumar has been appointed as Chairman of the Company by the Board of Directors in place of Mr. Biswajit Choudhuri. Other than this there has been no change in composition of the Directors of the Company. Moreover, the consent of the shareholders has been accorded at their Annual General Meeting held on 28.08.2021 for re-appointments of Shri Abhishek Agrawal (DIN: 02434507) and Shri Vinod Pillai (DIN: 00497620) as a Whole-time Directors of the Company for a period of five years with effect from 09.11.2021 and 01.06.2021 respectively. The Company has maintained the optimum combination of Executive and Non Executive Directors, as prescribed under Clause 17 of SEBI (LODR) Regulations, 2015.

Subsequently Mr. Prakhar Agrawal, Director of the Company has resigned from the Directorship of the Company with effect from 01.04.2022. Mr. Siddharth Agrawal and Mr. Dinesh Gandhi have been appointed as whole-time Directors on the Board of the Company and the designation of Mr. Vinod Pillai has been changed to Non-Executive Director with effect from 01.04.2022.

c) Number of Board Meetings held:

During the Financial Year 2021-22, the Board met 08 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	01.05.2021	12	10
2	25.05.2021	12	12
3	27.07.2021	12	12
4	14.09.2021	12	12
5	16.10.2021	12	09
6	30.10.2021	11	11
7	31.01.2022	11	11
8	19.02.2022	11	10

d) Relationship between directors inter-se:

Mr. Bajrang Lal Agrawal, Managing Director is father of Mr. Abhishek Agrawal, Executive Director and Mr. Siddharth Agrawal, Executive Director and Mr. Siddharth Agrawal and Mr. Abhishek Agrawal are Brothers. None of the other Directors of the Company is related to Key Managerial Person or other Directors 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, 2022 as follows:

S. No.	Name of the Director	No. of Equity Shares held	% on Paid Up Capital
1	Mr. Shashi Kumar	Nil	0.000
2	Mr. Bhrigu Nath Ojha	Nil	0.000
3	Mr. Harishankar Khandelwal	4,000	0.000
4	Ms. Bhavna G. Desai	7,42,034	0.526
5	Mr. Dinesh Kumar Gandhi*	Nil	0.000
6	Mr. Siddharth Agrawal*	3,76,000	0.267
	Total	**11,22,034**	**0.793**

* Mr. Dinesh Kumar Gandhi and Mr. Siddharth Agrawal have been appointed as Whole time Directors with effect from 01.04.2022.

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

S. No.	Name of the Director	Qualification and Experience	Core Skills & Expertise
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

* Resigned from Directorship w.e.f. 16.10.2021 and 01.04.2022 respectively.

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, Shri Biswajit Choudhuri, Chairman of the Board and Independent Director of the company have resigned from the Directorship and Chairmanship of the Board and Chairmanship/ Membership from various Committees in which he was Chairman or Member with effect from 16.10.2021 due to his ill health and other personal reasons.

In accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015 read with Clause 7B of Part A of schedule III of LODR, he has confirmed that there are no other material reasons other than those provided above.

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. To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.*
23. **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.

* This clause has been inserted in Part C of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) (Second Amendment) Regulations 2021 with effect from 05.05.2021, this term will be referred to the Audit Committee when any matter related to this particular point will came for consideration.

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.

During the year under review, Shri Biswajit Choudhuri, Chairman of the Audit Committee resigned from the Directorship and Chairmanship of the Board and Chairmanship/Membership from various Committees in which he was Chairman or Member with effect from 16.10.2021. Shri Shashi Kumar, Independent Director of the company was inducted as Member and Chairman of the Audit Committee w.e.f. 16.10.2021. 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. Shashi Kumar#	Chairman (Independent Non Executive Director)
3.	Mr. Bhrigu Nath Ojha	Member (Independent Non Executive Director)
4.	Mr. Harishankar Khandelwal	Member (Independent Non Executive Director)
5.	Miss Bhavna Govindbhai Desai	Member (Independent Non Executive Director)

* Resigned on 16.10.2021.

Inducted as Member and Chairman on 16.10.2021.

c) Meetings and Attendance during the year:

The committee met Six times during the year 2021-22 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. Shashi Kumar#	Mr. Bhrigu Nath Ojha	Mr. Harishankar Khandelwal	Miss Bhavna Govindbhai Desai
01.05.2021	Present	Not Applicable	Present	Present	Present
25.05.2021	Present	Not Applicable	Present	Present	Present
27.07.2021	Present	Not Applicable	Present	Present	Present
14.09.2021	Present	Not Applicable	Present	Present	Present
30.10.2021	Not Applicable	Present	Present	Present	Present
31.01.2022	Not Applicable	Present	Present	Present	Present

* Resigned from the Audit Committee with effect from 16.10.2021.

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. In case of appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may:

   a. Use the services of an external agencies, if required;

   b. Consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. Consider the time commitments of the candidates.

3. Formulation of criteria for evaluation of Independent Directors and the Board.
4. Devising a policy on Board diversity.
5. 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.
6. 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.
7. 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 Non-Executive Directors including Two Independent Non- Executive Directors.

During the year under review, upon resignation of Shri Biswajit Chodhuri from the Directorship/ Chairmanship or Membership of the Company w.e.f. 16.10.2021, the Board of Directors of the Company reconstituted the Nomination & Remuneration Committee by inducting Shri Dinesh Kumar Gandhi, Non Executive Non Independent Director as Member of the Nomination & Remuneration Committee.

The Board of Directors in its meeting held on 31.01.2022 once again reconstituted the Nomination & Remuneration Committee by appointing Shri Bhrigu Nath Ojha, Non-Executive Independent Director as Chairman of Nomination and Remuneration Committee in place of Shri Shashi Kumar, Non-Executive Independent Director pursuant to Regulation 19(2) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Chairperson of the nomination and remuneration committee shall be an independent director, provided that the chairperson of the listed entity, whether executive or non-executive, may be appointed as a member of the Nomination and Remuneration Committee and shall not chair such Committee.

The Committee's composition meets with requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 as on 31.03.2022. The Nomination and Remuneration Committee comprises of following Directors:

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

Inducted as member w.e.f. 16.10.2021.

c) Meetings and Attendance during the Year:

The committee met once during the year 2021-22 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*
24.05.2021	Present	Present	Present

* Resigned from the Nomination and Remuneration Committee w.e.f. 16.10.2021.

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 28th May, 2022.

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, 2022:

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, 2022 are given below:

S. No.	Name of the Director	Consolidated Salary	Sitting Fees	Commission	No. of Equity Shares held
1.	Mr. Biswajit Choudhuri	Nil	5,00,000	12,00,000	Nil
2.	Mr. Shashi Kumar	Nil	6,05,000	12,00,000	Nil

S. No.	Name of the Director	Consolidated Salary	Sitting Fees	Commission	No. of Equity Shares held
3.	Mr. Bhrigu Nath Ojha	Nil	7,50,000	12,00,000	Nil
4.	Mr. Harishankar Khandelwal	Nil	6,25,000	12,00,000	4000
5.	Ms. Bhavna G. Desai	Nil	6,40,000	12,00,000	7,42,034
6.	Mr. Bajrang Lal Agrawal	2,40,00,000	Nil	Nil	69,25,592
7.	Mr. Dinesh Kumar Agrawal	1,92,00,000	Nil	Nil	73,85,388
8.	Mr. Abhishek Agrawal	1,92,00,000	Nil	Nil	3,40,000
9	Mr. Vinod Pillai	26,90,400	Nil	Nil	Nil
10.	Mr. Siddharth Agrawal	Nil	Nil	Nil	3,76,000
11.	Mr. Dinesh Kumar Gandhi	Nil	Nil	25,00,000	Nil
12.	Mr. Prakhar Agrawal	76,77,419	Nil	Nil	9,30,000

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.

During the year under review, upon resignation of Shri Biswajit Chodhuri from the Directorship/ Chairmanship or Membership of the Company w.e.f. 16.10.2021, the Board of Directors of the Company reconstituted the Nomination & Remuneration Committee by inducting Shri Dinesh Kumar Gandhi, Non Executive Non Independent Director as Member of the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee consists of Three Non-Executive Directors including Two 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. Dinesh Kumar Gandhi#	Member (Non-Executive Director)

Inducted as member w.e.f. 16.10.2021.

ii. Meetings and Attendance during the Year:

The committee met twice during the year 2021-22 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*	Mr. Dinesh Kumar Gandhi#
21.07.2021	Present	Absent	Present	Not Applicable
15.01.2022	Present	Present	Not Applicable	Absent

* Resigned from the Stakeholder Relationship Committee w.e.f. 16.10.2021.

Inducted as member w.e.f. 16.10.2021.

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 01.04.2021	No. of Complaints received during the year	No. of Complaints resolved during the year	No. of Complaints pending as on 31.03.2022
1	0	16	16	0

7. RISK MANAGEMENT COMMITTEE:

a) Terms of reference:

The functioning and terms of reference of the Risk Management 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 Risk Management Committee is as follows:

1. Formulation of detailed risk management policy which includes:
   a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
   b) Measures for risk mitigation including systems and processes for internal control of identified risks;
   c) Business continuity plan;
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. In case of appointment, removal and terms of remuneration of the Chief Risk officer subject to review by the risk management Committee.

b) Composition, name of members and chairperson:

The Company has constituted a Risk Management Committee of the Board ("Risk Management Committee") pursuant to resolution of the Board dated 29.09.2012 and subsequently the committee re-constituted from time to time.

Consequent upon resignation of Mr. Biswajit Choudhuri from the Directorship and Chairmanship/membership from the board and/or Committees w.e.f. 16.10.2021, the Risk Management Committee was reconstituted by appointing Mr. Shahsi Kumar as the Chairman of the committee. The Risk Management Committee consists of Two Independent Directors, Two Executive Directors and Two Key Managerial Personnel of the company.

The Committee's composition meets with requirements of the Companies Act, 2013 and Regulation 21 of SEBI (LODR) Regulations, 2015. The Risk Management Committee comprises of following Directors:

S. No.	Name	Designation
1.	Mr. Shashi Kumar*	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. Sanjay Bothra	Member (Chief Financial Officer)
6.	Mr. Vivek Agrawal	Member (Chief Operating Officer)

* Appointed as Chairman of the Risk Management Committee w.e.f. 16.10.2021.

c) **Meetings and Attendance during the Year:**

The committee met twice during the year 2021-22 and the attendance of the members at these meetings is as follows:

Name of the Chairman/ Member and Date of Meeting	21.07.2021	15.01.2022
Mr. Biswajit Choudhuri	Present	Not applicable
Mr. B.L. Agrawal	Absent	Absent
Mr. Abhishek Agrawal	Absent	Absent
Mr. Bhrigu Nath Ojha	Present	Present
Mr. Shashi Kumar	Present	Present
Mr. Sanjay Bothra	Present	Present
Mr. Vivek Agrawal	Present	Present

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
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 493111
2020-21	28.08.2021	11.30 AM	Deemed Venue: 428/2, Phase 1, Industrial Area, Siltara, Raipur 493111

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
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

Date of Meeting	Special Resolution Passed
	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.
28.08.2021	1. Re-appointment of Mr. Abhishek Agrawal (DIN: 02434507), as Whole-time Director and fixation of his remuneration; 2. Re-appointment of Mr. Vinod Pillai (DIN: 00497620), as Whole-time Director and fixation of his remuneration;

c) Special Resolution passed last year through Postal Ballot:

During the Financial Year 2021-22, 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 and also in Business Line, the Economics times and financial Express English editions 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:

SUBDIVISION AND BONUS ISSUE:

During the year under review, our company has Sub-divided 1 (One) Equity Share of face value of ₹10/ each (Rupees Ten only) fully paid-up of the Company into 2 (Two) Equity Shares of ₹5/- each (Rupees five only) fully paid-up and the Board of Directors in its meeting held on 30.10.2021 has allotted 7,04,72,494 Equity Shares of ₹5/- each in the Ratio of 1:1. (i.e. One (1) new fully paid-up Equity Shares of ₹5/- each as Bonus Shares.

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

Date	16.09.2022 (tentative)
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 2022 and ends on 31st March, 2023

Tentative Calendar for Board Meeting (for Financial Result) - for the Financial Year 2022-2023:

Quarter ending on 30th June 2022 : On or before 14th August, 2022

Half-year ending on 30th September 2022 : On or before 14th November, 2022

Quarter ending on 31st December 2022: On or before 14th February, 2022

Year ending on 31st March 2023 : On or before 30th May, 2023

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 2021-22 and the Interim dividend was duly paid on 12th August, 2021 and the Company also declared Final dividend of ₹13.50/- (i.e.135%) per shares for the FY 2020-21 and the Final dividend was duly paid on 2nd September, 2021.

The Board of Directors of the Company has recommended payment of Final Dividend of ₹8.50 per share (i.e.170%) for the year under review. The dividend payment date will be on or from 5th day of AGM, 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 2022-2023 to both NSE and BSE.

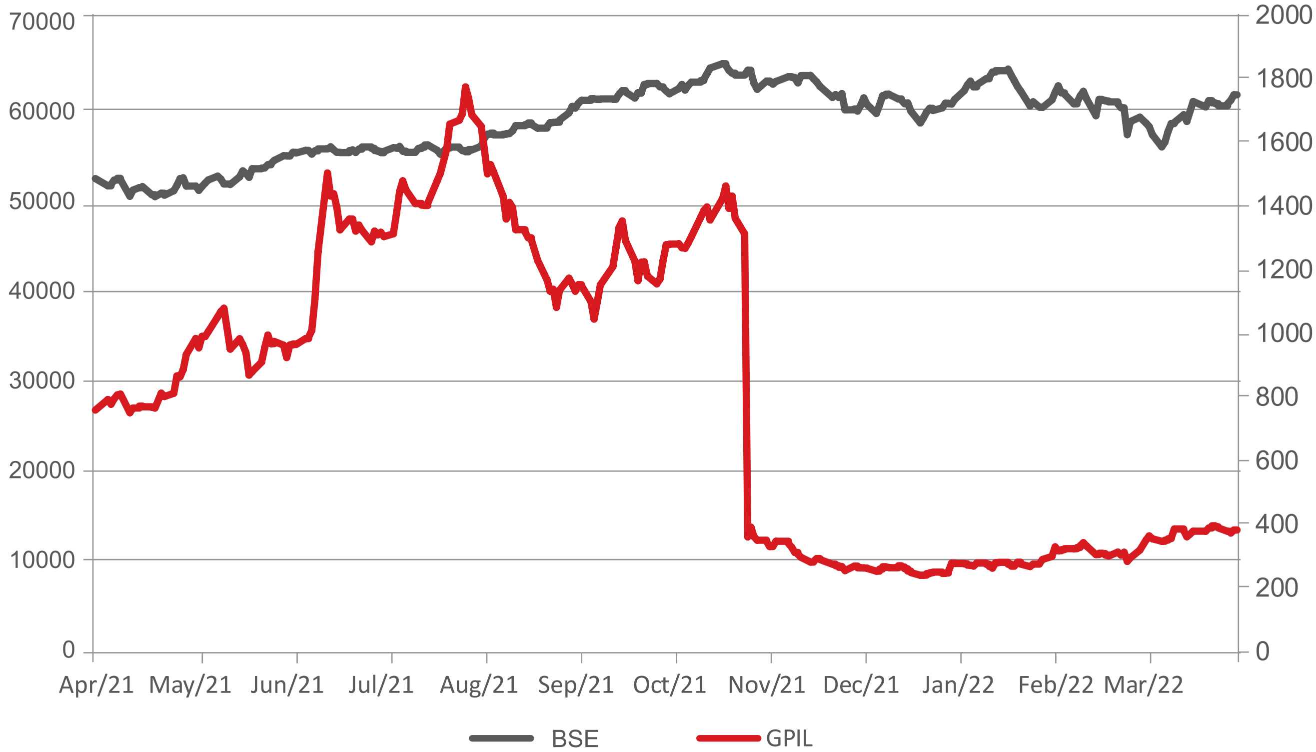
e) Market Price Data:

The monthly high and low price of shares traded on the NSE and BSE, during the last Financial Year 2021-22 are as follows:

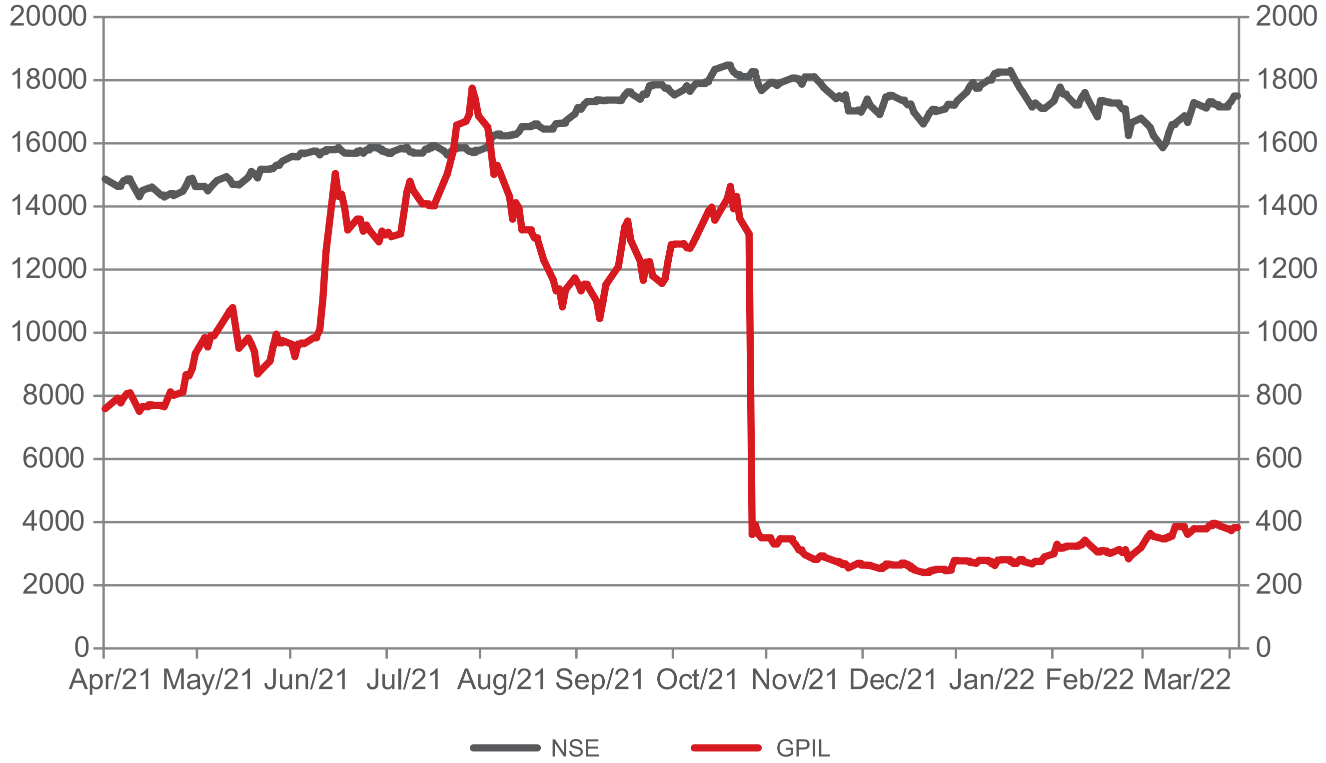
Month	NSE		BSE	
	High Price	Low Price	High Price	Low Price
Apr-21	945.00	721.00	943.00	718.00
May-21	1129.90	758.85	1129.45	846.00
Jun-21	1550.05	912.00	1561.95	911.80
Jul-21	1848.00	1285.00	1840.00	1271.10
Aug-21	1734.80	1030.00	1740.00	1026.70
Sep-21	1400.70	999.80	1400.00	1002.25
Oct-21	1495.70	339.00	1496.85	339.00
Nov-21	362.00	231.35	367.60	231.00
Dec-21	292.40	234.05	292.95	235.00
Jan-22	310.00	256.00	308.85	256.95
Feb-22	345.00	282.00	344.10	282.10
Mar-22	408.00	313.00	407.75	314.00

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 2021-2022 is as follows:



GPIL VS BSE SENSEX



GPIL VS NIFTY

Note: The above graph depicts the decrease in the price of shares as a result of the Company's stock split in the ratio of 1:2 and bonus issues of shares in the ratio of 1:1.

f) **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.

g) **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 affecting 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 INE177H01021 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.

h) Distribution of Shareholding:

The Distribution of shareholding of Equity Shares of the Company as on 31st March, 2022 is as under:

No. of Shares	Shareholders		Shares Held	
	Number	% to Total	Number	% to Total
Up to 500	72293	88.01	6317609	4.48
501 – 1000	4809	5.85	3609508	2.56
1001- 2000	2589	3.15	3864672	2.74
2001 – 3000	693	0.84	1753311	1.24
3001 – 4000	468	0.57	1714309	1.22
4001 – 5000	225	0.27	1041477	0.74
5001 – 10000	494	0.61	3572838	2.54
10001 and above	571	0.70	119071264	84.48
Total	**82142**	**100.00**	**140944988**	**100.00**

Shareholding Pattern as on 31st March 2022:

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	75902736	53.85
ii.	Bodies Corporate	14740676	10.46
iii.	Any Other (Trust)	4500000	3.19
	SUB TOTAL (A)	**95143412**	**67.50**
(B)	**PUBLIC**		
a)	**Institutions**		
i.	Foreign Portfolio Investor	2674376	1.90
ii.	Mutual Fund	00	0.00
iii.	Insurance Companies	00	0.00
iv.	Alternate Investment Funds	233672	0.17
b)	**Non- Institutions**		
i.	Individual		
	i.) Individual shareholders holding nominal share capital up to ₹2 Lakh.	24577381	17.44
	ii.) Individual shareholders holding nominal share capital in excess of ₹2 Lakh	7778744	5.52
ii.	NBFC Registered with RBI	3000	0.00
iii.	IEPF	62172	0.04
iv.	Trusts	265228	0.19
v.	Hindu Undivided Family	1629091	1.16
vi.	Non Resident Indians (Non Repat)	367245	0.26
vii.	Non Resident Indians (Repat)	729705	0.52
viii.	Other Director	746034	0.53
ix.	Clearing Members	271725	0.19
x.	Bodies Corporate	6162632	4.37
xi.	LLP	300571	0.21
	SUB TOTAL (B)	**45801576**	**32.50**
	TOTAL (A+B)	**140944988**	**100.0000**

i) Address for Investors Communications :-

CS. 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

j) 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

k) Details of Credit Ratings and revision thereof:

During the year under review, the credit ratings has been revised/reaffirmed by the CRISIL to the Company related Long term and Short term Loan facilities to CRISIL A+/ Stable and CRISIL A1 from CRISIL A/Stable and CRISIL A1 respectively.

There is no outstanding debt instrument or any fixed deposit programme or any scheme or proposal of the company involving mobilization of funds as on 31st March, 2022.

OTHER DISCLOSURES:

a) Related Party Transactions and Web link of the Policy:

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 13th January, 2022 to incorporate the various changes pursuant to SEBI (LODR) Amendment Regulations, 2021 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022. The revised policy shall be effective from 31st January, 2022 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 Board has revised the policy on Whistle Blower, at its Board Meeting held on 13th January, 2022, consequent upon resignation of Shri Biswajit Choudhuri from the Chairmanship of the Audit Committee and appointment of Shri Shashi Kumar, Independent Director of the Company as Chairman of the Audit Committee, the details of the Chairman of the Audit Committee mentioned in Clause 8 of the existing Whistle Blower Policy was revised.

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 Hira Ferro Alloys Limited (HFAL) as material subsidiary, since the net worth of HFAL exceeds ten per cent of its consolidated net worth/ income as per the Audited Balance Sheet of the previous Financial Year i.e. FY 2021-22.

Pursuant to SEBI (LODR) Amendment Regulations, 2018, the Board of Directors of the Company have adopted a revised policy for determining material subsidiaries with effect from 31st January, 2022, the web-link of which is http://godawaripowerispat.com/investors-information/policies/.

Regulation 24(1) of SEBI (LODR) Regulations, 2015 is not applicable as the income or net-worth of HFAL does not exceed 20% of the consolidated income or net-worth of the Company.

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) Commodity Price Risk:

Commodities are essential inputs to the manufacturing of steel. The dynamic geo-political landscape and climate change issues cause unpredictability in commodity outputs leading to volatility in commodity prices. This is an inherent market risk for the Company as it impacts the profitability and cash flows. However, steel prices, follow the trend of commodity prices, over a period which is a natural hedge to the business. The Company meets 100% of its iron ore requirements in India, through its captive iron ore mines and about a quarter of its coking coal requirements from its coal mines. These captive mines provide a structural hedge to the price risk of these commodities.

g) 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.

h) 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**.

i) 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	Hira Ferro Alloys Ltd. (Subsidiary)	9.50
3	Godawari Energy Limited. (Subsidiary)	1.30

*Inclusive of Tax Audit Fees

j) 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, 2021 and during the year Company has not received any complaints and no complaints were pending as on 31st March, 2022.

k) Loans and advances in the nature of loans to firms/ companies in which Directors are interested:

The Company has not given any loans and advances to any firms/ companies in which Directors of the company are interested.

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 2021-22.

d) Separate posts of Chairperson and the Managing Director:

Mr. Shashi Kumar, Independent Non-Executive Director is Chairman of the Company and Mr. B.L. Agrawal is Managing Director of the Company.

e) 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

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

S. No.	Particulars	Regulation	Compliance Status (Yes/No/NA)
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)	Yes
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)	Yes
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.	Details of Business	Yes
2.	Terms and conditions of appointment of Independent Directors	Yes
3.	Composition of various committees of Board of Directors	Yes
4.	Code of conduct of Board of Directors and Senior Management Personnel	Yes
5.	Details of establishment of Vigil Mechanism/ Whistle Blower policy	Yes
6.	Criteria of making payments to Non-Executive Directors	Yes
7.	Policy on dealing with Related Party Transactions	Yes
8.	Policy for determining ‘material’ subsidiaries	Yes
9.	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 for Regulating, Monitoring and Reporting of Trading by Insiders;
- 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 web link 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 Code 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 2021-22)	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	5964
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	5964

*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**.

18. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The auditor's certificate on corporate governance is provided as **Annexure-C** to the Board's report.

For and on behalf of Board of Directors

Place: Raipur
Date:28.05.2022

B.L. Agrawal
Managing Director

Abhishek Agrawal
Executive Director

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, 2022 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. Harishankar Khandelwal	00330891	11/08/2012
3	Mr. Bajrang Lal Agrawal	00479747	17/08/2002
4	Mr. Dinesh Kumar Agrawal	00479936	21/09/1999
5	Mr. Vinod Pillai	00497620	28/07/2009
6	Mr. Dinesh Kumar Gandhi	01081155	25/02/2005
7	Mr. Siddharth Agrawal	02180571	20/01/2018
8	Mr. Bhrigu Nath Ojha	02282594	14/06/2008
9	Mr. Abhishek Agrawal	02434507	09/11/2011
10	Miss Bhavna Govindbhai Desai	06893242	09/08/2014
11	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

Place: Raipur

M. No.:7704

Date: 23.04.2022

C. P. No.:8512

PR: 1027/2020

UDIN: F007704D000194935

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 2022, 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 2022.

   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

Sanjay Dewangan
Partner
Membership number: 409524
Raipur, 28th May, 2022
UDIN: 22409524AJUWCJ6001

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 2021-22 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	Bajrang Lal Agrawal	Sanjay Bothra
Date:28.05.2022	Managing Director	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 2021-22 with the provisions of Code of Conduct as adopted by the Company.

Place: Raipur
Date: 28.05.2022

Bajrang Lal Agrawal
ManagingDirector

ANNEXURE- 08 TO DIRECTORS' REPORT 2021-22

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	2021-22
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)	704,724,940
2. Total Turnover (INR)	50,746,006,776
3. Total profit after taxes (INR)	13,509,656,560
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	0.7%
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 implementationof 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 https://godawaripowerispat.com/investorrelations/policies.								
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								

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
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.

SL. 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 unfavorable 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 received 16 complaints from stakeholders during the financial year 2021-22, which was 100% satisfactorily resolved by the management.

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 extends financial support 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 off 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.	2851
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	5166
3.	Please indicate the Number of permanent women employees.	28
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	100%
(b) Permanent Women Employees	100%
(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 2021- 22.

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 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/ investorsrelations/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 2021-22. The energy efficiency measures undertaken during the year 2021-22 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 2021-22.

   [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) Salary paid to the temporary Staff i.e. Teacher & Night Guards in schools of nearby villages for promoting education & security of school campus.

   b) Financial Aid provided to Aakanksha Lions School for Mentally Handicapped Children for smooth operation of school Contributed to Zila Prabhandhak -Chhattisgarh Mahila Kosh under 'Dattak Putri Siksha Yojana'.

   c) Financial aid to Govt. Pt Shyamcharan Shukla College Dharsiwa for Skill Development Training.

   d) Monthly Salary of 15 Community Teachers engaged in the Govt. Schools in Nearby Villages of Kachhe Aridongri Iron Ore Mines for the Session 2021.

   e) Monthly Salary of 26 Community Teachers engaged in Govt. Primary, Middle & High Schools of Nearby Villages of Boria Tibu Mines.

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

   a) Financial Aid for Medical Treatment to Ms. Aakarshika Pandey (Age-21 Yrs)

   b) Financial aid for Breast Cancer Awareness Campaign organized by NH MMI Hospital.

   c) Procurement of Remidisiver Injection on request of CHMO through Collector Kabirdhaam.

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

   e) Financial support for Medical Treatment of a needy person though NM MMI Hospital.

   f) Operating Free First Aid Health Centre & 24x7 Free Ambulance Service for villagers.

   g) High Flow Nasal Oxygen Therapy Device installed at Covid Center, Kanker.

   h) Procurement of 300 Pcs of Pulse Oxy-meter

   i) Renovation, Beautification & Equipments Installation Work at Diagnostic Center Bhanupratappur (Work Under Progress)

   j) Operating Free First Aid Health Centre & Ambulance Service for Villagers.

   k) Free Ambulance Service engaged in First Aid Health Center for nearby villages of Boria Mines.

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

   a) Repairing & Leveling of roads by providing slag material & JCB for nearby villages of GPIL during monsoon season;

   b) Construction of CC Road in Ward No-04 Village Tanda.

   c) Construction of CC Road in Ward No-19 at Village Mandhar.

   d) Construction of CC Road in Ward No-01 & 02, Village Siltara.

   e) Construction of 03 Class Rooms in Govt. School at Village Murethi (work under progress).

   f) Payment to Gram Panchayat Kachhe for Infrastructure Development.

   g) Construction of Boundary Wall & Gate at Thakurdehi Cultural Congregation Point, Parrekodo (Balance Work Of 2020-2021).

   h) Construction of Weekly Market Platform & Shed at Village Kachhe.

   i) Construction of CC Drain at Weekly Market Village Kachhe.

   j) Construction of Panchayat & School Gate At Village Parrekodo & Welcome Gate (Balance Work Of 2020-2021).

   k) Construction of Black Top Road at Village Kachche.

l) Construction of 2000 Mtr. CC Road Width 6mtr from Shalhe Chowk to Kachche Village (Balance Work Of 2020-2021).

m) Construction of RCC Retaining Wall CC Road (20 Mtr. Wide) from Salhe Chowk to Dafaipara (Work Under Progress).

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

   a) Manpower engaged in Janpad Panchayat Office, Dharsiwa for maintenance of Plantation.

   b) Expenses of Vermi Compost, Manpower engaged in maintenance of 102 Acre Land Green Belt Area (Oxy Zone) in Siltara.

   c) Expenses on Maintenance of Garden & Plantation at Swami Vivekanada International Airport, Raipur.

   d) Plantation work in Dr. Radha Bai Naveen Girls College, Raipur.

   e) Plantation in Govt. Pt. Shyamacharan Shukla College, Dharsiwa.

   f) Maintenance of Garden & Fountain in Telibandha Chowk (Manpower, Land scaping, Plantation Etc.).

   g) Maintenance expenses on Plantation at RKC Compound.

   h) Expenses on Water Tankers engaged for Maintenance of Plantation and Dust Suppression.

   i) Expenses on Plantation in Urla & Birgaon area.

7. **Community Welfare:**

   a) Installation of LED Street Lights for safety & convenience of villagers.

   b) Pond Deepening & Cleaning at Village Tanda.

   c) Construction of Waiting Room & Storage Shade at Muktidhaam Mandhar (Balance work of 2020-21 completed in 2021-22).

   d) Financial Contribution to Feel Parmartham Foundation for Shelter to helpless Elderly & Mentally ill Abandoned people.

   e) Beautification & Plantation of Muktidhaam Kota, Raipur.

   f) Fixing of Fencing Pole in Gothan of Village Tanda.

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 2021-22 is ₹950.55 lakhs.

   The details of the project undertaken during the financial year 2021-22 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 done to ensure proper utilization 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 2021-22.

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.

ANNEXURE-09 TO DIRECTORS' REPORT 2021-22

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 2021-22, 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.

AN OVERVIEW OF STEEL SECTOR

INDIA ECONOMY

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

- India's nominal gross domestic product (GDP) at current prices is estimated to be at ₹232.15 trillion (US$ 3.12 trillion) in FY22.
- India is the third-largest unicorn base in the world with over 100 unicorns with a total valuation of US$ 332.7 billion.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030s, for productivity and economic growth according to McKinsey Global Institute. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- According to data from the Department of Economic Affairs, as of January 28, 2022, foreign exchange reserves in India reached the US$ 634.287 billion mark.

Recent economic developments in India are as follows:

- With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US$ 5.8 billion across 117 deals in February 2022, 24% higher than in January 2022. Some of the important recent developments in the Indian economy are as follows:
- India's merchandise exports were at an all-time high of US$ 417.81 billion in FY22. In April 2022, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 54.7.
- The gross Goods and Services Tax (GST) revenue collection hit an all-time high of ₹1.68 trillion (US$ 21.73 billion) in April 2022. This is a 20% increase over the previous year.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US$ 572.80 billion between April 2000-December 2021.
- Consumer Price Index (CPI) – Combined inflation was 5.20% in 2021-2022 (April-December) against 6.6% in 2020-21
- Foreign portfolio investors (FPIs) invested ₹50,009 crore (US$ 6.68 billion) in the Calendar year 2021.

GLOBAL SCENARIO

Steel is always a hot commodity in the global market, but the demand for steel has increased by record amounts over the past two years, and shortages are causing market issues. Many buyers have expressed their concern about having enough steel for production needs in 2022.

The current shortages are due to supply chain issues that have impacted steel inventory, increasing demand. As a result of the spread of COVID-19 over the past two years, mill outages and transportation blockages have also led to a steel shortage. The Russia Ukraine war further added to global steel supply chain disruptions leading to higher shortage of steel.

Various countries in the world have imposed restrictions due to new COVID-19 variant Omicron in 2022. Growth prospectus in steel industry has been adversely affected due to slow down of real estate sector in China, reduced global per capita consumption of steel and ongoing Russia-Ukraine war. In view of the above factors the Global growth is envisaged to be reduced from an estimated 6.1% in 2021 to 3.6% in 2022.

While China continued to be the largest global crude steel producer, there were moderate growth in steel production in countries such as India, Japan, USA, Germany, and Brazil, amongst others, signifying normalcy in operations during the pandemic.

The details of top 10 steel producing nations are as follows:

(mn tonnes)

Rank	Country	2022	2021	% Change
1	China	1033	1065	-3
2	India	118	100	17.7
3	Japan	96	83	15.7
4	Russia	76	72	6.1
5	United States	86	73	18.3
6	South Korea	71	67	5.2
7	Turkey	40	36	12.8
8	Germany	40	36	12.3
9	Brazil	36	31	16.1
10	Iran	29	29	-1.7

Source: World Steel Association (WSA)

Growth Projections

In 2021, the growth in steel demand increased by 4.5 percent, up from just 0.1 percent in 2020. The World Steel Association (WSA) a projected 2.2 percent growth in the demand for steel in 2022, so demand will continue to increase. Things are slowly swinging back in the right direction, according to this forecast. The 2.2 percent growth assumes vaccinations will continue worldwide, which will halt the spread of new COVID variants, so the virus should be less damaging to the global market. However, the increasing inflation may have impact on steel demand growth.

Automobile and appliance manufacturers are the driving force behind the increased demand for steel, and a shortage of some components is still hurting the recovery.

There have been clear signs of deceleration in the steel-heavy sector's activity in China, leading to a steel demand contraction.

This quick deceleration is partially due to minor factors like small infection outbreaks and adverse weather conditions. However, there are other significant influences, like the slowing down of the real estate sector and the Chinese government's cap on steel production.

Unrelenting Demand

The backlogged demand for steel has also led to strong manufacturing activity, which has helped the steel market. Developed countries worldwide have outperformed the WSA's expectations due to the high number of vaccinated individuals and government support.

However, while the manufacturing side has been doing well, supply chain shortages are still disrupting the global steel market and are preventing a strong recovery in 2022. Due to the backlogged steel orders, the demand will remain high through the next year.

Because of the demand for the limited inventory available, steel prices will continue to go up in 2022.

As government support continues in developed countries and vaccination rates increase, the steel market will continue to recover, but demand will remain high throughout the next year, and even as strong production continues, it will take time to bounce back from all of the backlogged orders.

DOMESTIC SCENARIO

India's finished steel consumption is anticipated to increase to 230 million tonnes by 2030-31 from 106 million tonnes in 2021-22. Indian steel industry is witnessing consolidation of players. The combined capacity of top 10 steel companies in India has increased to 138 million tonnes, which has led to fall in market share of small & medium steel industry.

PRODUCTION

- India was the 2nd largest producer of crude steel in the world in 2021. In 2021-22 (provisional), production of total finished steel (alloy/stainless + non alloy) was 113.60 mt, a growth of 18.1% over last year.
- Data on production of Pig Iron, Sponge Iron and Total Finished Steel (alloy/stainless + nonalloy) are given below for last five years:

Indian steel industry: Production (in million tonnes)

Category	2017-18	2018-19	2019-20	2020-21	2021-22*
Iron Ore Pellet	63.59	59.60	69.00	61.64	
Pig Iron	5.73	6.41	5.42	4.88	5.76
Sponge Iron	30.51	34.71	37.10	34.38	39.03
Total Finished Steel	**95.01**	**101.29**	**102.62**	**96.20**	**113.60**

*Source: Joint Plant Committee; *provisional*

IMPORTS

- Data on import of total finished steel (alloy/stainless + non alloy) is given below for last five years:

Indian steel industry: Import of Total Finished Steel (in million tonnes)

Category	2017-18	2018-19	2019-20	2020-21	2021-22*
Quantity	07.48	07.83	06.77	04.75	04.67

*Source: Joint Plant Committee; *provisional*

EXPORTS

- During last five years, India was a net exporter of total finished steel in 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22.
- Data on export of total finished steel (alloy/stainless + non alloy) is given below for last five years:

Indian steel industry: Export of Total Finished Steel (in million tonnes)

Category	2017-18	2018-19	2019-20	2020-21	2021-22*
Quantity	09.62	06.36	08.36	10.78	13.49

*Source: Joint Plant Committee; *provisional*

OPPORTUNITIES FOR GROWTH OF IRON AND STEEL IN PRIVATE SECTOR

The New Industrial Policy Regime:

The New Industrial policy opened up the Indian iron and steel industry for private investment by (a) removing it from the list of industries reserved for public sector and (b) exempting it from compulsory licensing. Imports of foreign technology as well as foreign direct investment are now freely permitted up to certain limits under an automatic route. Ministry of Steel plays the role of a facilitator, providing broad directions and assistance to new and existing steel plants, in the liberalized scenario.

The Growth Profile

(i) **Steel:** The liberalization of industrial policy and other initiatives taken by the Government have given a definite impetus for entry, participation and growth of the private sector in the steel industry. While the existing units are being modernized/expanded, a large number of new steel plants have also come up in different parts of the country based on modern, cost effective, state of-the-art technologies. In the last few years, the rapid and stable growth of the demand side has also prompted domestic entrepreneurs to set up fresh greenfield projects in different states of the country.

Crude steel capacity was 154.23 mt in 2021-22 (provisional), and India, which was the 2nd largest producer of crude steel in the world in 2021, as per rankings released by the World Steel Association, has to its credit, the capability to produce a variety of grades and that too, of international quality standards.

(ii) Pig Iron: India is also an important producer of pig iron. Post-liberalization, with setting up several units in the private sector, not only imports have drastically reduced but also India has turned out to be a net exporter of pig iron. The private sector accounted for 89% of total production of pig iron (5.76 mt) in the country in 2021-22 (provisional).

(iii) Sponge Iron: India, world's largest producer of sponge iron, has a host of coal-based units located in the mineral-rich states of the country. Over the years, the coal-based route has emerged as a key contributor and accounted for 77% of total Sponge Iron production in the country during 2021-22 (provisional). Production of Sponge Iron making too has increased over the years and stood at 39.03 mt during 2021-22 (provisional).

(Source: JPC Updated in May 2022.)

(iv) Iron Ore & Pellets

Iron ore pellets market is expected to gain market growth in the forecast period of 2021 to 2028. Data Bridge Market Research analyses that the market is growing with a CAGR of 3.6% in the forecast period of 2021 to 2028 and expected to reach USD 57,516.77 million by 2028. The easy handling along with transportation can be the driver for the iron ore pellets in the market.

The growing demand of lower emissions and dust in comparison to other materials maximize the usage of the iron ore pellets in the developing countries which drives the iron ore pellets market. The fluctuations in the price of raw material can be the restraining factor for the iron ore pellets market. The demand for high grade iron ore pellets has increased recently and this increment has speeded up especially after various governments have taken move towards more sustainable steel production acting as an opportunity for the iron ore pellets market.

However due to current imposition of export duty on iron ore pellets by 45% and increase in the export duty on iron ore from 30% to 50% and on other specified steel products by 15%, the exports from the country are likely to be impacted steel industry adversely in the near future in 2022.

Government Initiatives:

The Government of India has taken following initiatives which will contribute to the growth of iron and steel industry:

1. Gati Shakti Master Plan and Infrastructure Development: Recently the GOI has announced Gati Shakti Master Plan which will complement the ₹100 lakh crore investment plan by the Government for infrastructure development over the next five years. The Gati Shakti Master Plan takes a holistic approach to sector-specific developments to implement and monitor ₹100 lakh crore of investment. This will boost the demand of steel in various sectors thereby enhancing steel usage: This plan comprises of the following:

a. Bharatmala: In the road transport and highways sector, two lakh km route of national highway network is to be achieved by 2024-25. Along the coastal areas, 5590 km of four and six-lane national highways is to be completed by 2024-25. All state capitals in North Eastern Region to be connected with either four-lane National Highway or two alternate alignments of two-lane configurations each by 2024-25.

b. Railways: By 2024-25, Indian Railways is expected to see a decongestion by 51 per cent due to completion of several critical projects. Cargo to be handled by Indian Railways will be 1600 million tonne up from 1210 million tonne in 2020. Western and Eastern Dedicated Freight Corridors for faster movement of freight trains to be completed.

c. Sagarmala: Shipping sector will see an increase in cargo capacity at the ports to 1759 Million Metric Tonnes per Annum (MMTPA) by 2024-25 from 1282 MMTPA in 2020. Cargo movement on all national waterways will be 95 Million Metric Tonne (MMT) by 2024-25 from 74 MMT in 2020. Cargo movement on river Ganga is set to be increased from 9 MMT to 29 MMT by 2024-25.

d. Regional Connectivity Scheme – UDAN: Civil aviation sector to see an increase in the aviation footprint globally. 220 airports, heliports and water aerodromes to be operational by 2024-25. 109 airports including existing 51 airstrips, 18 Greenfield airports, 12 water aerodromes and 28 heliports to be developed by 2024-25.

e. New and Renewable Energy sector capacity is to be increased from 87.7 Gigawatt to 225 Gigawatt by 2024-25. 50 percent of India's power generation capacity is to be met by renewable energy sources by 2024-25.

f. Power transmission network is to be upgraded from 4,25,500 circuit km to 4,54,200 circuit km by 2024-25. Transmission network performance parameters to match the best global standards.

g. In Petroleum and Natural Gas sector, 17000 km long trunk pipeline, connecting major demand and supply centers for industries, is to be added by 2024-25 making a total length of 34500 km of pipeline across the country. All states to be connected with the trunk natural gas pipeline network by 2027.

h. In the Telecommunication sector, a total length of 35,00,000 km of optical fiber cable network is to be laid down by 2024-25. Connecting all 2,50,000 Gram Panchayats with high-speed internet and 4G mobile connectivity by 2022.

2. Apart from above, existing Government initiatives such as Pradhan Mantri Awas Yojana – Urban and Gramin, Make In India, Pradhan Mantri Ujjwala Yojana, Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), Smart city development, AMRUT and Clean Ganga Mission will be demand drivers for steel.

3. The Government has also launched the 'Make-in-India' programme, which aims to provide an impetus to the manufacturing and mining sector of the country through various policy initiatives and incentives which is expected to benefit the domestic steel industry.

4. In the "Jal Jeevan Mission - Nal Se Jal" programme of the Ministry of Jal Shakti, usage of Steel pipes (coated mild steel or ductile iron pipes) for the primary water (trunk line) will provide sustainable distribution network due to its strong rust and corrosion resistance; long life to enable distribution of safe and sustainable distribution of piped drinking water to Indian households.

Awareness Programmes by GOI:

Ministry of Steel (MoS) is actively working to promote steel use by conducting Awareness programmes with various stakeholders and by providing Enabling Environment.

1. Ministry of Steel has launched "Ispati Irada" campaign to encourage steel usage across sectors. "Ispati Irada" is a collaborative branding campaign with the objective of promoting the benefits of steel usage in various facets of nation building and how it impacts the lives of citizens in the country. I Active collaboration done with nations such as Japan for learning enabling procedures to promote higher usage of steel in construction and Infrastructure.

2. Joint Workshop/Webinars were held with various Ministries/Departments, which are working for infrastructure development in the country such as Ministry of Housing and Urban Affairs (MoHUA), Ministry of Rural Development, Ministry of Agriculture & Farmers Welfare, Ministry of Civil Aviation, Ministry of Railways, Ministry of Defence, Ministry of Petroleum & Natural Gas; Housing Developers, Designers, Architects, Academicians and Industry to promote steel usage in various sectors viz., Building, construction and infrastructure sector, automobile sector, railway and defense sector, rural India development.

(Source Annual Report of Ministry of Steel for2021-22)

Products/ Division	Installed Capacity	Production in FY2021 (In MT)	Production in FY2022 (In MT)	Year on year growth
Iron ore mining	2100000	1699920	2312888	36.05%
Iron ore pellets	2400000	2256550	2399500	6.33%
Sponge iron	495000	494991	494982	0.00%
Steel billets	400000	350865	327050	-6.79%
MS Rounds/Wire Rod	400000	261690	223268	-14.68%
HB wire	200000	97698	36046	-63.10%
Ferro alloys*	16500	14178	16152	13.92%
Power (Units in crore)		44.42	42.86	-3.51%
Galvanized Fabricated Products	110000	29092	53996	85.60%

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 posted highest ever sales turnover and profitability during FY22, led higher production volumes of captive iron ore & pellet, and better realizations of various products, due to improved demand for steel products in global & domestic markets. Net sales revenue increased to ₹5074.60 Crores from ₹3640.86 Crores registering a growth of 39.37% over previous and net profit to ₹1353.32 YoY from ₹626.38 registering a growth of 116.05%.

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:

Iron Ore Mining:

The iron ore mining production during the year has been increased by 36.05%. 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 current year to meet its entire iron ore requirement from captive mines.

Iron Ore Pellets:

Your Company has achieved ever highest production of iron ore pellets with a capacity utilization of 100% in FY22.The production of iron ore pellets increased during the year by 6.33%. The Company has during the year started manufacturing of high-grade Pellets, which commands higher price in market by about ₹1500 per ton, over the commercial grade of pellet. The Company has started supplying the Pellet to large steel Companies in domestic market and also started exports high grade pellets. The higher production volumes of high grade iron ore pellets coupled with better realizations contributed to higher sales & profitability of the Company during the year under review.

Sponge Iron

The Company operated the sponge iron plant at full capacity and achieved the production volumes of 494982 MTs, mainly on account of operational efficiency. The applied to state pollution department for approval in enhancement in sponge iron ore capacity from 0.5 million tons to 0.6 million tons, however the approval is awaited.

Finished Steel & Rolled Products

The production of Steel Billets strategically decreased by 6.79% on YoY basis due to better realization in sale of intermediate products. Similarly, the production of MS Rounds/Wire Rods decreased by 14.68% and the production of HB Wires was also strategically reduced by 63.10%.

Ferro Alloys:

The Company is making silico manganese, used in steel making. The production of silico manganese increased by 13.92%, the capacity utilsation in ferro alloys divisions improved to 98%. The performance of Company's subsidiary namely Hira Ferro Alloys Ltd (HFAL) also produced higher volumes of production during year, which increased to 47504 MTs in FY22 from 35304 MTs in FY21, leading to substantially higher Profitability.

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 decreased marginally by 3.51% as compared to previous year due in higher input cost of coal. In addition to the same the Company has long term contract for supply of power with Jagdmaba Power & Alloys Ltd. to meet long term power requirement of the Company. The Company is process for setting up 95MW of captive solar power plant in Chhattisgarh, to meet increased demand and replace part of high-cost power imported from grid presently.

ii. Net sales/income from operations:

Product	FY 2021			FY 2022		
	Sales (MTs) Quantity	Net sales (₹ in crore)	Sales Realization (Per Ton)	Sales quantity (MTs)	Net sales (₹ in crore)	Sales Realization (Per Ton)
Iron ore pellets	1607881	1615.20	10046	1664030	2309.84	13881
Sponge iron	104289	215.30	20645	126371	401.18	31746
Steel billets	137136	460.02	33545	91486	399.55	43673
MS rounds/ Wire Rods	165434	617.64	37335	192942	964.59	49994
HB wire	101017	372.73	36898	36572	175.87	48089
Silico Manganese	10795	68.21	63186	13385	131.49	98235
Others		291.77			692.08	
TOTAL		**3640.87**			**5074.60**	

In fiscal 2021-22, the Company achieved standalone net sales of ₹5075 Crores as compared to net sales of ₹3641 crores achieved during previous year registering a growth of 39.38%. The increase in turnover is mainly on account favourable market realization across all the products coupled with increase in the production and sale of high grade Iron ore pellets. 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 other input cost of Company was lower during the year at 41.49% of net sales as compared to 45.42% during the previous year on account of 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 mining of substantial quantity of iron ore from captive mines.

iv) Operating and other expenses

The Company's operating and other expenses increased to ₹952.84 crores as against ₹749.53 crores mainly due to increase in consumption of stores and spares, power and fuel cost and freight cost due higher volumes for export of iron ore pellets & wires rods.

v) Employee cost

The employee cost during the year increased by 15.60% to ₹143.29 crore as compared to ₹123.95 crore in the previous year due to increase in salaries of employees & workers. The employees cost stood at 2.82% of net sales during the year under review as compared to 3.40% during the previous year.

vi) Operating margins (EBIDTA)

The EBIDTA increased to ₹1799.32 crores as compared to ₹1049.22 crores of previous year which was 35.33% of aggregate of net sales and other income during the year under review compared to 28.77% of aggregate of net sales and other income in the previous year mainly due to higher consumption of captive iron ore at lower cost, increase in prices of finished products, change in product mix and optimum utilisation of production capacities and production of higher grade iron ore pellets, which were sold at premium in international markets.

vii) Interest and financial charges

Total expenses towards interest and bank charges has been reduced to ₹17.35 crores in 2021-22 as compared to ₹109.99 crores in 2020-21 due to repayment of entire long term debt.

viii) Depreciation

During the year under review the depreciation increased to ₹101.75 crores as compared to ₹96.48 crores due to increased depreciation on galvanised unit and beneficiation plant.

ix) Profit/Loss before Tax (PBT)

The Company has registered a profit before tax and exceptional items of ₹1680.22 crores, as against ₹842.73 crores during the previous year. The company has booked a profit of ₹104.37 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 exceptional items of ₹1350.96 crores including net profit on sale of investments of ₹104.36 crores as against net profit after tax and extraordinary items of ₹625.76 crores during previous year.

xii) Appropriation

Your Company has not transferred any amount to the General Reserves Account during the Financial Year 2021-22.

xiii) Provision for dividend

For the Financial Year 2021-22, your Company has paid an interim dividend of ₹5 on pre-bonus and pre-subdivision Equity share of ₹10 each fully paid and the Board of Directors recommended final dividend of ₹8.50 on post-bonus and post-subdivision per Equity share of ₹5 each fully paid. The outflow on account of interim dividend was ₹17.62 crores and final dividend shall be ₹119.80 crores respectively aggregating ₹137.42 crores.

xiv) Fixed assets

(₹ in crores)

Particulars	FY21	FY22	Change	% of Change
Gross block	1757.46	1830.39	72.93	4.15
Less depreciation	444.00	530.90	86.90	19.57
Net block	1313.46	1299.49	(13.97)	(1.06)
Capital WIP	54.02	416.36	362.34	670.75
Net fixed assets	1374.44	1715.85	341.41	24.84

The gross block and depreciation has increased due to addition of plant and machinery by capitalisation of capital work in progress. The increase in Capital WIP is due to setting up of ongoing 95 MW Solar Power Plant, capex in iron ore mining for setting up crushing & beneficiation plant & other normal capex.

xv) Inventories

The overall value of inventory of raw materials including stock in transit increased to ₹744.39 crores as on 31st March, 2022 as compared to ₹498.09 crore as on 31st March, 2021. The average level of holding of raw material stood at 39 days of consumption as compared to a level of 34 days during the previous year due to substantial increase in cost of coal and stock in transit.

xvi) Sundry debtors

The debtors outstanding as on 31st March, 2022 were improved to 22 days of sales as compared to 27 days in FY 31st March, 2021.

xvii) Short-term loans and advances

Loans and advances as on 31st March 2022 stood at ₹273.31 crores as against ₹169.29 crores on 31st March 2021. In addition to above the company has extended unsecured loan to other bodies corporates to the tune of ₹189.53 crores.

xviii) Secured and unsecured loans taken:

The entire term loan has been repaid by the Company during the Financial Year 2021-22. Hence at the end of the year, secured term loan has been reduced to NIL as against ₹455.18 crores in FY 2021-22.

xix) Deferred tax liabilities

The deferred tax liability as on 31st March, 2022 was ₹149.77 crores as compared to ₹161.15 crores during the previous year.

FINANCIAL AND OPERATING RATIOS:

Ratio	2021-22	2020-21	%change	Reason
Debtors turnover (no. of days)	22	27	18.51%	Due to increase in export volume.
Inventory turnover(no. of days)	39	34	-14.70%	Due to higher production
Interest coverage ratio	84.59	5.39	1469%	Due to debt reduction and improved profitability
Current ratio	2.06	2.41	14.52%	Due to lower utilization of working capital finance. debt reduction and improved profitability.
Debt equity ratio	0.13	0.30	56.67%	
Operating profit margin(%)	33.11%	23.15%	9.96%	Improved market realization coupled with optimum capacity utilization.
Net profit margin(%)	26.62%	17.19%	9.43%	
Return on net worth(%)	43.66%	34.65%	9.01%	

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 thefullest capacity to contribute to developing and achieving individual excellence with organizational objectives. YourCompany 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 & fore most 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
- Organizedprogram 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.

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 railway siding is located at about 3 KM away from plant for transport of pellet, making it an attractive location for such project.

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, taxlaws, and other incidental factors.

ANNEXURE-10 TO BOARD'S REPORT 2021-22

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 and has been amended by the Board on 31.01.2022.	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 and has been amended by the Board on 31.01.2022.	http://www.godawaripowerispat.com/investors-information/policies/
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/

NAME OF THE POLICY	BRIEF DESCRIPTION	WEBLINK
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/
Prevention of Sexual Harassment (POSH) at work place policy		

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 accompanying standalone financial statements of **GODAWARI POWER & ISPAT LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and 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, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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 made 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 obtained by us 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 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, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's 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 during the course of our 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 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 statements 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.

The Board of Directors is 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 scepticism 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 control 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 adequate internal financial controls system in place 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 the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's 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 the key audit matters. We describe these matters in our auditor's 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, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flows 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.

    e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 Auditor's 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 accordance with the provisions of section 197 of the Act.

    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.

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

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

        iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

        (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 37 to the standalone financial statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

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

Sanjay Dewangan
Partner
Membership number: 409524

Raipur, 28th May, 2022
UDIN: 22409524AJUWSY3674

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Godawari Power & Ispat Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date except the amalgamated companies viz. erstwhile RR Ispat Limted and Hira Industries Limited as referred in Note-3 to the standalone financial statements.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) 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 more than 10% or more in the aggregate of each class of inventory and have been properly dealt with in the books of account.

(b) Based on the audit procedure and on an overall examination of financial statements, we are of the opinion that the stock statements and quarterly results filed by the company, in respect of working capital loan availed from banks, are in agreement with the books of account of the company.

iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

(a) The Company has provided unsecured loans or advances in the nature of loans and provided security to any other entity during the year,

A) The Company has provided loans or advances in the nature of loans and corporate guarantee, or provided security to subsidiaries during the year. The aggregate amount of loan or advances given during the year ₹31847.33 lacs and corporate guarantee of ₹27116.00 lacs respectively and the balance outstanding with respect to such loans provided at the balance sheet date was ₹ Nil and the corporate guarantee of ₹27116.00 lacs.

B) The aggregate amount of loan given during the year ₹22453.00 lacs and the balance outstanding with respect to such loans and security provided at the balance sheet date other than subsidiaries, associates and Joint ventures is ₹18953.00 lacs.

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to Promoters or KMP or related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

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. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, duty of Custom, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Period	Amount* (₹ in lacs)	Forum where dispute is pending
Central Excise Act,1944	Denial of Service Tax credit	2011-12 to 2015-16	57.65	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
Service Tax	Credit of Iron ore not received after crushing	2010-11	4.18	Assistant Commissioner, Central Excise & Service Tax, Raipur
Customs Act, 1962	Demand of Customs duty on imported Coal due to classified as Bituminous Coal	2012-13	10.00	CESTAT, HYDERABAD
Central Excise Act,1944	Disallowance of Cenvat Credit on Input, Input Services and Capital Goods	2015-16, 2016-17 & upto June'17	5.26	CESTAT, New Delhi.
Central Excise Act,1944	Demand of short payment of duty on related party transaction with	2014-15 to 2016-17	27.77	CESTAT, New Delhi.
Central Excise Act,1944	Cenvat Credit on Inputs	April 2008 to February 2009	16.69	Commissioner, Central Excise & Service Tax, Raipur
Central Excise Act,1944	Demand on account of Cenvat Credit denial	2007-08	11.12	Addl. Commissioner, Central Excise & Service Tax, Raipur

Name of Statute	Nature of Dues	Period	Amount* (₹ in lacs)	Forum where dispute is pending
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	5974.80	Supreme Court
Indian Stamp Act	Disputed demand in respect of stamp duty and registration charges of mining lease	April' 2016	68.77	High Court, Chhattisgarh

* net of deposit

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender and hence reporting under clause 3(ix)(a) of the Order is not applicable.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the end of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(c) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) in accordance with Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

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

Sanjay Dewangan
Partner
Membership number: 409524

Raipur, 28th May, 2022
UDIN: 22409524AJUWSY3674

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Godawari Power & Ispat Limited of even date)

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 March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company 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 (the "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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 March 31, 2022, based on the criteria for internal financial control over financial reporting 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

Sanjay Dewangan
Partner
Membership number: 409524

Raipur, 28th May, 2022
UDIN: 22409524AJUWSY3674

Balance sheet as at 31.03.2022

(₹ in lacs)

Particulars	Note No	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3.1	1,29,949.38	1,31,345.57
(b) Capital work-in-progress	3.2	41,636.55	5,402.19
(c) Other intangible assets	4	8,253.27	9,275.07
(d) Financial assets			
- Investments	5	34,135.27	34,113.98
- Other financial assets	6	3,213.27	886.42
(e) Other non-current assets	7	5,137.00	1,790.55
Current-assets			
(a) Inventories	8	74,439.02	49,808.98
(b) Financial assets			
(i) Trade Receivables	9	29,271.89	26,613.01
(ii) Cash and cash equivalents	10	654.09	754.52
(iii) Bank balances other than Cash and cash equivalents mentioned above	10	54,214.02	3,162.49
(iv) Loan	11	18,953.00	-
(v) Other Financial Assets	12	1,000.00	-
(c) Other current assets	7	27,331.36	16,928.89
Total Assets		**4,28,188.12**	**2,80,081.67**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	6,822.25	3,411.12
(b) Other equity	14	3,02,552.73	1,77,187.99
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	-	41,115.89
(ii) Other non-current financial liabilities	16	1,405.69	533.85
(b) Provisions	17	2,322.91	1,387.70
(c) Deferred tax liabilities (Net)	18	14,977.52	16,115.08
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	39,551.22	12,291.65
(ii) Trade Payables	20		
- total outstanding dues of micro enterprises and small enterprises		10.21	85.10
- total outstanding dues of creditors other than micro enterprises and small enterprises		46,453.52	19,259.83
(iii) Other Financial Liabilities	21	3,636.08	4,273.21
(b) Other current liabilities	22	4,697.29	1,375.51
(c) Provisions	17	124.20	77.44
(d) Current tax liabilities (Net)		5,634.50	2,967.28
Total Equity and Liabilities		**4,28,188.12**	**2,80,081.67**
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

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Y.C. Rao
Company Secretary
FCS 3679

Sanjay Bothra
CFO

Statement of Profit & Loss for the year ended 31st March, 2022

(₹ in lacs)

Particulars	Note No	2021-22	2020-21
INCOME			
Revenue from operations	23	5,07,460.07	3,64,086.81
Other Income	24	1,833.50	520.09
TOTAL INCOME		**5,09,293.57**	**3,64,606.90**
EXPENSES			
Cost of materials consumed	25	2,13,778.62	1,65,366.67
Purchases of Stock-in-Trade		13,706.69	7,111.56
Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods	26	(4,524.58)	(141.67)
Employee benefits expense	27	14,329.40	12,394.66
Finance costs	28	1,735.05	10,998.62
Depreciation and amortization expense	29	10,174.69	9,648.76
Other Expenses	30	92,071.29	74,955.23
TOTAL EXPENSES		**3,41,271.15**	**2,80,333.84**
Profit/(loss) before exceptional item and tax		**1,68,022.42**	**84,273.06**
Exceptional items (refer note 41)		9,874.46	6,299.76
Profit/(loss) before tax		**1,77,896.88**	**90,572.82**
Tax expense:			
Current tax		43,984.72	15,954.42
Deferred Tax		(1,184.40)	12,042.06
Total income tax expense		**42,800.32**	**27,996.48**
Profit/(loss) for the period		**1,35,096.57**	**62,576.34**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plans		(691.35)	19.52
Income tax relating to items that will not be reclassified to profit or loss		174.00	(33.35)
Fair value of financial assets		973.68	91.81
Income tax relating to items that will not be reclassified to profit or loss		(220.84)	(15.59)
Total Other Comprehensive Income, net of tax		**235.49**	**62.39**
Total Comprehensive Income for the period Comprising Profit/(Loss) and Other Comprehensive Income for the period)		**1,35,332.05**	**62,638.73**
Earnings per equity share	31		
Basic		99.01	45.86
Diluted		99.01	45.86
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

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Y.C. Rao
Company Secretary
FCS 3679

Sanjay Bothra
CFO

Statement of Changes in Equity for the year ended 31st March, 2022

Equity Share Capital

(₹ in lacs)

Particulars	Balance as at 01.04.2020	Changes in Equity Share Capital due to prior period	Restated balance at the beginning of the respective reporting periods	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

Particulars	Balance as at 01.04.2021	Changes in Equity Share Capital due to prior period	Restated balance at the beginning of the respective reporting periods	Changes in the equity share capital during the year	Balance as at 31.03.2022
Equity Share Capital	3,411.12	-	3,411.12	3,411.12	6,822.25

Other Equity

(₹ in lacs)

	Reserves and Surplus				Fair Value of financial assets through Other Comprehensive Income (Net of Tax)	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings		
Balance at the beginning of the reporting period 01.04.2020	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 period				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**
Remeasurements of the net defined benefit plans, Net of Tax				(517.35)		(517.35)
Fair Value of Financial assets through Other Comprehensive Income, Net of Tax					752.84	752.84
Utilised towards Issue of Bonus Shares		(3,411.12)				(3,411.12)
Transaction cost towards issue of Bonus Shares		(37.49)				(37.49)
Interim Dividend paid on Equity Share				(1,761.81)		(1,761.81)
Final Dividend paid on Equity Share				(4,756.89)		(4,756.89)
Profit/(loss) for the period				1,35,096.57		1,35,096.57
Balance at the end of the reporting period 31.03.2022	**1,695.36**	**17,335.44**	**17,766.00**	**2,65,343.63**	**412.30**	**3,02,552.73**

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

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Y.C. Rao
Company Secretary
FCS 3679

Sanjay Bothra
CFO

Statement of Cash Flows for the year ended 31st March, 2022

(₹ in lacs)

Particulars		2021-22	2020-21
Cash Flow from operating activities			
Profit/(loss) before tax for the year		1,77,896.88	90,572.82
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation/amortization		10,174.69	9,648.76
Loss/(profit) on sale of property, plant & equipment		(226.64)	(241.49)
Loss/(profit) on sale of non-current investments		(10.10)	-
Employee benefits		283.69	248.53
Investment written off		-	1.00
Provision/Allowances for credit loss on debtors		(140.12)	767.32
Finance Cost		1,735.05	10,998.62
Interest Income		(1,572.22)	(170.78)
Exceptional items		(9,874.46)	(6,299.76)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**1,78,266.77**	**1,05,525.03**
Movements in working capital :			
Increase/(decrease) in trade payables		27,118.81	6,602.98
Increase/(decrease) in other financial liabilities		(649.26)	1,685.24
Increase/(decrease) in other current liabilities		3,321.77	483.34
Increase/(decrease) in Other non-current financial liablities		871.83	88.76
Decrease/(increase) in trade receivables		(2,518.76)	(11,842.82)
Decrease/(increase) in inventories		(24,630.04)	(5,222.64)
Decrease/(increase) in other financial assets		(1,000.00)	-
Decrease/(increase) in other current assets		(10,402.47)	(4,364.19)
Decrease/(increase) in other non-current assets		(2,045.44)	103.33
Cash generated from/(used in) operations		**1,68,333.21**	**93,059.03**
Direct taxes paid (net of refunds)		(41,317.50)	(12,964.68)
Net Cash flows from/(used in) operating activities	**A**	**1,27,015.71**	**80,094.35**
Cash flows from investing activities			
Purchase of fixed assets, including intangible assets and CWIP		(45,339.33)	(5,039.96)
Proceeds from sale of property, plant & equipment		273.89	1,386.63
Proceeds from sale of non-current investments		35,242.18	8,701.73
Purchase of non-current investments		(24,396.61)	(1,800.00)
(Increase)/decrease in loans		(18,953.00)	-
Investments in bank deposits (having original maturity of more than three months)		(53,366.25)	(2,508.79)
Interest received		1,572.22	170.78
Net cash flows from/(used in) investing activities	**B**	**(1,04,966.89)**	**910.39**
Cash flows from financing activities			
Transaction cost on issue of bonus shares		(37.49)	-
Repayment of long-term borrowings		(45,518.11)	(60,249.87)
(Repayment)/Proceeds of short-term borrowings (net)		31,661.79	(7,381.54)
Finance Cost		(1,736.73)	(10,998.62)
Dividends paid on equity shares		(6,518.71)	(1,761.81)
Net cash flows from/(used in) financing activities	**C**	**(22,149.25)**	**(80,391.84)**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		**(100.43)**	**612.90**
Cash and Cash Equivalents at the beginning of the year		754.52	141.62
Cash and Cash Equivalents at the end of the year		**654.09**	**754.52**
Notes:			
Components of cash and cash equivalents			
Cash in hand		3.90	5.66
Deposits with original maturity of less than three months		282.00	113.00
With banks- on current account		368.19	635.86
		654.09	**754.52**

Statement of Cash Flows for the year ended 31st March, 2022

Reconciliation between opening & closing balances in the Balance Sheet for liabilities arising from financial activities due to cash flows and non-cash flow changes.

(₹ in lacs)

Particulars	As at 01.04.2021	Cash flow		Non Cash changes	As at 31.03.2022
		Proceeds	Repayments	Classification changes	
Long-Term Borrowings	45,518.11	-	(45,518.11)	-	-
Short-Term Borrowings	7,889.43	31,661.79	-	-	39,551.22
Total	**53,407.53**	**31,661.79**	**(45,518.11)**	**-**	**39,551.22**

Figures in the bracket represents cash outflow.

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

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Y.C. Rao
Company Secretary
FCS 3679

Sanjay Bothra
CFO

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

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 28 May 2022.

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

All other liabilities are classified as non-current.

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

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

b) Fair Value Measurement

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

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

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

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

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

c) Property, Plant and Equipment (PPE)

i) 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

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.

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

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 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

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.

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

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

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

k) Borrowing Cost

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

l) Income Taxes

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

i) Current tax

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

ii) Deferred tax

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

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

m) Foreign Currency Transactions

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

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

n) Employee Benefits Expense

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

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 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

r) Financial Intruments

i) Financial Assets

A. Initial recognition and measurement

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

B. Subsequent measurement

Financial assets carried at amortised cost

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

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

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

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

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

C. Investment in subsidiaries, Associates and Joint Ventures

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

D. Other Equity Investments

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

E. Impairment of financial assets

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

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

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

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

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

ii) Financial Liabilities

A. Initial recognition and measurement

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

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

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 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

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

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

b) Recoverability of trade receivable

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

c) Provisions

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

d) Impairment of non-financial assets

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

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

e) Measurement of defined benefit obligations

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

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

2.5 NEW AND AMENDED STANDARDS

Amendments and interpretations as outlined below apply for the year ended 31 March, 2022, but do not have an impact on the Standalone Financial Statements.

a) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116.

b) Ind AS 116: COVID-19 related rent concessions.

c) Ind AS 103: Business combinations.

d) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28.

The company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

2.6 CONCEPTUAL FRAMEWORK FOR FINANCIAL REPORTING UNDER IND AS ISSUED BY ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Company.

Notes to the standalone financial statements for the year ended 31st March, 2022

3.1 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 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**
Additions	374.49	-	1.06	454.86	6,600.32	13.27	359.46	7,803.46
Disposals	4.61	-	-	-	262.20	188.13	55.10	510.04
At 31 March, 2022	**4,868.09**	**467.11**	**1,648.98**	**31,144.94**	**1,43,754.69**	**87.62**	**1,068.02**	**1,83,039.46**
Depreciation								
At 1 April 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**
Charge for the year	-	4.80	-	1,249.22	7,785.72	19.51	93.15	9,152.39
(Disposals)/Adjustment	-	-	-		246.40	178.73	37.65	462.78
At 31 March, 2022	-	23.19	-	7,721.29	44,996.10	22.52	326.99	53,090.08
Net Block								
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
At 31 March, 2022	4,868.09	443.92	1,648.98	23,423.66	98,758.59	65.11	741.03	1,29,949.38

Note:

Details of property, plant and equipment pledged against borrowings is presented in note 15 and 19.

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company itself except stated below in respect of amalgamated companies where immovable properties are held in their name. Further, the company has not carried out revaluation of items of Property, Plant & Equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered.

Notes to the standalone financial statements for the year ended 31st March, 2022

Details of Freehold and leasehold land of the amalgamated companies viz. erstwhile RR Ispat Limted and Hira Industries Limited which are held in their name.

Description of the Property	Gross carrying value	Tiltle deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Freehold Land	3.12	Hira Industries Limited	No	01.04.2010	Due to pendency of dispute related to adjudication of stamp duty for registration of property in the name of the company.
Leasehold Land	0.40	Hira Industries Limited	No	01.04.2010	
Freehold Land	37.25	RR Ispat Limited	No	01.04.2010	
Leasehold Land	4.48	RR Ispat Limited	No	01.04.2010	

3.2 Capital Work-in-Progress

(₹ in Lacs)

	As on 01.04.2020	Addition	Transfer/Deletion	As on 31.03.2021	Addition	Transfer/Deletion	As on 31.03.2022
Capital Work-in-Progress	5,289.86	4,319.52	4,207.20	5,402.19	41,145.21	4,910.84	41,636.55
	5,289.86	**4,319.52**	**4,207.20**	**5,402.19**	**41,145.21**	**4,910.84**	**41,636.55**

Details of Capital Work in Progress

(₹ in Lacs)

	Amount in CWIP for a period of 31.03.2022				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Project in progress	38,436.47	1,622.18	1,135.05	114.56	41,308.26
Project temporarly suspended	-	-	-	328.29	328.29

Details of Capital Work in Progress

(₹ in Lacs)

	Amount in CWIP for a period of 31.03.2021				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Project in progress	2,778.62	1,965.67	194.86	34.15	4,973.31
Project temporarly suspended	-	-	-	428.88	428.88

Note:

As at the balance sheet date,the assets/projects forming part of capital work in progress are neither exceeded its estimated cost nor its estimated completion time line.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

4. Other Intangible assets

(₹ in Lacs)

	Computer software	Mining Assets	Total
Gross Block			
Carrying Value			
At 1 April 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**
Purchase/additions	0.50	-	0.50
At 31 March, 2022	**931.61**	**13,534.55**	**14,466.16**
Amortization			
At 1 April 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**
Charge for the year	76.09	946.20	1,022.29
At 31 March, 2022	**520.69**	**5,692.19**	**6,212.88**
Net Block			
At 31 March, 2021	**486.52**	**8,788.55**	**9,275.07**
At 31 March, 2022	**410.92**	**7,842.35**	**8,253.27**

5 Investments

(₹ in Lacs)

Particulars	Face value per unit in ₹	No. of Shares/ Units	As at 31.03.2022	As at 31.03.2021
Investment in subsidiaries				
Valued at cost				
Unquoted equity instruments, fully Paid up				
Godawari Green Energy Ltd.	10	0 (17846940)	-	17,801.94
*Godawari Energy Ltd.	10	22999940 (11800000)	2,859.99	1,180.00
** Hira Ferro Alloys Ltd.	10	17545621 (0)	19,232.61	-
Unquoted debenture instruments, fully Paid up				
0.01 % Optionaly Convertible Debentures				
Godawari Energy Ltd.	10	69000000 (69000000)	6,900.00	6,900.00
Unquoted Preference (OCCPS) instruments, fully Paid up				
Godawari Green Energy Ltd.	100	0 (1800000)	-	1,800.00
Investment in step down subsidiaries				
Unquoted equity instruments, fully Paid up				
Hira Energy Ltd	10	14,000	-	-
Investment in joint ventures				
Valued at cost				
Investment in equity instruments, fully Paid up (unquoted)				
Raipur Infrastructure Company Ltd	10	130800 (130800)	210.70	210.70
Chhattisgarh Capitive Coal Mining Private Ltd	10	342824 (342824)	473.54	473.54

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

5 Investments (Contd.)

(₹ in Lacs)

Particulars	Face value per unit in ₹	No. of Shares/ Units	As at 31.03.2022	As at 31.03.2021
Investment in associates				
Valued at cost				
Investment in equity instruments, fully Paid up (unquoted)				
Hira Ferro Alloys Ltd.	10	0 (9491000)	-	2,234.26
Jagdamba Power & Alloys Ltd	10	2605000 (2605000)	260.50	260.50
Chhattisgarh Ispat Bhoomi Ltd	10	2810000 (2810000)	489.40	489.40
Ardent Steel Private Ltd.	10	3998800 (3998800)	2,362.09	2,362.09
Carried at Fair Value through OCI				
Investment in equity instruments, fully Paid up (unquoted)				
Hira Steels Limited	10	1940100 (1940100)	738.69	334.45
Hira Energy Ltd	10	14000	-	-
Hira Energy Ltd	10	14000 (14000)	5.74	5.74
Hira CSR Foundation	10	3750 (0)	0.38	-
Investment in preference shares, fully Paid up (unquoted)				
Hira Infra-tek Ltd.	10	5830000 (0)	583.00	-
Carried at Fair Value through OCI				
Investment in mutual fund, fully Paid up				
Baroda Pioneer Banking & Financial Services Fund Plan-A-Growth	10	19990 (19990)	5.61	5.48
Canara Robeco Capital Protection Oriented Fund Series-9	10	0 (350000)	-	43.61
Canara Robeco Capital Protection Oriented Fund Series-10	10	100000 (100000)	13.02	12.27
			34,135.27	**34,113.98**
Agrregate amount of quoted investments and market value thereof			18.63	61.36
Agreegate amount of Unquoted investments			34,116.64	34,052.62
Investment carried at cost			32,788.84	33,712.44
Investment carried at fair value through OCI			1,346.43	401.54

Investments given as security

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

** 4454621 equity shares were pending for transfer in D-Mat account as on 31.03.2022

Previous year figures of numbers of shares and units are in brackets( ).

6. OTHER FINANCIAL ASSETS

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Other Non current bank balances having maturity for more than 12 months	3,213.27	886.42
	3,213.27	**886.42**

Deposits with banks having maturity for more than 12 months are pledged with various banks for availing Bank Guarantee and pledged with other Govt. Departments.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

7. Other assets (unsecured, considered good)

(₹ in Lacs)

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Advance for capital goods	1,996.45	695.45	-	
Advances other than capital advances				
Advance to Vendors			13,089.14	11,226.55
Prepaid expenses			223.68	172.49
Balance with statutory/govt. authorities			14,018.54	5,529.85
Security deposit with govt. & others	3,140.54	1,095.10		-
Total	**5,137.00**	**16,928.89**	**5,137.00**	**16,928.89**

8. Inventories (valued at lower of cost and net realizable value)

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Raw Materials	45,570.86	28,793.23
Work-in-progress	3,337.81	1,808.97
Finished goods and by-products	11,947.08	8,490.69
Stock-in-trade	-	460.65
Stores & spares	13,583.26	10,255.43
	74,439.02	**49,808.98**

9. Trade receivables

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Trade receivables considered good - Unsecured	29,271.89	26,613.01
Trade Receivables which have significant increase in Credit Risk	654.75	794.87
	29,926.64	**27,407.88**
Less: Provision/Allowances for credit loss on debtors	654.75	794.87
	29,271.89	**26,613.01**

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.

Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021: (₹ in Lacs)

Particulars	Outstading for following periods from Due Date of Payment as on 31.03.2022						
	Not due	< 6 Months	6 Months-1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) Undisputed trade Receivables- Considered goods	21,713.00	7,410.33	86.34	13.34	48.88	-	29,271.89
(ii) Undisputed trade Receivables- Which have significat increase in Credit Risk	-	-	-	3.57	118.36	532.82	654.75
(iii) Undisputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-	-
(iv) disputed trade Receivalbes- considered goods	-	-	-	-	-	-	-
(v) disputed trade Receivalbes- Which have significat increase in Credit Risk	-	-	-	-	-	-	-
(vi) disputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-	-
Total	**21,713.00**	**7,410.33**	**86.34**	**16.91**	**167.24**	**532.82**	**29,926.64**

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

9. Trade receivables (Contd.)

(₹ in Lacs)

Particulars	Outstading for following periods from Due Date of Payment as on 31.03.2021						
	Not due	< 6 Months	6 Months-1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) Undisputed trade Receivalbes- Considered goods	22,643.27	3,344.88	23.45	218.92	382.49	-	26,613.01
(ii) Undisputed trade Receivalbes- Which have significat increase in Credit Risk	-	-	-	4.82	528.19	261.86	794.87
(iii) Undisputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-	-
(iv) disputed trade Receivalbes- considered goods	-	-	-	-	-	-	-
(v) disputed trade Receivalbes- Which have significat increase in Credit Risk	-	-	-	-	-	-	-
(vi) disputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-	-
Total	**22,643.27**	**3,344.88**	**23.45**	**223.73**	**910.68**	**261.86**	**27,407.88**

10. Bank, Cash and cash equivalents

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Cash and cash equivalents		
Balances with banks:		
On current accounts	368.19	635.86
Deposits with original maturity of less than three months	282.00	113.00
Cash on hand	3.90	5.66
	654.09	**754.52**
Other bank balances		
Earmarked balances - Unpaid dividend account	18.24	6.11
Deposits with original maturity for more than 3 months	57,863.06	3,156.38
but less than 12 months		
	57,881.30	**3,162.49**
Less: Bank Over draft facilities	3,667.29	-
	54,214.02	**3,162.49**
	54,868.11	**3,917.01**

Out of total Deposits, deposits of ₹ 31890.43 lacs (previous year ₹ 3156.38 lacs) are pledged with various banks for availing LC, Bank Guarantee, OD facilities, margin money and pledged with other Govt. Departments.

11. Loans

(₹ in Lacs)

	Current	
	As at 31.03.2022	As at 31.03.2021
Loan to body corporate & Others with stipulated terms - Unsecured considered good	8,653.00	-
Loan to body corporate repayable on demand - Unsecured considered good	10,300.00	-
Total	**18,953.00**	**-**

Note:

The Company has not made any loans or advances in the nature of loans to Promoters, Directors, KMP's and the related parties which are outstanding as at the end of the current year and previous year.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

12. Other financial assets (considered good, unsecured)

(₹ in Lacs)

	Current	
	As at 31.03.2022	As at 31.03.2021
Other receivables	1,000.00	-
Total	1,000.00	-

13. Equity Share capital

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Authorised		
141600000 (31st March, 2021: 49800000) equity shares of ₹ 5/- each (previous year ₹ 10/- each)	7,080.00	4,980.00
	7,080.00	4,980.00
Issued, subscribed and fully paid-up		
136444988 (31st March, 2021: 34111247) equity shares of ₹ 5/- each fully paid-up (previous year ₹ 10/- each)	6,822.25	3,411.12

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

	As at 31.03.2022		As at 31.03.2021	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period*	6,82,22,494	**3,411.12	3,41,11,247	**3,411.12
Bonus Issued during the period	6,82,22,494	**3,411.12	-	-
Outstanding at the end of the period	13,64,44,988	6,822.25	3,41,11,247	**3,411.12

* Shares at the beginning of the period have been sub-divided into 2 shares of 5/- each during the year.

** Value of Treasury shares of 4500000 nos. of ₹ 5/- each (previous year 1125000 nos. of ₹ 10/- each) 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 ₹ 5/- 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/subsidiary company

Out of equity shares issued by the company, shares held by its associate/subsidiary company are as below:

(₹ in Lacs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Equity shares of ₹ 5/- each (previous year ₹ 10/- each) fully paid		
4800000 (1200000) nos. of shares held by Hira Ferro Alloys Ltd.	240.00	120.00
	240.00	120.00

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

13. Equity Share capital (Contd.)

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

	As at 31.03.2022		As at 31.03.2021	
	No.*	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 5/-each (previous year ₹ 10/- each) fully paid				
Hira Infra-tek Limited	7162608	5.25	1790652	5.25
Dinesh Agrawal	7385388	5.41	1846347	5.41
B.L. Agrawal (HUF)	10955728	7.77	2738932	7.77
Vinay Agrawal	7501864	5.32	1875466	5.32
Kumar Agrawal	9842712	6.98	2460678	6.98
	42848300	**30.73**	**10712075**	**30.73**

* after sub-divided one equity shares from ₹ 10/- each into two equity shares of ₹ 5/- each and bonus shares in the ratio of 1:2.

e. In the period of five years, the Company has issued bonus shares 1:2 ratio by capitalizing a part of the securities premium during the year ended March 31, 2022. Further, the company has not bought back any equity shares or has allotted any equity shares as fully paid up consideration other than cash in the period of five years.

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. During the year the company has sub-divided one equity shares from ₹ 10/- each into two equity shares of ₹ 5/- each.

h. Shares held by promoters at 31 March 2022

	No. of Shares	% of total shares	% Change during the year
Name of Promoter			
Bajrang Lal Agrawal	69,25,592	4.91	-
N P Agrawal	30,77,384	2.18	-
Hanuman Prasad Agrawal	50,20,000	3.56	-
Dinesh Agrawal	73,85,388	5.24	-
Name of Promoter Group			
Sarita Devi Agrawal	6102916	4.33	-
Bajrang Lal Agrawal HUF	10955728	7.77	-
Kumar Agrawal	5842712	4.15	(2.84)
Reena Agrawal	4004000	2.84	2.55
Madhu Agrawal	4200000	2.98	2.84
Abhishek Agrawal	340000	0.24	-
Kanika Agrawal	2864400	2.03	1.70
Late Suresh Agrawal (Under process of transmission in the name of his legal heirs)	2500000	1.77	-
Siddharth Agrawal	376000	0.27	-
Vinay Agrawal	3901864	2.77	(2.55)
Narayan Prasad Agrawal HUF	1900000	1.35	-
Pranay Agrawal	987832	0.70	(0.85)

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

13. Equity Share capital (Contd.)

	No. of Shares	% of total shares	% Change during the year
Prakhar Agrawal	930000	0.66	(0.85)
Dinesh Agrawal HUF	3356236	2.38	-
Suresh Kumar Agrawal HUF	3112684	2.21	-
Radheyshyam Agrawal HUF	1920000	1.36	-
Hanuman Prasad Agrawal HUF	200000	0.14	-
Hira Infra-Tek Limited	7162608	5.08	-
Hira Cement Limited	858068	0.61	-
Hira Ferro Alloys Limited	4800000	3.41	-
Alok Ferro Alloys Limited	1920000	1.36	-
GPIL Beneficiaries Trust	4500000	3.19	-

i. Apart from authorised equity share capital, the company is also having authorised preference share capital consisting 3200000 preference shares of ₹ 10/- each as on 31.03.2022 and 31.03.2021.

14. Other Equity

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
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
Less: utilised towards issue of bonus equity shares	3,411.12	-
Less: utilised towards transaction cost on issue of bonus equity shares	37.49	-
	17,335.44	**20,784.05**
General Reserve		
Balance as per last financial statements	17,766.00	17,766.00
	17,766.00	**17,766.00**
Retained Earnings		
Balance as per last financial statements	1,37,283.13	76,482.43
Profit for the year	1,35,096.57	62,576.34
Remeasurements of the net defined benefit plans, Net of Tax	(517.35)	(13.83)
Interim Dividend paid on Equity Share	(1,761.81)	(1,761.81)
Final Dividend paid on Equity Share	(4,756.89)	-
	2,65,343.63	**1,37,283.13**
Items of Other Comprehensive Income		
Fair Value of financial assets through Other Comprehensive Income		
Balance as per last financial statements	(340.54)	(416.76)
Other Comprehensive Income recognized during the year, net of tax	752.84	76.22
	412.30	**(340.54)**
	3,02,552.73	**1,77,187.99**

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. During the year the company has issued and allotted 6,82,22,494 equity shares of ₹ 5/- each as bonus equity shares in the proportion of 2 (two) equity share for every 1 (One) existing equity share held

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

14. Other Equity (Contd.)

by the members by capitalizing the securities premium account of the Company in compliance with the provisions of the Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

c. 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.

d. Retained earnings are the profits and gains that the Company has earned till date less any transfer to General Reserve, dividends or other distributions made to shareholders.

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.

15. Borrowings

(₹ in Lacs)

	Non-current portion		Current maturities	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Term Loans				
Secured loan from bank	-	41,115.89	-	4,402.22
	-	**41,115.89**	**-**	**4,402.22**
The above amount includes				
Secured borrowings	-	41,115.89	-	4,402.22
Unsecured borrowings	-	-	-	-
Amount disclosed under the head				
"short term borrowings" (refer note 19)			-	(4,402.22)
Net amount	**-**	**41,115.89**	**-**	**-**

Security and terms & conditions for above loans:

The rupee term loans agreegating to ₹ Nil (Previous year ₹ 45518.11 lacs) (including current maturities of ₹ Nil (Previous year ₹ 4402.22 lacs) classified under 'short term borrowings' in note 19) 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.

Repayment terms for above loans:

Rupee term loan outstanding aggregating to ₹ Nil (Previous year ₹ 45518.11 lacs) are repayable in 168 monthly instalments which shall be ended on 31st March 2032.

During the year, the company has made prepayment of all term loans from banks and all the charges or satisfaction of which is required to be registered with Registrar of Companies(ROC) have been duly registered within the statutory time limit provided under the provisions of Companies Act 2013 and rules made thereunder, except in one case where no dues certificate from lender is pending for filing of satisfaction of charge with Registrar of Companies.

Details of Satisfaction of charge pending for filing with ROC:

Charge amount	4,860.00
Date of Creation	10.02.2009

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

16. Other non-current financial liabilities

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Retention money payable	1,405.69	533.85
	1,405.69	**533.85**

17. Provisions

(₹ in Lacs)

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits				
- Gratuity	1,985.08	1,120.37	104.21	61.20
- Leave obligations	337.84	267.33	19.99	16.24
	2,322.91	**1,387.70**	**124.20**	**77.44**

18. Deferred Tax Liabilities (Net)

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Deferred Tax Assets/(Liabilities)		
Temporary differences on account of PPE & Other intangible assets	(16,896.07)	(16,782.00)
Temporary differences on account of fair valuation of Investments	(176.37)	44.48
Temporary differences on account of Employee Benefits	662.45	422.40
Others	1,432.47	200.05
Net deferred tax assets/(liabilities)	**(14,977.52)**	**(16,115.08)**
RECONCILIATION OF DEFERRED TAX ASSETS/(LIABILITIES) (NET)		
Deferred Tax Assets/(Liabilities)		
Deferred tax (liability) / assets at the beginning of the year	(16,115.08)	(4,024.08)
Temporary differences on account of PPE & Other intangible assets	(114.07)	(3,011.33)
Temporary differences on account of Employee Benefits	240.05	(9.56)
Utilization of unabsorbed depreciation/losses	-	(126.87)
Other temporary differences	(256.11)	174.84
On account of unabsorbed losses	1,267.68	-
Impact of change in tax rate for future period	-	6,022.66
MAT credit forgo (adopting new tax resigm from next year)	-	(919.48)
MAT Credit arised/(Utilized)	-	(14,221.27)
DEFERRED TAX (LIABILITIES) / ASSETS AT THE END OF THE YEAR	**(14,977.52)**	**(16,115.08)**

19. Borrowings

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Working capital facility from banks repayable on demand (secured)	21,260.42	7,889.43
Buyers Credit facilities from bank (secured)	18,290.80	-
Current maturities of long-term borrowings (secured) (refer note-15)	-	4,402.22
The above amount includes	**39,551.22**	**12,291.65**
Secured borrowings	39,551.22	12,291.65

Terms & Conditions of Secured Loans

1. The working capital facilities from Banks are secured by 1st Pari passu charge by the way of hypothecation with consortium member bank on the entire existing as well as on future current assets of the company. The facilities further secured by 2nd Pari passu charge by the way of Equitable Mortgage (EM) of land & building along with hypothecation of plant and machineries and other movable fixed assets including entire existing as well as future fixed assets of the company including intangibles/goodwill and EM of land and building at phase-I industrial area, Siltara, Raipur, Chhattisgarh.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

19. Borrowings (Contd.)

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 1,18,00,000 shared of Godawari Energy Ltd. held by the Company (1st pari passu charge among working capital lenders) and Corporate guarantee of M/s Godawari Energy Ltd.

4. The Buyer's credit facilities from bank in respect of Solar Project – Rajnandgaon – 70 MW is secured by First and exclusive charge on the entire fixed assets both movable (excluding current assets) and immovable pertaining the solar project including land admeasuring 193.36 acres located at Rajnandgaon district in Chhattisgarh of borrower, present and future.

5. The Buyer's credit facilities from bank in respect of Solar Project – Bemetara – 25 MW is secured by Primary charge by the way of hypothecation of movable assets including goods under LC, plant, and machinery etc. at the proposed solar power plant of 25 MW. It is further secured by Exclusive charge by way of equitable mortgage of land over which the proposed 25 MW solar power plant is being set up (Proposed at Dist. Bemetara, Chhattisgarh).

Other Notes:

1. The Company has working capital facilities from banks on the basis of security of current assets & submitting quartely Financial Follow up Report as per the terms & conditions of sanction letters.There are no material discrepancies in the amount of current assets between Financial Follow Report and books of account.

2. None of the banks, financial institutions or other lenders from whom the company has borrowed funds has declared the company as a wilful defaulter at any time during the current year or in previous year.

20. Trade Payable

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	10.21	85.10
- total outstanding dues of creditors other than micro enterprises and small enterprises	46,453.52	19,259.83
	46,463.74	**19,344.93**

Trade Payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021: (₹ in Lacs)

Particulars	Outstading for Following periods from due date of Payment as on 31.03.2022						
	Unbilled	Not due	< 1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) MSME	-	-	10.21	-	-	-	10.21
(ii) Others	19.55	36,431.27	10,002.71	-	-	-	46,453.52
(iii) Disputed Dues- MSME	-	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-	-
Total	**19.55**	**36,431.27**	**10,012.92**	**-**	**-**	**-**	**46,463.74**

(₹ in Lacs)

Particulars	Outstading for Following periods from due date of Payment as on 31.03.2021						
	Unbilled	Not due	< 1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) MSME	-	-	85.10	-	-	-	85.10
(ii) Others	272.13	10,491.63	8,490.38	5.69	-	-	19,259.83
(iii) Disputed Dues- MSME	-	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-	-
Total	**272.13**	**10,491.63**	**8,575.48**	**5.69**	**-**	**-**	**19,344.93**

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

21. Other Financial Liabilities

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Interest accrued but not due on borrowings	8.96	319.56
Expenses and other Payable	3,608.88	3,947.55
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	18.24	6.11
	3,636.08	**4,273.21**

22. Other Current Liabilities

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Advances from Customer	1,869.06	972.56
Statutory dues payable	1,536.93	402.96
Creditors for capital goods	1,291.30	-
	4,697.29	**1,375.51**

23. Revenue from operations

(₹ in Lacs)

	2021-22	2020-21
Revenue from operations		
Sale of products		
Manufacturing Goods and By-Products	4,87,473.97	3,56,325.13
Traded Goods	15,193.93	5,736.28
Others	4,267.23	1,715.77
Sale of services	524.94	309.64
Revenue from operations	**5,07,460.07**	**3,64,086.81**

24. Other Income

(₹ in Lacs)

	2021-22	2020-21
Interest Income on		
Bank Deposits	538.16	91.80
Others	1,034.06	78.98
Profit on sale of property, plant and equipment	226.64	241.49
Other non-operating income (net of expenses directly attributable to such income)	34.65	107.82
	1,833.50	**520.09**

25. Cost of materials consumed

(₹ in Lacs)

	2021-22	2020-21
Inventory at the beginning of the year	28,793.23	25,498.03
Add: purchases	2,30,556.25	1,68,661.87
	2,59,349.48	**1,94,159.90**
Less : Inventory at the end of the year	45,570.86	28,793.23
Cost of materials consumed	**2,13,778.62**	**1,65,366.67**

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

26. Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods

(₹ in Lacs)

	2021-22	2020-21	(Increase)/Decrease
Inventories at the end of the year			2021-22
Finished goods and by-products	11,947.08	8,490.69	(3,456.39)
Work-in-progress	3,337.81	1,808.97	(1,528.84)
Traded goods	-	460.65	460.65
	15,284.89	**10,760.32**	**(4,524.58)**
Inventories at the beginning of the year			2020-21
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	460.65	909.64	448.98
	10,760.32	**10,618.64**	**(141.67)**
Net (increase)/decrease in inventories	**(4,524.58)**	**(141.67)**	

27. Employee benefits expense

(₹ in lacs)

	2021-22	2020-21
Salaries, wages and other benefits	12,276.01	11,011.65
Contribution to provident and other fund	938.60	574.12
Gratuity expense	279.93	196.26
Leave obligation expense	102.70	122.13
Staff welfare expenses	732.15	490.49
	14,329.40	**12,394.66**

28. Finance Costs

(₹ in lacs)

	2021-22	2020-21
Interest		
- on term loans	571.46	9,223.11
- on working capital	468.57	1,219.68
- on others	36.67	17.48
Bank charges	658.35	538.35
	1,735.05	**10,998.62**

29. Depreciation and amortization expense

(₹ in lacs)

	2021-22	2020-21
Depreciation on property, plant and equipment	9,152.39	8,626.54
Amortization of intangible assets	1,022.29	1,022.22
	10,174.69	**9,648.76**

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

30. Other Expenses

(₹ in lacs)

	2021-22	2020-21
Consumption of stores and spares	18,188.50	15,262.48
Grid Parallel operation charges	503.67	215.28
Power & Fuel	21,506.61	18,397.47
Water Charges	361.85	349.75
Other manufacturing expenses	9,830.65	7,557.83
CDM Expenses	5.65	7.43
Rent	60.95	62.88
Rates and taxes		
- Excise duty/GST	151.85	28.44
- Electricity duty cess	759.08	783.21
- Others	121.62	33.57
Insurance	810.20	433.26
Repairs and maintenance		
- Plant and machinery	1,170.26	735.66
- Buildings	591.65	469.12
- Others	129.34	108.65
Rebate, shortage claims & other deductions	215.97	839.57
Commission- Other than Sole selling agents	536.00	413.14
Provision/Allowances for credit loss on debtors	(140.12)	767.32
Travelling and conveyance	636.92	361.37
Communication expenses	96.47	81.52
Printing and stationery	31.08	26.08
Legal and professional fees	1,455.85	721.57
Directors' sitting fees	31.20	24.00
Directors' remuneration	861.90	778.57
Payment to Auditor (Refer details below)	37.50	37.50
Frieght and forwarding charges	31,259.72	24,738.00
Security service charges	391.46	365.94
Corporate Social Responsibility	1,397.92	518.00
Miscellaneous expenses	1,067.54	837.62
	92,071.29	**74,955.23**

Payment to Auditor	2021-22	2020-21
As auditor :		
Audit fee	35.00	35.00
Tax Audit fee	2.50	2.50
	37.50	**37.50**

31. Earnings per equity share (EPS)

(₹ in lacs)

	2021-22	2020-21
Net profit/(loss) as per statement of profit and loss for continuing operations	1,35,096.57	62,576.34
Net profit/(loss) for continuing operations attributable to Equity Shareholders	1,35,096.57	62,576.34
Net profit/(loss) for discontinued operations attributable to Equity Shareholders		
Nominal Value of Equity Shares (₹)	5	5
Weighted average number of equity shares in calculating Basic EPS	13,64,44,988	13,64,44,988
Weighted average number of equity shares in calculating Diluted EPS	13,64,44,988	13,64,44,988

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

31. Earnings per equity share (EPS) (Contd.)

(₹ in lacs)

	2021-22	2020-21
Basic & Diluted EPS		
For continuing operations		
- Basic earning per share (₹)	99.01	45.86
- Diluted earning per share (₹)	99.01	45.86

Note: As per para 26 of Ind AS -33, Earning Per Share for all periods presented have been adjusted based on total number of shares after splitting from ₹10 per equity share to ₹5 per equity shares and bonus issue in the ratio of 1:2.

32. Contingent Liabilities and capital commitments :-

Claims against the companies not acknowledged as debts:

i) Disputed liability of ₹181.06 lacs (Previous Year ₹144.59 lacs) on account of Service Tax against which the company has preferred an appeal.

ii) Disputed liability of ₹248.66 lacs (Previous Year ₹329.68 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 ₹5974.80 lacs (Previous Year ₹5546.24 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 :

i) Counter Guarantees given to banks against Bank guarantees issued by the Company Banker aggregate to ₹10463.76 lacs (Previous Year ₹3429.64 lacs.).

ii) Corporate Guarantee given to the lenders of subsidiary company aggregating to ₹27116 lacs (Previous Year ₹ Nil).

Capital Commitments:

i) Estimated amount of contracts remaining to be executed on capital accounts ₹8263.49 Lacs (Previous Year ₹ Nil).

33. 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 ₹938.60 lacs (P.Y. ₹574.12 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 27).

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

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 ₹102.70 lacs (P.Y. ₹122.13 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 27).

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.

33. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS:

(₹ in lacs)

	Particulars	Gratuity	
		2021-22 (Non Funded)	2020-21 (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	1,181.56	1,029.71
	Interest Cost	81.53	72.08
	Current Service Cost	198.40	124.18
	Past Service Cost	-	-
	Benefit paid directly by employer	(64.55)	(30.13)
	Acturial Changes arising from changes in financial assumption	(38.18)	16.96
	Acturial Changes arising from changes in expirence assumption	730.53	(31.24)
	Present value of defined benefit obiligation at the end of the year	2,089.28	1,181.56
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	64.55	30.13
	Benefit paid from the fund	(64.55)	(30.13)
	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	2,089.28	1,181.56
	Fair value of plan assets at the end of the year	-	-
	Amount recognised in the balance sheet		
	Net asset / (liability) - Current	104.21	61.20
	Net asset / (liability) - Non Current	1985.08	1120.36
IV	**Expenses recognized in the statement of profit and loss for the year:**		
	Current Service Cost	198.40	124.18
	Interest Cost on benefit obiligation (Net)	81.53	72.08
	Total expenses included in employee benefits expenses	279.93	196.26
V	**Recognized in other comprehensive income for the year:**		
	Acturial Changes arising from changes in financial assumption	(38.18)	16.96
	Acturial Changes arising from changes in experience assumption	730.53	(31.24)

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

33. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS: (Contd.)

(₹ in lacs)

	Particulars	Gratuity 2021-22 (Non Funded)	Gratuity 2020-21 (Non Funded)
	Recognized in other comprehensive income for the year	692.34	(14.28)
VI	**Maturity profile of defined benefit obiligation:**		
	Within the next 12 months (next annual reporting period)	104.21	61.20
	Between 2 and 5 years	540.46	75.32
	6 years and above	1,444.62	1,045.04
VII	**Quantitative Sensitivity analysis for significant assumption is as below:**		
	1 1% point increase in discount rate	1,890.48	1,066.34
	1% point decrease in discount rate	2,322.66	1,317.34
	1% point increase rate of salary Increase	2,318.54	1,317.52
	1% point decrease rate of salary Increase	1,885.51	1,063.79
	1% point increase rate of employee turnover rate	2,109.47	1,190.99
	1% point decrease rate of employee turnover rate	2,066.26	1,170.71

	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.		
VIII	**Actuarial assumptions:**		
	1 Discount rate	7.10%	6.90%
	2 Salary escalation	6.00%	6.00%
	3 Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
	4 Mortality post retirement rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
	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, 2022. 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, 2022

34. 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 guarantee given has been disclosed under contingent liabilities.

Loan given by the Company as at 31st March, 2022 (₹ in lacs)

Name of Company	As at 31.03.2022	As at 31.03.2021
Aim Infrastructure and Developers Pvt. Ltd.	500.00	-
Shubham K.Mart Pvt. Ltd	300.00	-
Sumeet Synfab India Pvt. Ltd	700.00	-
M R Buildtech Pvt. Ltd	500.00	-
Super Ispat Raipur Pvt. Ltd	1,000.00	-
Fortune Infra Services Pvt. Ltd	500.00	-
R.k.transport and Constructions Ltd	500.00	-
Sambhv Sponge Power Pvt. Ltd	500.00	-
Nandan Steel & Power Ltd	1,000.00	-
Hira Power & Steel Ltd	4,300.00	-
Kanker Contract Carrier Pvt. Ltd.	103.00	-
Jai Jagdish Transport	250.00	-
Shree Shivam Attires Pvt. Ltd	300.00	-
Fortune Resources & Properties Llp	1,000.00	-
Mahendra Strips Pvt. Ltd.	6,000.00	-
Antardhara Properties & Finance Pvt. Ltd.	1,000.00	-
Omax Minerals Pvt. Ltd	500.00	-
	18,953.00	**-**

35. 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd.)

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)

	As at 31.03.2022	As at 31.03.2021
Trade receivables	29,271.89	26,613.01
Loans and advances	18,953.00	-
Bank, Cash and cash equivalents	58,081.39	4,803.43
Impairment losses		
	As at 31.03.2022	**As at 31.03.2021**
Trade receivables (measured under life time excepted credit loss model)		
Opening balance	794.87	27.55
Provided during the year	(140.12)	767.32
Reversal of provision		-
Closing balance	654.75	794.87
Ageing analysis		
	31-Mar-22	31-Mar-21
Upto 3 months	29,017.37	25,760.53
3-6 months	105.96	227.61
More than 6 months	148.56	624.87
	29,271.89	**26,613.01**

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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd.)

Financing arrangements

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

(₹ in lacs)

	31-Mar-22	31-Mar-21
Working capital facilities	3,539.58	12,407.54

Maturities of financial liabilities

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

As at 31 March 2022	Less than 1 year	<1-5 years	More than 5 years	Total
Borrowings	39,551.22	-	-	39,551.22
Trade payables	46,463.74	-	-	46,463.74
Other financial liabilities	3,636.08	1,405.69	-	5,041.77
	89,651.04	**1,405.69**	**-**	**91,056.73**

As at 31 March 2021	Less than 1 year	<1-5 years	More than 5 years	Total
Borrowings	12,291.65	24,289.00	16,826.89	53,407.54
Trade payables	19,344.93	-	-	19,344.93
Other financial liabilities	4,273.21	533.85	-	4,807.06
	35,909.80	**24,822.85**	**16,826.89**	**77,559.54**

Interest rate risk

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

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

a) Interest rate risk exposure

(₹ in lacs)

	31-Mar-22	31-Mar-21
Variable rate borrowings	39,551.22	53,407.54
Fixed rate borrowings	-	-

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-22	31-Mar-21
Interest rates - increase by 70 basis points	(276.86)	(373.85)
Interest rates - decrease by 70 basis points	276.86	373.85

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd.)

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.

(₹ in lacs)

PARTICULARS	Currency	Currency in Lacs	
		31-Mar-22	31-Mar-21
Borrowings	USD	740.62	11.10
Trade Payables	USD	499.72	308.62
Receivable	USD	15.98	143.32

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-22	31-Mar-21
Foreign exchange rates - increase by 1%	650.73	90.28
Foreign exchange rates - decrease by 1%	(650.73)	(90.28)

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 ₹15.15 lacs (2020-21: ₹7.92 lacs); an equal change in the opposite direction would have decreased profit and loss.

36. 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

36. CAPITAL MANAGEMENT (Contd.)

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

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

(₹ in lacs)

	31 March 2022	31 March 2021
Total debt	39,551.22	53,407.54
Less : Bank, Cash and cash equivalent	58,063.14	4,797.33
Net debt	**18,511.92**	**48,610.21**
Total equity	3,09,374.98	1,80,599.12
Net debt to equity ratio	**0.06**	**0.27**

During the year the company has complied with major covenants of the terms of sanction of the loan facilities throughout the year and the company has made pre-payment of all the terms loans during the year.

37. DISTRIBUTION MADE AND PROPOSED:

(₹ in lacs)

	31 March 2022	31 March 2021
Dividends on equity shares declared and paid:	1,761.81	1,761.81
Interim dividend for the year ended on 31 March 2022: ₹5 per share (31 March 2021: ₹5 per share)		
Final dividends on Equity shares:	4,756.89	-
Proposed dividend for the year ended on 31 March 2022: ₹13.50 per share (31 March 2021: ₹ Nil per share)		
Proposed dividends on Equity shares:	5,990.16	4,756.89
Proposed dividend for the year ended on 31 March 2022: ₹8.50 per share (31 March 2021: ₹13.50 per share)	**7,751.97**	**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 2022.

38. 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 valueare observable, either directly of indirectly

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

38. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS (Contd.)

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 31.03.2022	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments	32788.84			
Trade receivables	29271.89	-	-	-
Loans	18,953.00	-	-	-
Other financial assets	4,213.27	-	-	-
Bank, Cash and bank balances	54868.11	-	-	-
	140095.11	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:				
Investments	1346.43	18.63	1327.80	-
Total	**1346.43**	**18.63**	**1327.80**	**-**
Financial liabilities at amortised cost:				
Long term borrowings	0.00	-	-	-
Short term borrowings	39551.22	-	-	-
Trade payables	46463.74	-	-	-
Other financial liabilities	5041.77	-	-	-
Total	**91056.73**	**-**	**-**	**-**

(₹ 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	-	-	-
Other financial assets	886.42			
Bank, Cash and bank balances	3917.01	-	-	-
	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	12291.65	-	-	-
Trade payables	19344.93	-	-	-
Other financial liabilities	4807.06	-	-	-
Total	**77559.53**	**-**	**-**	**-**

During the reporting period ending 31st March, 2022 and 31st March, 2021, there were no transfers between Level 1 and Level 2 fair value measurements.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

39. Tax expense

(₹ in Lacs)

		2021-22	2020-21
i) Tax expense recognised in statement of profit or loss			
a)	Current tax		
	Income Tax for the period	43,524.00	15,950.00
	Tax related to earlier years	460.72	4.42
		43,984.72	**15,954.42**
b)	**Deferred tax**		
	Origination of temporary differences	(1,184.40)	12,042.06
		(1,184.40)	**12,042.06**
Total Tax expense		**42,800.32**	**27,996.48**
ii) Tax recognised in Other Comprehensive Income			
	Remeasurements of defined benefit plans	174.00	(33.35)
	Fair value of financial assets	(220.84)	(15.59)
		(46.84)	**(48.94)**
iii) Reconciliation of tax expense and accounting profit			
	Accounting profit before tax from continuing operations	1,77,896.88	90,572.82
	Expected Tax Rate	25.17%	34.94%
	Tax using the Company's domestic tax rate	44,773.09	31,646.14
	Adjustments in respect of current income tax of previous years	460.72	4.42
	Expense not allowed for tax purpose	351.83	180.99
	Unabsorbed losses and depreciation utilized	-	(126.87)
	Mat Credit utilized	-	(14,221.27)
	Impact of change in tax rate for future period	-	6,022.66
	Mat credit forgo	-	(919.48)
	Other temporary differences	(2,785.32)	5,409.88
	Effective income tax rate	24.06	30.91
	Income tax reported in the statement of profit and loss	42,800.32	27,996.48

40. Information on Related Party Disclosures are given below :

i) **Related Parties**

a) **Subsidiaries**
Godawari Green Energy Limited (upto 31.12.2021)
Godawari Energy Limited
Ardent Steel Private Limited (upto 27.12.2020)
Hira Ferro Alloys Limited (w.e.f. 29.09.2021)

b) **Associates**
-- Jagdamba Power & Alloys Ltd.
-- Chhattisgarh Ispat Bhumi Limited
-- Hira Ferro Alloys Limited (upto 28.09.2021)
-- Ardent Steel Private Limited (w.e.f. 28.12.2020)

d) **Joint Ventures**
-- Raipur Infrastructure Company Ltd.
-- Chhattisgarh Captive Coal Mining Pvt. Ltd.

e) **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)

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

40. Information on Related Party Disclosures are given below : (Contd.)

c) **Other Related Parties**

-- Hira Cement Ltd.
-- Raipur Complex
-- Godawari Emobility Private Limited
-- Godawari Electric Motors Private Limited
-- Shri Sanjay Bothra (CFO)
-- Shri Y.C. Rao (Company Secretary)
-- Shri Vivek Agrawal (Chief Operational Officer)
-- MS. Bhavana Govindbhai Desai (Independent Director)
-- Shri Bhrigu Nath Ojha (Independent Director)
-- Shri Biswajit Choudhuri (Independent Director) upto 16.10.2021
-- Shri Harishankar Khandelwal (Independent Director)
-- Shri Shashi Kumar (Independent Director)
-- Shri Dinesh Kumar Gandhi (Director)

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

(₹ in Lacs)

			2021-22	2020-21
a)	Subsidiaries	Sale of Materials	1,055.98	344.19
		Purchase of Electricity	789.20	-
		Purchase of materials	99.60	1.18
		Purchase of capital goods	869.07	-
		Interest Received	0.69	0.69
		Income From Services / Misc other receipts	1.72	16.18
		Other charges paid	10.72	-
		Repayment of Advance received	-	37.00
		Outstandings		
		Receivables	330.69	-
		Guarantees/colletrals	27,116.00	-
b)	Associates	Sale of Materials	3,404.86	433.41
		Purchase of Materials	357.26	595.46
		Purchase of Electricity	8,322.76	8,072.34
		Interest received	14.25	14.51
		Service and Other charges paid	379.42	369.31
		Income From Services / Misc other receipts	0.24	0.33
		Purchase of capital goods	-	69.60
		Outstandings		
		Receivables	1,052.67	855.21
		Payables	28.53	131.38

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

40. Information on Related Party Disclosures are given below : (Contd.)

(₹ in Lacs)

			2021-22	2020-21
c)	Other Related Parties	Purchase of Materials	677.69	314.53
		Sale of Materials	26.33	21.90
		Purchase of capital goods	-	2.14
		Service and Other charges paid	301.68	111.45
		Income From Services / Misc other receipts	29.59	19.29
		Rent Paid	33.68	12.79
		Outstandings		
		Receivables	14.70	0.23
		Payables	35.56	43.08
d)	Joint Ventures	Credit note received	-	189.52
		Outstandings		
		Payables	-	79.79
e)	Key Management Personnel	Remuneration/salary Paid	1,017.08	944.68
		Directors' Sitting Fees	31.20	24.00
		Commission paid	85.00	55.00

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)

		2021-22	2020-21
a)	Purchase of Materials:		
	Hira Ferro Alloys Ltd	456.85	595.46
	Hira Cement Ltd	677.46	314.53
b)	Service Charges Paid:		
	Chhattisgarh Ispat Bhumi Limited	379.34	368.93
	Hira Cement Ltd.	301.68	111.45
c)	Sale of Materials:		
	Hira Ferro Alloys Ltd.	1,055.98	37.17
	Ardent Steel Private Ltd.	115.30	624.11
	Jagdamba Power & Alloys Ltd.	431.05	116.22
d)	Income From Services / Misc other receipts:		
	Godawari Emobility Pvt. Ltd.	19.76	18.58
	Godawari Electric Motors Pvt. Ltd.	8.90	-
	Ardent Steel Private Ltd.	-	16.18
e)	Purchase of Capital Goods:		
	Godawari Emobility Pvt. Ltd.	-	2.14
	Hira Ferro Alloys Ltd	869.07	69.60
f)	Purchase of Electricity		
	Jagdamba Power & Alloys Ltd.	7,500.68	6,386.10
	Hira Ferro Alloys Ltd	1,611.28	1,686.24

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

40. Information on Related Party Disclosures are given below : (Contd.)

(₹ in Lacs)

		2021-22	2020-21
g)	Interest received:		
	Godawari Energy Limited	0.69	0.69
	Hira Ferro Alloys Ltd	14.25	14.51
h)	Credit note received		
	Raipur Infrastructure Company Ltd.	-	189.52
i)	Repayment of Advance Received:		
	Godawari Energy Limited	-	37.00
j)	Rent Paid:		
	Raipur Complex	13.20	12.64
k)	Remuneration/salary paid :		
	Shri B.L.Agrawal	240.00	240.00
	Shri Dinesh Agrawal	192.00	192.00
	Shri Abhishek Agrawal	198.00	192.00
	Shri Prakhar Agrawal	120.00	76.77
l)	Directors' Sitting Fees :		
	Shri Bhrigu Nath Ojha	7.50	5.60
	Shri Biswajit Choudhuri	5.00	5.60
	Shri Harishankar Khandelwal	6.25	4.40
	Shri Shashi Kumar	6.05	3.40
	MS. Bhavana Govindbhai Desai	6.40	5.00
m)	Commission Paid :		
	Shri Bhrigu Nath Ojha	12.00	6.00
	Shri Biswajit Choudhuri	12.00	6.00
	Shri Harishankar Khandelwal	12.00	6.00
	Shri Shashi Kumar	12.00	6.00
	MS. Bhavana Govindbhai Desai	12.00	6.00
	Shri Dinesh Kumar Gandhi	25.00	25.00
n)	Outstanding - Receivables		
	Hira Ferro Alloys Limited	330.69	-
	Jagdamba Power & Alloys Limited	1,052.67	839.68
o)	Outstanding - Payables		
	Hira Ferro Alloys Limited	-	70.64
	Chhattisgarh Ispat Bhumi Limited	28.53	61.14
	Hira Cement Ltd.	35.56	43.08
	Chhattisgarh Captive Coal Mining Pvt. Ltd.	-	79.02
p)	Guarantees/Colleterals		
	Hira Ferro Alloys Limited	27,116.00	-

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 2022, the company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: ₹ 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.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

41. 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.

42. During the year, the company has divested its entire stake in subsidiary company viz. Godawari Green Energy Limited, accordingly the net gain of ₹ 9874.46 lacs on disposal of stake in the said subsidiary has been shown under exceptional item.Similarly, during the previous year, the gain of ₹ 6299.76 lacs on partial disinvestment of equity shares of Ardent Steel Private Limited has been shown as exceptional items.

43. During the year the company has incurred ₹ 1397.92 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 ₹ 966.85 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	1397.92	0.00	1397.92

There was no short fall in the amount of CSR expenditure required to be spent either in current year or in earlier years. Further all the expenditure on CSR activities has been spent by the company either on its own account or by way of contribution to implementing agencies through Institutions, not being related parties, with established track record of not less than three years.

44. 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,2022:

(₹ in Lacs)

		2021-22	2020-21
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at 31st March,2022		
	Principal Amount	10.21	85.10
	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,2022	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,2022	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.

45. Financial Ratios

(₹ in Lacs)

Particulats	Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	% Variance
1. Current Ratio	Current Assets	Current Liabilities	2.06	2.41	-14.73
The current ratio indicates a company's overall liquidity position. It is widely used by banks in making decisions regarding the advancing of working capital credit to their clients.					
2. Debt-Equity Ratio	Total Debt	Total Shareholders' Equity	0.13	0.30	-56.77
Debt-to-equity ratio compares a Company's total debt to shareholders equity. Both of these numbers can be found in a Company's balance sheet.					

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

45. Financial Ratios (Contd.)

(₹ in Lacs)

Particulats	Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	% Variance
3. Debt Service Coverage Ratio	Net Profit after taxes + depreciation and amortizations + Interest +loss/ (profit) on sale of PPE etc.	Interest + Principal Repayments	84.59	5.39	1469.89
Debt Service coverage ratio is used to analyse the firm's ability to pay-off current interest and instalments.					
4. Return on Equity Ratio	Net Profits after taxes	**Average Shareholders' Equity**	55.14%	34.65%	59.15
It measures the profitability of equity funds invested in the Company. The ratio reveals how profitability of the equity-holders' funds have been utilized by the Company. It also measures the percentage return generated to equity-holders.					
5. Inventory turnover ratio = (Sales/Average Inventory)	Sales	Average Inventory	38.97	34.06	14.41
This ratio also known as stock turnover ratio and it establishes the relationship between the cost of goods sold during the period or sales during the period and average inventory held during the period. It measures the efficiency with which a Company utilizes or manages its inventory.					
6. Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivables	18.16	17.28	5.12
It measures the efficiency at which the company is managing the receivables.					
7. Trade payables turnover ratio	Net credit purchases	Average Trade payables	7.01	10.44	-32.85
It indicates the number of times sundry creditors have been paid during a period. It is calculated to judge the requirements of cash for paying sundry creditors. It is calculated by dividing the net credit purchases by average creditors.					
8. Net capital turnover ratio	Net Sales	Working Capital	4.80	6.39	-24.96
It indicates a company's effectiveness in using its working capital.					
9. Net profit ratio	Net Profit	Net Sales	26.62%	17.19%	54.89
It measures the relationship between net profit and sales of the business.					
10. Return on Capital employed	Earning before interest and taxes	Net Worth + Total Debt + Deferred Tax Liabilities	49.36%	40.61%	21.56
Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders. Higher the ratio, more efficiently is the capital being employed by the company to generate returns.					
11. Return on investment	Time weighted rate of Return i. Quoted	Investment cost	1.72%	13.39%	-87.18
Return on investment (ROI) is a financial ratio used to calculate the benefit an investor will receive in relation to their investment cost. The higher the ratio, the greater the benefit earned. The one of widely used method is Time Weighted Rate of Return (TWRR) and the same should be followed to calculate ROI. It adjusts the return for the timing of investment cash flows and its formula / method of calculation is commonly available.	ii. Unquoted		73.91%	23.18%	218.87

Note : Variance in the ratio by more than 25% as compared to the ratio of preceding year on account of debt equity ratio and debt service coverage ratio, it is mainly on account of pre-payment of entire term loan during the year by the company and as regards to return on equity ratio and net profit ratio, it is mainly on account of subtaintial increase in profitability during the year. Variance in return on investment depend upon changes in market value and returns received by the company.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

46. Disclosure pursuant to Regulation 34(3) and para A of Schedule V of SEBI (LODR), Regulations, 2015

Loan and advances in the nature of loans given to others: (₹ in Lacs)

Name of the entities	Relationship	Amount outstanding as at 31.03.2022	Maximum amount outstanding during the year	Investment by the loanee in the shares of the Company
Loans as per stipulated terms of payment:				
Aim Infrastructure And Developers Pvt. Ltd.	Others	500.00	500.00	-
Shubham K.Mart Pvt. Ltd.	Others	300.00	300.00	-
Sumeet Synfab India Pvt. Ltd.	Others	700.00	700.00	-
M R Buildtech Private Limited	Others	500.00	500.00	-
Super Ispat Raipur Pvt. Ltd.	Others	1,000.00	1,000.00	-
Fortune Infra Services Pvt. Ltd.	Others	500.00	500.00	-
R.K.Transport And Constructions Ltd.	Others	500.00	500.00	-
Sambhv Sponge Power Pvt. Ltd.	Others	500.00	500.00	-
Nandan Steel & Power Ltd.	Others	1,000.00	1,000.00	-
Kanker Contract Carrier Pvt. Ltd.	Others	103.00	105.00	-
Jai Jagdish Transport	Others	250.00	250.00	-
Shree Shivam Attires Pvt. Ltd.	Others	300.00	300.00	-
Fortune Resources & Properties LLP	Others	1,000.00	1,000.00	-
Antardhara Properties & Finance Pvt. Ltd.	Others	1,000.00	1,000.00	-
Omax Minerals Pvt. Ltd.	Others	500.00	500.00	-
Loans repayable on demand:				
Hira Power & Steel Ltd.	Others	4,300.00	4,300.00	-
Mahendra Strips Pvt. Ltd.	Others	6,000.00	6,000.00	-

The above loans were given for the business activities of the recipients and have been so utilised by them.

47. The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956 during the current year or in previous year.

48. All the transactions are recorded in the books of accounts and there was no income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also there was no previously unrecorded income and related assets which has been recorded in the books of account during the year.

49. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

50. The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Further, the company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding , whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

51. The company has complied with the number of layers of companies prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

52. The company has neither traded nor invested in Crypto Currency or Virtual Currency during the financial year.

Notes to the Standalone Financial Statements for the year ended 31st March, 2022

53. No scheme of compromise or arrangement has been proposed between the company & its members or the company & its creditors under section 230 of the Companies Act 2013 ("The Act") and accordingly the disclosure as to whether the scheme of compromise or arrangement has been approved or not by the competent authority in terms of provisions of sections 230 to 237 of the Act is not applicable.

54. 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.

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

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

Sanjay Dewangan
Partner
Membership No.409524

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Place : Raipur
Date : 28.05.2022

Y.C. Rao
Company Secretary
FCS 3679

Sanjay Bothra
CFO

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 & 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, 2022, 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, 2022, 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 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 of ₹ 2.03 crore and the Group's share of total comprehensive income of ₹ 2.03 crore for the year ended 31st March, 2022, 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 unaudited Financial Statements have been furnished to us by the Board of Directors and our opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these associates and jointly controlled entities is based solely on such unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the Board of Directors, 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 our reliance on the work done and financial statements are certified by the Board of Directors.

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, 2022 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, 2022 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 in its 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.

iv. (a) The respective Managements of the company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 37 to the consolidated financial statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The interim dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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

Sanjay Dewangan
Partner
Membership number: 409524

Raipur, 28th May, 2022
UDIN: 22409524AJUXQB6919

Annexure 'A' to the Independent Auditor's 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 2022, we have audited the internal financial controls over financial reporting of GODAWARI POWER AND 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 2022, 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

Sanjay Dewangan
Partner
Membership number: 409524

Raipur, 28th May, 2022
UDIN: 22409524AJUXQB6919

Consolidated Balance sheet as at 31.03.2022

(₹ in lacs)

Particulars	Note No	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3.1	1,41,287.83	1,91,984.91
(b) Capital work-in-progress	3.2	64,274.06	13,721.97
(c) Goodwill on Consolidation		3,413.11	-
(d) Other intangible assets	4	8,254.65	9,293.26
(e) Investments in associates and joint ventures	5	20,743.41	27,346.88
(f) Financial assets			
- Investments	6	3,193.71	401.54
- Other financial assets	7	3,382.97	886.42
(g) Other non-current assets	8	6,338.13	1,824.12
		2,50,887.87	**2,45,459.11**
Current-assets			
(a) Inventories	9	87,362.74	50,367.46
(b) Financial assets			
(i) Trade Receivables	10	34,992.41	27,523.30
(ii) Cash and cash equivalents	11	1,099.69	859.48
(iii) Bank balances other than Cash and cash equivalents mentioned above	11	56,371.16	4,275.61
(iv) Loan	12	24,723.51	-
(v) Other Financial Assets	13	1,000.00	1,783.58
(c) Other tax assets (Net)		-	11.85
(d) Other current assets	8	32,555.39	17,075.03
		2,38,104.90	**1,01,896.31**
Total Assets		**4,88,992.77**	**3,47,355.42**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	6,582.25	3,411.12
(b) Other equity	15	3,24,650.18	2,00,148.09
Equity attributable to owners of the Company		**3,31,232.43**	**2,03,559.21**
Non-controlling interest		12,983.34	7,242.19
Total equity		**3,44,215.77**	**2,10,801.41**
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,017.39	77,105.52
(ii) Other non-current financial liabilities	17	1,405.69	533.85
(b) Provisions	18	2,510.69	1,427.63
(c) Deferred tax liabilities (Net)	19	16,339.15	16,782.00
		21,272.91	**95,849.01**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	41,829.17	12,540.81
(ii) Trade Payables	21		
- total outstanding dues of micro enterprises and small enterprises		16.56	85.10
- total outstanding dues of creditors other than micro enterprises and small enterprises		52,943.69	19,295.42
(iii) Other Financial Liabilities	22	5,158.30	4,361.06
(b) Other current liabilities	23	17,408.23	1,375.51
(c) Provisions	18	137.61	79.82
(d) Current tax liabilities (Net)		6,010.53	2,967.28
		1,23,504.09	**40,705.01**
Total Equity and Liabilities		**4,88,992.77**	**3,47,355.42**
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

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Y.C. Rao
Company Secretary
FCS 3679

Sanjay Bothra
CFO

Consolidated Statement of Profit & Loss for the year ended 31st March, 2022

(₹ in lacs)

Particulars	Note No	2021-22	2020-21
INCOME			
Revenue from operations	24	5,39,918.11	3,95,764.10
Other Income	25	2,937.10	338.81
TOTAL REVENUE (I)		**5,42,855.20**	**3,96,102.91**
EXPENSES			
Cost of materials consumed	26	2,30,070.45	1,79,985.96
Purchases of Stock-in-Trade		15,375.23	5,222.40
Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods	27	(6,274.36)	(447.69)
Employees benefits expense	28	15,055.18	13,430.75
Finance costs	29	1,968.76	11,495.73
Depreciation and amortization expense	30	10,469.68	10,896.49
Other Expenses	31	99,275.34	83,872.38
TOTAL EXPENSES (II)		**3,65,940.28**	**3,04,456.03**
Profit/(loss) before share of associates & joint ventures, exceptional items and tax		**1,76,914.92**	**91,646.88**
Add: Share of profit/(loss) of associates and Joint Ventures, net of tax		6,517.24	3,002.66
Profit/(loss) before exceptional items and tax		**1,83,432.16**	**94,649.55**
Exceptional Items (refer note - 40)		9,874.46	-
Profit/(loss) before tax		**1,93,306.62**	**94,649.55**
Tax expenses			
Current tax		46,101.11	17,578.64
Deferred Tax		(986.41)	13,128.16
Total tax expenses		45,114.70	**30,706.80**
Profit/(loss) after tax from continuing operations		1,48,191.93	**63,942.75**
Profit/(loss) after tax from discontinued operations (refer note-40)			
Profit/(loss) from discontinued operations		(1,854.57)	2,407.11
Tax Expense of discontinued operations		(393.72)	898.57
Profit/(loss) after tax from discontinued operations		**(1,460.85)**	**1,508.54**
Profit/(loss) for the year		**1,46,731.08**	**65,451.28**
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plans		(694.41)	4.96
Share of other comprehensive income in associates and Joint Ventures to the extent not to be classified into profit or loss		(4.92)	18.05
Income tax relating to items that will not be reclassified to profit or loss		175.40	(34.09)
		(523.94)	**(11.08)**
Fair value of financial assets		2,782.86	(16.93)
Share of other comprehensive income in associates and Joint Ventures to the extent to be classified into profit or loss		4,241.14	3,593.72
Income tax relating to items that will be reclassified to profit or loss		(788.93)	(96.22)
		6,235.07	**3,480.57**
Total Comprehensive Income for the period Comprising Profit/(Loss) and Other Comprehensive Income for the period)		**1,52,442.22**	**68,920.78**
Profit/(loss) from continuing operations for the year attributable to:			
Equity holders of the parents		1,48,127.42	62,669.65
Non-controlling interests		64.50	1,273.10
		1,48,191.93	63,942.75
Profit/(loss) from discontinued operations for the year attributable to:			
Equity holders of the parents		(1,460.85)	1,169.09
Non-controlling interests		-	339.44
		(1,460.85)	**1,508.54**
Other Comprehensive Income attributable to:			
Equity holders of the parents		5,432.36	3,485.06
Non-controlling interests		278.78	(15.57)
		5,711.14	**3,469.50**
Total Comprehensive Income attributable to:			
Equity holders of the parents		1,52,098.94	67,323.81
Non-controlling interests		343.28	1,596.97
		1,52,442.22	**68,920.78**
Earnings per equity share [nominal value of share @ ₹ 5/- (31st March,2021" ₹ 5/-)	32		
Earnings per share (for continuing operations)			
Basic		112.52	45.93
Diluted		112.52	45.93
Earnings per share (for discontinued operations)			
Basic		(1.11)	0.86
Diluted		(1.11)	0.86
Earnings per share (for continuing and discontinued operations)			
Basic		111.41	46.79
Diluted		111.41	46.79
Summary of significant accounting policies	2		

The accompanying notes are integral part of the financial statements.

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

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Y.C. Rao
Company Secretary
FCS 3679

Sanjay Bothra
CFO

Consolidated Statement of Changes in Equity for the year ended 31st March, 2022

Equity Share Capital

(₹ in lacs)

Balance as at 01.04.2020	Changes in equity share capital due to prior period error	Restated balance at the beginning of the respective reporting period	Changes in the equity share capital during the year	Balance as at 31.03.2021
3,411.12	-	3,411.12	-	3,411.12

Balance as at 01.04.2021	Changes in equity share capital due to prior period error	Restated balance at the beginning of the respective reporting period	Changes in the equity share capital during the year	Balance as at 31.03.2022
3,411.12	-	3,411.12	3,171.12	6,582.25

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	Non Controlling Interest	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings				
Balance at the beginning of the reporting period 01.04.2020	11,008.34	20,784.05	17,766.00	85,255.25	(419.56)	(21.56)	12,471.76	1,46,844.28
Adjustment relating to changes in control	-	-	-	57.35	140.65	-	(6,826.54)	(6,628.53)
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	(15.57)	3,596.21
Profit/(loss)for the year	-	-	-	63,854.31	-	-	1,612.54	65,466.85
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**	**17,766.00**	**1,47,378.00**	**(378.52)**	**3,590.21**	**7,242.19**	**2,07,390.28**
Utilized on account of bonus equity share issued	-	(3,291.12)	-	-	-	-	-	(3,291.12)
Transaction cost towards issue of shares & bonus share	-	(40.76)	-	-	-	-	-	(40.76)
Adjustment relating to changes in control	(8,160.10)	1,380.00	-	(4,219.66)	-	(3,293.67)	5,397.87	(8,895.56)
Fair value of financial assets, net of taxes	-	-	-	-	1,993.93	-	-	1,993.93
Remeasurements of the net defined benefit plans, net of tax	-	-	-	(519.01)	-	-	-	(519.01)
Share of other comprehensive income	-	-	-	-	-	504.62	278.78	783.40
Profit/(loss)for the year	-	-	-	1,46,666.58	-	-	64.50	1,46,731.08
Interim Dividend paid on Equity Share	-	-	-	(1,761.81)	-	-	-	(1,761.81)
Final Dividend paid on Equity Share	-	-	-	(4,756.89)	-	-	-	(4,756.89)
Balance at the end of the reporting period 31.03.2022	**2,848.24**	**18,832.17**	**17,766.00**	**2,82,787.19**	**1,615.41**	**801.16**	**12,983.34**	**3,37,633.52**

The accompanying notes are integral part of the financial statements.

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

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Y.C. Rao
Company Secretary
FCS 3679

Sanjay Bothra
CFO

Consolidated Statement of Cash Flows for the year ended 31st March, 2022

(₹ in lacs)

Particulars		2021-22	2020-21
Cash Flow from operating activities			
Profit/(loss) before share of associates & joint ventures and tax		1,86,789.39	94,053.99
Non-cash adjustment to reconcile profit before tax to net cash flows			
Depreciation/amortization		10,469.68	13,845.13
Loss/(profit) on sale of property, plant & equipment		(234.77)	(53.96)
Loss/(profit) on sale of non current investments		(10.10)	-
Provision for employee benefits		294.37	249.28
Investment written off		-	1.00
Provision/Allowances for credit loss on debtors		(104.41)	767.32
Finance costs		1,968.76	15,394.17
Interest Income		(1,979.78)	(241.91)
Exceptional items		(9,874.46)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		**1,87,318.67**	**1,24,015.03**
Movements in working capital :			
Increase/(decrease) in trade payables		33,615.31	6,556.18
Increase/(decrease) in other financial liabilities		871.90	1,708.72
Increase/(decrease) in other current liabilities		16,032.72	483.45
Increase/(decrease) in Other non-current financial liablities		871.83	88.76
Decrease/(increase) in trade receivables		(8,377.57)	(11,763.77)
Decrease/(increase) in inventories		(37,658.17)	(5,310.95)
Decrease/(increase) in other financial assets		(1,000.00)	-
Decrease/(increase) in other current assets		(15,626.50)	(4,341.88)
Decrease/(increase) in other non-current assets		(2,915.06)	123.01
Cash generated from/(used in) operations		**1,73,133.13**	**1,11,558.55**
Direct taxes paid (net of refunds)		(40,098.81)	(14,680.48)
Net Cash flow from/(used in) operating activities	**A**	**1,33,034.33**	**96,878.07**
Cash flows from investing activities			
Purchase of PPE, including intangible assets and CWIP		(61,317.85)	(5,154.39)
Proceeds from sale of property, plant & equipment		685.83	1,199.10
Proceeds from sale of non-current other investments		35,243.18	-
Purchase of non-current investments		(5,718.64)	-
(increase)/decrease in loans		(24,723.51)	-
Proceeds/(investment) from/in bank deposits (having original maturity of more than three months)		(55,705.23)	(2,508.79)
Interest received		1,979.78	241.91
Net cash flow from/(used in) investing activities	**B**	**(1,09,556.43)**	**(6,222.16)**
Cash flows from financing activities			
Transaction cost on issue of shares & bonus shares		(40.76)	-
Repayment of long-term borrowings		(44,302.68)	(65,210.55)
Proceeds/(Repayment) of short-term borrowings (net)		29,537.52	(7,645.98)
Finance costs		(1,968.76)	(15,394.17)
Dividend paid		(6,518.71)	(1,761.81)
Net cash flow from/(used in) financing activities	**C**	**(23,293.38)**	**(90,012.52)**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		184.51	643.39
Cash and Cash Equivalents at the beginning of the year		859.48	216.09
Cash and Cash Equivalents on business combination		55.69	-
Cash and Cash Equivalents at the end of the year (refer note-13)		**1,099.69**	**859.48**
Components of cash and cash equivalents			
Cash in hand		5.03	6.40
Stamp in hand		1.23	1.23
Balances with banks:			
On current accounts		811.43	738.85
Deposits with original maturity of less than 3 months		282.00	113.00
		1,099.69	**859.48**

Consolidated Statement of Cash Flows for the year ended 31st March, 2022

Reconciliation between opening & closing balances in the Balance Sheet for liabilities arising from financial activities due to cash flows and non-cash flow changes.

(₹ in lacs)

Particulars	As at 01.04.2021	Cash flow		Changes due to disposal of subsidiary	Non Cash changes	As at 31.03.2022
		Proceeds	Repayments		Fair value changes	
Long-Term Borrowings	77,105.52	-	(44,302.68)	(31,820.99)	35.54	1,017.39
Short-Term Borrowings	12,540.81	29,537.52	-	(249.16)	-	41,829.17
Total	89,646.32	29,537.52	(44,302.68)	(32,070.14)	35.54	42,846.57

Figures in the bracket represents cash outflow.

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.
(Firm Regn.No.018400C)
Chartered Accountants

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Y.C. Rao
Company Secretary
FCS 3679

Sanjay Bothra
CFO

Consolidated Notes to financial statements for the year ended 31st March, 2022

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 31.03.2022	As at 31.03.2021
Godawari Energy Limited	India	99.99%	51.30%
Godawari Green Energy Limited (upto 31.12.2021)	India	-	76.12%
Hira Ferro Alloys Limited (w.e.f. 29.09.2021)*	India	75.67%	-

* Consequent upon Hira Ferro Alloys Limited (HFAL) become subsidiary of the company w.e.f. 29.09.2021, the income and expenditure of HFAL w.e.f. 29.09.2021 has been consolidated line-by-line.

b) **Associates**

Name of the Company	Country of incorporation	Proportion (%) of equity interest	
		As at 31.03.2022	As at 31.03.2021
Hira Ferro Alloys Limited (upto 28.09.2021)	India	-	48.45%
Jagdamba Power & Alloys Limited	India	33.96%	33.96%
Chhattisgarh Ispat Bhumi Limited	India	35.36%	35.36%
Ardent Steel Private Limited	India	37.85%	37.85%

c) **Joint Venture**

Name of the Company	Country of incorporation	Proportion (%) of equity interest	
		As at 31.03.2022	As at 31.03.2021
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 28 May 2022.

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

Consolidated Notes to financial statements for the year ended 31st March, 2022

expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered.

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

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

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

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

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

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

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

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

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.

Consolidated Notes to financial statements for the year ended 31st March, 2022

A liability is current when it is:

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

All other liabilities are classified as non-current.

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

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

b) Fair Value Measurement

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

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

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

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

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

c) Property, Plant and Equipment (PPE)

i) 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.

Consolidated Notes to financial statements for the year ended 31st March, 2022

- 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.

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

Consolidated Notes to financial statements for the year ended 31st March, 2022

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 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.

Consolidated Notes to financial statements for the year ended 31st March, 2022

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.

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.

Consolidated Notes to financial statements for the year ended 31st March, 2022

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.

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.

Consolidated Notes to financial statements for the year ended 31st March, 2022

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

m) Foreign Currency Transactions

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

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

n) Employee Benefits Expense

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plans

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

Defined Benefits Plans

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

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

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

o) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

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

Consolidated Notes to financial statements for the year ended 31st March, 2022

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

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

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

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

q) Share capital and share premium

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

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

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

r) Financial Intruments

i) Financial Assets

A. Initial recognition and measurement

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

B. Subsequent measurement

Financial assets carried at amortised cost

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

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

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

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

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL.

C. Other Investments

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

Consolidated Notes to financial statements for the year ended 31st March, 2022

D. **Impairment of financial assets**

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

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

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

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

ii) **Financial Liabilities**

A. **Initial recognition and measurement**

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

B. **Subsequent measurement**

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

iii) **Derivative financial instruments**

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

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

iv) **Derecognition of financial instruments**

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

s) Earnings Per Share

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

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

Consolidated Notes to financial statements for the year ended 31st March, 2022

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.

Consolidated Notes to financial statements for the year ended 31st March, 2022

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 govenment 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.

Consolidated Notes to financial statements for the year ended 31st March, 2022

2.5 NEW AND AMENDED STANDARDS

Amendments and interpretations as outlined below apply for the year ended 31 March, 2022, but do not have an impact on the Consolidated Financial Statements.

a) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116.

b) Ind AS 116: COVID-19 related rent concessions.

c) Ind AS 103: Business combinations.

d) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28.

The Group has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

2.6 CONCEPTUAL FRAMEWORK FOR FINANCIAL REPORTING UNDER IND AS ISSUED BY ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021. These amendments had no impact on the financial statements of the Group.

Consolidated Notes to financial statements for the year ended 31st March, 2022

3.1 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 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
Deduction on account of 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**
Additions	1,436.81	-	1.06	454.86	6,654.43	16.40	479.44	9,042.99
Addition on Consolidation	386.87	61.02	209.78	1,433.84	10,852.71	148.87	283.81	13,376.91
Disposals	31.81	-	-	22.75	785.99	188.13	55.10	1,083.78
Deduction on account of changes in control	11.93	29.21	4,979.61	1,276.31	70,567.64	336.04	93.01	77,293.75
At 31 March, 2022	**7,552.61**	**703.97**	**1,858.77**	**32,556.04**	**1,54,137.72**	**241.05**	**1,473.41**	**1,98,523.56**
Depreciation								
At 1 April 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
Deduction on account of 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**
Charge for the year	-	5.36	-	1,276.47	8,033.15	23.08	109.08	9,447.15
Addition on Consolidation	-	7.49	-	367.94	3,416.61	91.98	106.82	3,990.88
(Disposals)/Adjustment	-	-	-	5.93	383.19	178.73	37.65	605.51
Deduction on account of changes in control	-	6.62	-	635.32	17,166.50	223.13	61.44	18,093.01
At 31 March, 2022	-	31.25	-	8,110.54	48,523.34	119.93	450.67	57,235.73
Net Block								
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
At 31 March, 2022	7,552.61	672.72	1,858.77	24,445.49	1,05,614.39	121.11	1,022.74	1,41,287.83

Consolidated Notes to financial statements for the year ended 31st March, 2022

Consolidated Notes to financial statements for the year ended 31st March, 2022

3.2 Capital Work-in-Progress

(₹ in Lacs)

	As on 01.04.2020	Addition	Transfer/Deletion	As on 31.03.2021	Addition	Transfer/Deletion	As on 31.03.2022
Capital Work-in-Progress	13,745.67	5,118.38	5,142.07	13,721.97	55,566.34	5,014.25	64,274.06
	13,745.67	**5,118.38**	**5,142.07**	**13,721.97**	**55,566.34**	**5,014.25**	**64,274.06**

Details of property, plant and equipment pledged against borrowings is presented in note 13 & 17.

Details of Capital Work in Progress

(₹ in Lacs)

	Amount in CWIP for a period of 31.03.2022				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Project in progress	51,245.89	2,923.30	850.75	1,037.74	56,057.68
Project temporarly suspended	-	-	-	8,216.37	8,216.37

Details of Capital Work in Progress

(₹ in Lacs)

	Amount in CWIP for a period of 31.03.2021				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Project in progress	1,766.80	2,109.74	1,166.03	463.03	5,505.60
Project temporarly suspended	-	-	-	8,216.37	8,216.37

As at the balance sheet date,the assets/projects forming part of capital work in progress are neither exceeded its estimated cost nor its estimated completion time line.

Consolidated Notes to financial statements for the year ended 31st March, 2022

4. Other Intangible assets

(₹ in Lacs)

	Computer software	Mining Assets	Know How	Total
Gross Block				
Carrying Value				
At 1 April 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**
Purchase/additions	0.50	-	-	0.50
Deletion relating to changes in control	61.86	-	-	61.86
Addition on Consolidation	16.94	-	-	16.94
At 31 March, 2022	**948.56**	**13,534.55**	**-**	**14,483.10**
Amortization				
At 1 April 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**
Charge for the year	76.33	946.20	-	1,022.54
Deletion relating to changes in control	43.66	-	-	43.66
Addition on Consolidation	15.33	-	-	15.33
At 31 March, 2022	**536.26**	**5,692.19**	**-**	**6,228.46**
Net Block				
At 31 March, 2021	**504.71**	**8,788.55**	**-**	**9,293.26**
At 31 March, 2022	**412.29**	**7,842.35**	**-**	**8,254.65**

5 Investments

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Investment in associates and joint ventures		
Investments accounted for using the equity method		
Investment in associates		
Unquoted Equity Instruments	19,636.67	26,410.20
Investment in joint ventures		
Unquoted Equity Instruments	1,106.74	936.68
	20,743.41	**27,346.88**

6. Other investments

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Carried at Fair Value through OCI		
Investments in Unquoted Equity Instruments	2,592.08	340.19
Investments in Unquoted Preference Instruments	583.00	-
Investment in mutual fund, fully Paid up (quoted)	18.63	61.36
	3,193.71	**401.54**
	23,937.12	**27,748.42**

Consolidated Notes to financial statements for the year ended 31st March, 2022

7. Other financial assets

(₹ in Lacs)

	Non-Current	
	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good unless stated		
otherwise		
Deposit with bank with original maturity for more than 12 months	3,382.97	886.42
	3,382.97	**886.42**

Deposits with banks having maturity for more than 12 months are pledged with various banks for availing Bank Guarantee and pledged with other Govt. Departments.

8. Other assets (unsecured, considered good)

(₹ in Lacs)

	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Advances for capital goods	2,314.81	695.45		
Security deposit with govt. & others	4,023.32	1,128.67		
Advances other than capital advances				
Advance to Vendors			14,265.63	11,341.45
Prepaid expenses			326.43	172.49
Balance with statutory/govt. authorities			17,798.74	5,533.01
Interest accrued on deposits			164.59	28.08
Total	**6,338.13**	**1,824.12**	**32,555.39**	**17,075.03**

9. Inventories (valued at lower of cost and net realizable value)

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Raw Materials	54,696.99	26,528.67
Work-in-progress	3,337.81	1,808.97
Finished goods & by-products	14,692.25	8,490.69
Stock-in-trade	-	2,725.21
Stores & spares	14,635.68	10,813.92
	87,362.74	**50,367.46**

10. Trade receivables

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Trade receivables considered good - Unsecured	34,992.41	27,523.30
Trade Receivables which have significant increase in Credit Risk	724.19	793.03
Trade Receivables - credit impaired	68.60	-
	35,785.20	**28,316.34**
Less: Provision/Allowances for credit loss on debtors	792.79	793.03
	34,992.41	**27,523.30**

Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

(₹ in Lacs)

Particulars	Outstading for following periods from Due Date of Payment as on 31.03.2022						
	Not due	< 6 Months	6 Months-1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) Undisputed trade Receivables-Considered goods	26,538.22	8,302.38	86.34	16.59	48.88	-	34,992.41

Consolidated Notes to financial statements for the year ended 31st March, 2022

10. Trade receivables (Contd.)

Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021: (₹ in Lacs)

Particulars	Outstading for following periods from Due Date of Payment as on 31.03.2022						
	Not due	< 6 Months	6 Months-1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(ii) Undisputed trade Receivalbes- Which have significat increase in Credit Risk	-	-	-	3.57	154.07	566.55	724.19
(iii) Undisputed trade Receivalbes- Credit Impaired	-	-	-	-	-	68.60	68.60
(iv) disputed trade Receivalbes- considered goods	-	-	-	-	-	-	-
(v) disputed trade Receivalbes- Which have significat increase in Credit Risk	-	-	-	-	-	-	-
(vi) disputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-	-
Total	**26,538.22**	**8,302.38**	**86.34**	**20.16**	**202.95**	**635.15**	**35,785.20**

(₹ in Lacs)

Particulars	Outstading for following periods from Due Date of Payment as on 31.03.2021						
	Not due	< 6 Months	6 Months-1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) Undisputed trade Receivalbes- Considered goods	22,643.27	4,255.17	23.45	218.92	382.49	-	27,523.30
(ii) Undisputed trade Receivalbes- Which have significat increase in Credit Risk	-	-	-	4.82	528.19	261.86	794.87
(iii) Undisputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-	-
(iv) disputed trade Receivalbes- considered goods	-	-	-	-	-	-	-
(v) disputed trade Receivalbes- Which have significat increase in Credit Risk	-	-	-	-	-	-	-
(vi) disputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-	-
Total	**22,643.27**	**4,255.17**	**23.45**	**223.73**	**910.68**	**261.86**	**28,318.17**

11. Bank, Cash and cash equivalents

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Cash and cash equivalents		
Balances with banks:		
On current accounts	811.43	738.85
Deposits with original maturity of less than three months	282.00	113.00
Stamp in hand	1.23	1.23
Cash on hand	5.03	6.40
	1,099.69	**859.48**
Other bank balances		
Earmarked balances - Unpaid dividend account	19.09	6.11
Deposits with original maturity for more than 3 months but less than 12 months	60,061.36	4,269.50
Margin money deposit		
	60,080.45	4,275.61
Less: Bank Over draft facilities	3,709.29	-
	56,371.16	**4,275.61**
	57,470.86	**5,135.09**

Out of total Deposits, deposits of ₹ 34257.96 lacs (previous year ₹ 4269.50 lacs) are pledged with various banks for availing LC, Bank Guarantee, OD facilities, margin money and pledged with other Govt. Departments.

Consolidated Notes to financial statements for the year ended 31st March, 2022

12. Loans

(₹ in Lacs)

	Current	
	As at 31.03.2022	As at 31.03.2021
Loan to body corporate & Others with stipulated terms - Unsecured considered good	8,653.00	-
Loan to body corporate repayable on demand - Unsecured considered good	16,070.51	-
	24,723.51	**-**

Note:

The Company has not made any loans or advances in the nature of loans to Promoters, Directors, KMP's and the related parties which are outstanding as at the end of the current year and previous year.

13. Other financial assets (considered good, unsecured)

(₹ in Lacs)

	Current	
	As at 31.03.2022	As at 31.03.2021
Other receivables	1,000.00	1,783.58
Total	**1,000.00**	**1,783.58**

14. Equity Share capital

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Authorised		
141600000 (31st March, 2021: 49800000) equity shares of ₹ 5/- each (previous year ₹ 10/- each)	7,080.00	4,980.00
	7,080.00	**4,980.00**
Issued, subscribed and fully paid-up	6822.24	3,411.12
136444988 (31st March, 2021: 34111247) equity shares of ₹ 5/- each fully paid-up (previous year ₹ 10/- each)	**6822.24**	**3,411.12**

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

	As at 31.03.2022		As at 31.03.2021	
	No.	(₹ in lacs)	No.	(₹ in lacs)
At the beginning of the period	6,82,22,494	**3411.12	3,41,11,247	**3411.12
Issued during the period	6,82,22,494	**3411.12	-	-
Outstanding at the end of the period	**13,64,44,988**	**6822.24**	**3,41,11,247**	****3411.12**

* Shares at the beginning of the period have been sub-divided into 2 shares of ₹ 5/- each during the year.

** Value of Treasury shares of 4500000 nos. of ₹ 5/- each (previous year 1125000 nos. of ₹ 10/- each) 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 ₹ 5/- 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.

Consolidated Notes to financial statements for the year ended 31st March, 2022

14. Equity Share capital (Contd.)

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/subsidiary company

Out of equity shares issued by the company, shares held by its associate/subsidiary company are as below:

(₹ in Lacs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Equity shares of ₹ 5/- each (previous year ₹ 10/- each) fully paid		
4800000 (1200000) nos. of shares held by Hira Ferro Alloys Ltd.	240.00	120.00
	240.00	**120.00**

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

	As at 31.03.2022		As at 31.03.2021	
	No. *	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 5/-each (previous year ₹ 10/-each) fully paid				
Hira Infra-tek Limited	7162608	5.25	1790652	5.25
Dinesh Agrawal	7385388	5.41	1846347	5.41
B.L. Agrawal (HUF)	10955728	7.77	2738932	7.77
Vinay Agrawal	7501864	5.32	1875466	5.32
Kumar Agrawal	9842712	6.98	2460678	6.98
	42848300	**30.73**	**10712075**	**30.73**

* after sub-divided one equity shares from ₹ 10/- each into two equity shares of ₹ 5/- each and bonus shares in the ratio of 1:2.

e. In the period of five years, the Company has issued bonus shares 1:2 ratio by capitalizing a part of the securities premium during the year ended March 31, 2022. Further, the company has not bought back any equity shares or has allotted any equity shares as fully paid up consideration other than cash in the period of five years.

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. During the year the company has sub-divided one equity shares from ₹ 10/- each into two equity shares of ₹ 5/- each.

h. Shares held by promoters at 31 March 2022

	No. of Shares	% of total shares	% Change during the year
Name of Promoter			
Bajrang Lal Agrawal	69,25,592	4.91	-
N P Agrawal	30,77,384	2.18	-
Hanuman Prasad Agrawal	50,20,000	3.56	-
Dinesh Agrawal	73,85,388	5.24	-
Name of Promoter Group			
Sarita Devi Agrawal	6102916	4.33	-
Bajrang Lal Agrawal HUF	10955728	7.77	-
Kumar Agrawal	5842712	4.15	(2.84)

Consolidated Notes to financial statements for the year ended 31st March, 2022

14. Equity Share capital (Contd.)

	No. of Shares	% of total shares	% Change during the year
Reena Agrawal	4004000	2.84	2.55
Madhu Agrawal	4200000	2.98	2.84
Abhishek Agrawal	340000	0.24	-
Kanika Agrawal	2864400	2.03	1.70
Late Suresh Agrawal (Under process of transmission in the name of his legal heirs)	2500000	1.77	-
Siddharth Agrawal	376000	0.27	-
Vinay Agrawal	3901864	2.77	(2.55)
Narayan Prasad Agrawal HUF	1900000	1.35	-
Pranay Agrawal	987832	0.70	(0.85)
Prakhar Agrawal	930000	0.66	(0.85)
Dinesh Agrawal HUF	3356236	2.38	-
Suresh Kumar Agrawal HUF	3112684	2.21	-
Radheyshyam Agrawal HUF	1920000	1.36	-
Hanuman Prasad Agrawal HUF	200000	0.14	-
Hira Infra-Tek Limited	7162608	5.08	-
Hira Cement Limited	858068	0.61	-
Hira Ferro Alloys Limited	4800000	3.41	-
Alok Ferro Alloys Limited	1920000	1.36	-
GPIL Beneficiaries Trust	4500000	3.19	-

i. Apart from authorised equity share capital, the company is also having authorised preference share capital consisting 3200000 preference shares of ₹ 10/- each as on 31.03.2022 and 31.03.2021.001

15. Other Equity

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Capital Reserve		
Balance as per last financial statements	11,008.34	11,008.34
Adjustment relating to changes in control	(8,160.10)	-
	2,848.24	**11,008.34**
Securities Premium		
Balance as per last financial statements	20,784.05	20,784.05
Adjustment relating to changes in control	1,380.00	-
Utilised towards issue of bonus equity shares	(3,291.12)	-
Utilised towards transaction cost on issue of equity shares & bonus equity shares	(40.76)	-
	18,832.17	**20,784.05**
General Reserve		
Balance as per last financial statements	17,766.00	17,766.00
	17,766.00	**17,766.00**
Retained Earnings		
Balance as per last financial statements	1,47,378.00	85,255.25
Profit for the year	1,46,666.58	63,854.31
Remeasurements of the net defined benefit plans, Net of Tax	(519.01)	(27.10)
Adjustment relating to changes in control	(4,219.66)	57.35
Interim Dividend paid on Equity Share	(1,761.81)	(1,761.81)

Consolidated Notes to financial statements for the year ended 31st March, 2022

15. Other Equity (Contd.)

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Final Dividend paid on Equity Share	(4,756.89)	-
	2,82,787.19	**1,47,378.00**
Items of Other Comprehensive Income		
Fair Value of financial assets through Other Comprehensive Income		
Balance as per last financial statements	(378.52)	(419.56)
Other Comprehensive Income reognised during the year, net of tax	1,993.93	(99.61)
Adjustment relating to changes in control	-	140.65
	1,615.41	**(378.52)**
Share of Other Comprehensive Income in associates and Joint Ventures		
Balance as per last financial statements	3,590.21	(21.56)
Adjustment relating to changes in control	(3,293.67)	-
Other Comprehensive Income reognised during the year, net of tax	504.62	3,611.77
	801.16	**3,590.21**
	3,24,650.18	**2,00,148.09**

Notes:

a. Capital Reserve is created on account of change in control i.e. additional ownership interest in a subsidary & associates 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. 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.

d. Retained earnings are the profits and gains that the Company has earned till date less any transfer to General Reserve, dividends or other distributions made to shareholders.

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.

16. Borrowings

(₹ in Lacs)

Particulars	Non-current portion		Current maturities	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Term Loans				
Secured loan from bank	192.22	77,105.52	115.33	4,402.22
Other loans and advances				
Other loans from bank and financial institution(secured)	83.68	-	82.70	-
From body corporates (unsecured)	741.49	-	-	-
	1,017.39	**77,105.52**	**198.03**	**4,402.22**
The above amount includes				
Secured borrowings	275.90	77,105.52	198.03	4,402.22
Unsecured borrowings	741.49	-	-	-
Amount disclosed under the head				
"short term borrowings" (refer note 20)			(198.03)	(4,402.22)
Net amount	**1,017.39**	**77,105.52**	**-**	**-**

Consolidated Notes to financial statements for the year ended 31st March, 2022

16. Borrowings (Contd.)

Security and terms & conditions for above loans:

a. The rupee term loan 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 & their relatives 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 company is secured by first pari-passu charge are on entire immovable properties (land alongwith building etc other assets attached to the land) of the subsidiary company by way of equitable mortgage and hypothecation of movable assets of the subsidiary company (including plant & machineries, equipments, furniture and fixtures, structures, other movable assets present and future). The Term Loans are further secured on pari-passu basis, by way of hypothecation of entire Current Assets consisting of Raw Materials, Finished Goods, Stores & Spares etc and Book Debts of the subsidiary company (present and future) and also secured by Corporate Guarantee of holding Company i.e. Godawari Power & Ispat Limited .

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

c. Other Loans & adavnces from body corporates are repayable after 3 years.

Repayment terms for above loans:

a. Rupee term loan outstanding aggregating to ₹ Nil (Previous year ₹ 45518.11 lacs) are repayable in 168 monthly instalments which shall be ended on 31st March 2032.

b. Rupee term loan outstanding agreegating to ₹ 307.56 lacs (Previous year ₹ Nil) are repayable in 36 monthly instalments which shall be ended on 31st December 2024.

c. Rupee term loan outstanding agreegating to ₹ Nil lacs (Previous year ₹ 35990 lacs) are repayable in 180 monthly instalments which shall be ended on 30th September 2031.

17. Other non-current financial liabilities

(₹ in Lacs)

	Non Current	
	As at 31.03.2022	As at 31.03.2021
Retention money payable	1,405.69	533.85
	1,405.69	**533.85**

18. Provisions

(₹ in Lacs)

	Current		Non Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits				
- Gratuity	2,172.85	1,149.38	117.62	62.83
- Leave obligations	337.84	278.25	19.99	16.99
	2,510.69	**1,427.63**	**137.61**	**79.82**

19. Deferred Tax (Assets)/Liabilities

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Deferred Tax (Assets)/Liabilities		
Temporary differences on account of PPE & Other intangible assets	18,337.58	22,738.51
Temporary differences on account of fair valuation of Investments	176.37	(44.48)
Temporary differences on account of Employee Benefits	(713.08)	(435.11)

Consolidated Notes to financial statements for the year ended 31st March, 2022

19. Deferred Tax (Assets)/Liabilities (Contd.)

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Others	(1,461.71)	(5,476.92)
Net deferred tax (assets)/ liabilities	**16,339.15**	**16,782.00**
RECONCILIATION OF DEFERRED TAX (ASSETS)/LIABILITIES (NET)		
Deferred Tax (Assets)/Liabilities		
Deferred tax liability / (assets) at the beginning of the year	16,782.00	4,482.10
Temporary differences on account of PPE & Other intangible assets	(4,400.93)	1,382.77
Temporary differences on account of Employee Benefits	(277.97)	56.46
Other temporary differences	3,045.16	31.79
Impact of change in tax rate for future period	(208.48)	(6,025.40)
MAT credit forgo (adopting new tax regime from next year)	-	1,236.94
MAT Credit utilized/(arised)	1,399.36	15,617.33
DEFERRED TAX LIABILITIES / (ASSETS) AT THE END OF THE YEAR	**16,339.15**	**16,782.00**

20. Borrowings

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Cash Credit facility from banks (secured)	23,340.34	8,138.59
Working capital Buyers Credit facilities from bank (secured)	18,290.80	-
Current maturities of long-term borrowings (secured) (refer note-16)	198.03	4,402.22
The above amount includes	**41,829.17**	**12,540.81**
Secured borrowings	41,829.17	12,540.81
Unsecured borrowings	-	-

Terms & Conditions of Secured Loans

1. The working capital facilities from Banks of parent company are secured by 1st Pari passu charge by the way of hypothecation with consortium member bank on the entire existing as well as on future current assets of the parent company. The facilities further secured by 2nd Pari passu charge by the way of Equitable Mortgage (EM) of land & building along with hypothecation of plant and machineries and other movable fixed assets including entire existing as well as future fixed assets of the parent company including intangibles/goodwill and EM of land and building at phase-I industrial area, Siltara, Raipur, Chhattisgarh.

2. The above credit facilities are also secured by personal guarantee of promoter directors of the Parent Company.

3. The working capital facilities (including cash credit) of the parent company are also secured in line with rupee term loans by Pledge of 1,18,00,000 shared of Godawari Energy Ltd. held by the Parent Company (1st pari passu charge among working capital lenders) and Corporate guarantee of M/s Godawari Energy Ltd.

4. The Buyer's credit facilities from bank of parent company in respect of Solar Project – Rajnandgaon – 70 MW is secured by First and exclusive charge on the entire fixed assets both movable (excluding current assets) and immovable pertaining the solar project including land admeasuring 193.36 acres located at Rajnandgaon district in Chhattisgarh of borrower, present and future.

5. The Buyer's credit facilities from bank of parent company in respect of Solar Project – Bemetara – 25 MW is secured by Primary charge by the way of hypothecation of movable assets including goods under LC, plant, and machinery etc. at the proposed solar power plant of 25 MW. It is further secured by Exclusive charge by way of equitable mortgage of land over which the proposed 25 MW solar power plant is being set up (Proposed at Dist. Bemetara, Chhattisgarh).

6. Working Capital facilities from banks of subsidiary company are secured by first pari passu charge with other lenders by way of hypothecation of entire current Assets of the subsidiary company including stocks (lying at the subsidiary company's premises, subsidiary company's agent godown or at such places as may be approved by the Bank from time to time and stocks-in-transit) book debts, receivables & other current assets.

Consolidated Notes to financial statements for the year ended 31st March, 2022

20. Borrowings (Contd.)

7. The facilities of subsidiary company are further secured by first pari passu charge by way of Hypothecation of subsidiary company's entire movable including plant & machinery and immovable assets by way of equitable mortgage of lease hold and freehold land & factory buildings with all other fixed assets, including Plant and Machinery etc. The facilities are also secured by Corporate Guarantee of Holding Company i.e. Godawari Power & Ispat Limited.

Other Notes:

1. The Group has working capital facilities from banks on the basis of security of current assets & submitting quartely Financial Follow up Report as per the terms & conditions of sanction letters.There are no material discrepancies in the amount of current assets between Financial Follow Report and books of account.

2. None of the banks, financial institutions or other lenders from whom the group has borrowed funds has declared the group as a wilful defaulter at any time during the current year or in previous year.

21. Trade Payable

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	16.56	85.10
- total outstanding dues of creditors other than micro enterprises and small enterprises	52,943.69	19,295.42
	52,960.24	**19,380.53**

Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021: (₹ in Lacs)

Particulars	Outstading for Following periods from due date of Payment as on 31.03.2022						
	Unbilled	Not due	< 1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) MSME	-	-	16.56	-	-	-	16.56
(ii) Others	19.55	40,018.21	12,840.88	16.64	48.41	-	52,943.69
(iii) Disputed Dues- MSME	-	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-	-
Total	**19.55**	**40,018.21**	**12,857.44**	**16.64**	**48.41**	**-**	**52,960.24**

(₹ in Lacs)

Particulars	Outstading for Following periods from due date of Payment as on 31.03.2021						
	Unbilled	Not due	< 1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) MSME	-	-	85.10	-	-	-	85.10
(ii) Others	272.13	10,491.63	8,525.97	5.69	-	-	19,295.42
(iii) Disputed Dues- MSME	-	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-	-
Total	**272.13**	**10,491.63**	**8,611.08**	**5.69**	**-**	**-**	**19,380.53**

22. Other Financial Liabilities

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Interest accrued but not due on borrowings	8.96	333.76
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	19.09	6.11
Expenses and other Payable	5,130.25	4,021.20
	5,158.30	**4,361.06**

Consolidated Notes to financial statements for the year ended 31st March, 2022

23. Other Current Liabilities

(₹ in Lacs)

	As at 31.03.2022	As at 31.03.2021
Advances from Customer	2,266.64	972.56
Statutoty dues payable	1,642.12	402.96
Other Payable	13,499.48	-
	17,408.23	**1,375.51**

24. Revenue from operations

(₹ in Lacs)

	2021-22	2020-21
Revenue from operations		
Sale of products		
Manufacturing Goods and By-Products	5,14,895.43	3,88,307.17
Electricity	3,979.40	-
Traded Goods	16,028.94	5,424.78
Others	4,489.40	1,722.52
Other operating revenue		
Sale of services	524.94	309.64
Revenue from operations	**5,39,918.11**	**3,95,764.10**

25. Other Income

(₹ in Lacs)

	2021-22	2020-21
Interest Income on		
Bank Deposits	558.82	98.74
Others	1,420.96	78.29
Profit on sale of property, plant and equipment	234.77	53.96
Other non-operating income (net of expenses directly attributable to such income)	722.55	107.82
	2,937.10	**338.81**

26. Cost of materials consumed

(₹ in Lacs)

	2021-22	2020-21
Inventory at the beginning of the year	28,773.59	33,854.68
Add: purchases	2,48,439.72	1,81,881.48
	2,77,213.31	**2,15,736.15**
Less : Inventory at the end of the year	54,696.99	28,773.59
Less : Inventory related to changes in control	(7,554.13)	6,976.60
Cost of materials consumed	**2,30,070.45**	**1,79,985.96**

27. Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods

(₹ in Lacs)

	2021-22	2020-21	(Increase)/Decrease
			2021-22
Inventories at the end of the year			
Finished goods and by-products	14,692.25	8,490.69	(6,201.56)

Consolidated Notes to financial statements for the year ended 31st March, 2022

27. Changes in Inventories of Work in Progress, Stock in Trade and Finished Goods (Contd.)

(₹ in Lacs)

	2021-22	2020-21	(Increase)/Decrease
Work-in-progress	3,337.81	1,808.97	(1,528.84)
Traded goods	-	480.29	480.29
Inventory related to changes in control	(304.63)	671.12	975.75
	17,725.43	**11,451.08**	**(6,274.36)**
Inventories at the beginning of the year			2020-21
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	480.29	909.64	429.35
Inventory related to changes in control	671.12	-	(671.12)
	11,451.08	**11,003.38**	**(447.69)**
Net (increase)/decrease in inventories	**(6,274.36)**	**(447.69)**	

28. Employee benefits expense

(₹ in lacs)

	2021-22	2020-21
Salaries, wages and other benefits	12,929.29	11,943.83
Contribution to provident and other fund	976.03	640.19
Gratuity expense	315.40	217.76
Leave obligation expense	102.70	122.13
Staff welfare expenses	731.76	506.84
	15,055.18	**13,430.75**

29. Finance Costs

(₹ in lacs)

	2021-22	2020-21
Interest		
- on term loans	586.94	9,639.03
- on working capital	503.41	1,248.22
- on others	114.29	17.48
Bank charges	764.12	591.00
	1,968.76	**11,495.73**

30. Depreciation and amortization expense

(₹ in lacs)

	2021-22	2020-21
Depreciation on property, plant and equipment	9,447.15	9,836.77
Amortization of intangible assets	1,022.54	1,059.72
	10,469.68	**10,896.49**

31. Other Expenses

(₹ in lacs)

	2021-22	2020-21
Consumption of stores and spares	18,928.99	16,107.14
Grid Parallel operation charges	503.67	215.28
Power & Fuel	24,461.52	21,725.60
Water Charges	378.20	349.75
Other manufacturing expenses	10,176.30	7,763.17

Consolidated Notes to financial statements for the year ended 31st March, 2022

31. Other Expenses (Contd.)

(₹ in lacs)

	2021-22	2020-21
CDM Expenses	5.65	7.43
Rent	60.95	74.24
Rates and taxes	1,155.78	871.52
Insurance	825.20	460.89
Repairs and maintenance		
- Plant and machinery	1,662.52	1,245.26
- Buildings	808.57	499.11
- Others	187.61	213.01
Rebate, shortage claims & other deductions	236.09	839.57
Commission - Other than Sole selling agents	561.76	478.73
Provision/Allowances for credit loss on debtors	(104.41)	767.32
Travelling and conveyance	645.64	371.36
Communication expenses	100.25	87.42
Printing and stationery	34.03	28.16
Legal and professional fees	1,509.26	763.85
Directors' remuneration	861.90	987.91
Directors' sitting fees	32.72	25.45
Payment to Auditor	42.40	42.47
Frieght and forwarding charges	32,692.01	26,219.73
Security service charges	426.76	472.33
Loss on sale of property, plant and equipment	337.54	-
Renewal Purchase Obligation (RPO)	47.83	-
Corporate Social Responsibility	1,417.18	572.28
Miscellaneous expenses	1,279.41	2,683.38
	99,275.34	**83,872.38**

32. Earnings per share (EPS)

(₹ in lacs)

	2021-22	2020-21
Net profit/(loss) for the year from continuing operation	1,48,191.93	63,942.75
Net profit/(loss) for the year from discontinuing operation	(1,460.85)	1,508.54
Net profit/(loss) from continuing operation attributable to equity holders of the parents	1,48,127.42	62,669.65
Net profit/(loss) from discontinuing operation attributable to equity holders of the parents	(1,460.85)	1,169.09
Nominal Value of Equity Shares (₹)	5	5
Weighted average number of equity shares in calculating Basic EPS	13,16,44,988	13,64,44,988
Weighted average number of equity shares in calculating Diluted EPS	13,16,44,988	13,64,44,988
Earnings per share (for continuing operations)		
- Basic earning per share	112.52	45.93
- Diluted earning per share	112.52	45.93
Earnings per share (for discontinued operations)		
- Basic earning per share	(1.11)	0.86
- Diluted earning per share	(1.11)	0.86
Earnings per share (for continuing and discontinued operations)		
- Basic earning per share	111.41	46.79
- Diluted earning per share	111.41	46.79

Note: As per para 26 of Ind AS -33, Earning Per Share for all periods presented have been adjusted based on total number of shares after splitting from ₹ 10 per equity share to ₹ 5 per equity shares and bonus issue in the ratio of 1:2.

Consolidated Notes to financial statements for the year ended 31st March, 2022

33. Contingent Liabilities and capital commitments :-

Claims against the companies not acknowledged as debts:

i) Disputed liability of ₹ 181.06 lacs (Previous Year ₹ 144.45 lacs) on account of Service Tax against which the company has preferred an appeal.

ii) Disputed liability of ₹ 772.21 lacs (Previous Year ₹ 329.68 lacs) on account of CENVAT against which the company has preferred an appeal.

iii) Disputed liability of ₹ 356.87 lacs (Previous year ₹ 286.55 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 ₹ 8315.89 lacs (Previous Year ₹ 5546.24 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 group Banker aggregate to ₹ 13184.37 lacs (Previous Year ₹ 3429.64 lacs.)

Capital Commitments:

i) Estimated amount of contracts remaining to be executed on capital accounts ₹ 13963.49 lacs (Previous Year ₹ Nil).

34. 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 ₹ 976.03 lacs (P.Y. ₹ 640.19 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 28).

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 ₹ 102.70 lacs (P.Y. ₹ 122.13 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans (Refer Note no 28)

Consolidated Notes to financial statements for the year ended 31st March, 2022

34. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS: (Contd.)

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	
		2021-22 (Non Funded)	2020-21 (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	1,366.81	1,057.23
	Interest Cost	94.31	74.01
	Current Service Cost	221.09	128.62
	Past Service Cost	-	-
	Benefit paid directly by employer	(89.34)	(32.03)
	Acturial Changes arising from changes in financial assumption	(41.06)	17.48
	Acturial Changes arising from changes in expirence assumption	738.64	(33.10)
	Present value of defined benefit obiligation at the end of the year	2,290.46	1,212.21
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	89.34	32.03
	Benefit paid from the fund	(89.34)	(32.03)
	Fair value of plan assets at the end of the year	-	-
III	**Net asset / (liability) recognised in the balance sheet:**		
	Present Valur of defined benefit obiligation at the end of the year	2,290.46	1,212.21
	Fair value of plan assets at the end of the year	-	-
	Amount recognised in the balance sheet	-	-
	Net asset / (liability) - Current	105.84	62.63
	Net asset / (liability) - Non Current	2,014.09	1149.58
IV	**Expenses recognized in the statement of profit and loss for the year:**		
	Current Service Cost	221.09	143.07
	Interest Cost on benefit obiligation (Net)	94.31	81.05
	Total expenses included in employee benefits expenses	315.40	224.12
V	**Recognized in other comprehensive income for the year:**		
	Acturial Changes arising from changes in financial assumption	(41.06)	17.48
	Acturial Changes arising from changes in expirence assumption	738.64	(33.10)
	Recognized in other comprehensive income for the year:	697.58	(15.62)
VI	**Maturity profile of defined benefit obiligation:**		
	Within the next 12 months (next annual reporting period)	105.84	62.63
	Between 2 and 5 years	548.57	76.41
	Between 6 and 10 years and above	1,636.05	1,073.17
VII	**Quantitative Sensitivity analysis for significant assumption is as below:**		
	1 1% point increase in discount rate	2,073.67	1,093.63
	1% point decrease in discount rate	2,544.95	1,352.03
	1% point increase rate of salary Increase	2,541.64	1,352.37
	1% point decrease rate of salary Increase	2,067.61	1,090.90
	1% point increase rate of employee turnover rate	2,311.94	1,221.90
	1% point decrease rate of employee turnover rate	2,265.91	1,201.04

Consolidated Notes to financial statements for the year ended 31st March, 2022

34. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS: (Contd.)

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 2021-22 (Non Funded)	Gratuity 2020-21 (Non Funded)
VIII	**Actuarial assumptions:**		
1	Discount rate	7.10%	6.90%
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, 2022. 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.

35. 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

Consolidated Notes to financial statements for the year ended 31st March, 2022

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd.)

- Currency risk
- Price risk

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

Credit Risk

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

Trade receivables

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

Loans and Advances

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

Bank, Cash and cash equivalents

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

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

(₹ in lacs)

	31-Mar-22	31-Mar-21
Trade receivables	34,992.41	27,523.30
Loans	24,723.51	-
Bank, Cash and cash equivalents	60,853.83	6,021.51

Impairment losses

(₹ in lacs)

	31-Mar-22	31-Mar-21
Trade receivables (measured under life time excepted credit loss model)		
Opening balance	793.04	83.42
Provided during the year	(0.25)	709.62
Reversal of provision	-	-
Closing balance	**792.79**	**793.04**

Ageing analysis

(₹ in lacs)

	31-Mar-22	31-Mar-21
Upto 3 months	33,704.55	26,107.49
3-6 months	998.01	227.61
More than 6 months	289.85	1,188.20
	34,992.41	**27,523.30**

Consolidated Notes to financial statements for the year ended 31st March, 2022

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd.)

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-22	31-Mar-21
Cash Credit facilities	4,459.66	13,227.41

Maturities of financial liabilities

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

As at 31 March 2022	Less than 1 year	<1-5 years	More than 5 years	Total
Borrowings	41,829.17	1,017.39	-	42,846.57
Trade payables	52,960.24	-	-	52,960.24
Other financial liabilities	5,158.30	1,405.69	-	6,563.99
	99,947.71	**2,423.08**	**-**	**1,02,370.79**

As at 31 March 2021	Less than 1 year	<1-5 years	More than 5 years	Total
Borrowings	12,540.81	37,717.00	39,388.52	89,646.33
Trade payables	19,380.53	-	-	19,380.53
Other financial liabilities	4,361.06	533.85	-	4,894.92
	36,282.40	**38,250.85**	**39,388.52**	**1,13,921.77**

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-22	31-Mar-21
Variable rate borrowings	41,938.69	89,646.33
Fixed rate borrowings	907.87	-

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-22	31-Mar-21
Interest rates - increase by 70 basis points	293.57	627.52
Interest rates - decrease by 70 basis points	(293.57)	(627.52)

Consolidated Notes to financial statements for the year ended 31st March, 2022

35. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Contd.)

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 foreigncurrency risk.

(₹ in lacs)

PARTICULARS	Currency	Currency in Lacs	
		2021-22	2020-21
Borrowings	USD	740.62	11.10
Trade Payables	USD	682.42	308.62
Receivable	USD	15.99	143.32

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-22	31-Mar-21
Foreign exchange rates - increase by 1%	747.83	90.28
Foreign exchange rates - decrease by 1%	(747.83)	(90.28)

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 ₹ 425.13 lacs (2020-21: ₹ 8.03 lacs); an equal change in the opposite direction would have decreased profit and loss.

36. 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.

Consolidated Notes to financial statements for the year ended 31st March, 2022

36. CAPITAL MANAGEMENT (Contd.)

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 2022	31 March 2021
Total borrowings	42,846.57	89,646.33
Less : Bank, Cash and cash equivalent	57,470.86	5,135.09
Net debt	**-14,624.29**	**84,511.24**
Total equity	3,31,232.43	2,03,559.21
Net debt to equity ratio	**-0.04**	**0.42**

The Group has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting period.

37. Distribution made and proposed:

(₹ in lacs)

	31 March 2022	31 March 2021
Dividends on equity shares declared and paid:		
Interim dividend for the year ended on 31 March 2022: ₹ 5 per share (31 March 2021: ₹ 5 per share)	1,761.81	1,761.81
Final dividends on Equity shares:		
Proposed dividend for the year ended on 31 March 2022: ₹ 13.50 per share (31 March 2021: ₹ Nil per share)	4,756.89	-
Proposed dividends on Equity shares:		
Proposed dividend for the year ended on 31 March 2022: ₹ 8.50 per share (31 March 2021: ₹ 13.50 per share)	5,990.16	4,756.89
	7,751.97	**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 2022.

38. 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 of indirectly

Consolidated Notes to financial statements for the year ended 31st March, 2022

38. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS (Contd.)

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 31.03.2022	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments	20743.41	-	-	-
Trade receivables	34992.41	-	-	-
Bank, Cash and bank balances	60853.83	-	-	-
Other financial assets	1000.00	-	-	-
	117589.65	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:				
Investments	3193.71	18.63	3175.08	-
Total	**3193.71**	**18.63**	**3175.08**	**-**
Financial liabilities at amortised cost:				
Long term borrowings	1017.39	-	-	-
Short term borrowings	41829.17	-	-	-
Trade payables	52960.24	-	-	-
Other financial liabilities	6563.99	-	-	-
Total	**102370.79**	**-**	**-**	**-**

(₹ 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	1,783.58	-	-	-
	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	12540.81	-	-	-
Trade payables	19380.53	-	-	-
Other financial liabilities	4894.92	-	-	-
Total	**113921.77**	**-**	**-**	**-**

During the reporting period ending 31st March, 2022 and 31st March, 2021, there were no transfers between Level 1 and Level 2 fair value measurements.

Consolidated Notes to financial statements for the year ended 31st March, 2022

39. 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 (upto 28.09.2021)
- -- Ardent Steel Private Limited

b) **Joint Ventures**
- -- Raipur Infrastructure Company Ltd.
- -- Chhattisgarh Captive Coal Mining Pvt. Ltd.

c) **Key Management Personnel**
- -- Shri B.L.Agrawal (Managing Director)
- -- Shri N. P. Agrawal (Managing Director of HFAL)
- -- Shri Abhishek Agrawal (Whole Time Director)
- -- Shri Siddharth Agrawal (Director)
- -- Shri Dinesh Agrawal (Whole Time Director)
- -- Shri Prakhar Agrawal (Whole Time 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) upto 17.03.2022
- -- Shri Arvind Dubey (Whole time Director of HFAL)
- -- Shri Vivek Agrawal (Chief Operational Officer)
- -- MS. Bhavana Govindbhai Desai (Independent Director)
- -- Shri Bhrigu Nath Ojha (Independent Director)
- -- Shri Biswajit Choudhuri (Independent Director) upto 16.10.2021
- -- Shri Harishankar Khandelwal (Independent Director)
- -- Shri Shashi Kumar (Independent Director)

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)

			2021-22	2020-21
a)	Associates	Sale of Materials	3,389.97	433.41
		Purchase of Materials	357.26	595.46
		Purchase of Electricity	8,322.76	8,072.34
		Interest received	14.25	14.51
		Service and other charges paid	379.42	369.31
		Income From Services / Misc other receipts	0.24	0.33
		Purchase of capital goods	-	69.60
		Outstandings		
		Receivables	1,052.67	855.21
		Payables	28.53	131.38
b)	Other Related Parties	Purchase of Materials	677.69	314.53
		Sale of Materials	26.33	21.90
		Purchase of capital goods	0.00	2.14
		Other charges paid	301.68	111.45
		Income From Services / Misc other receipts	29.59	19.29
		Rent Paid	33.68	12.79
		Outstandings		
		Receivables	14.70	0.23
		Payables	35.56	43.08

Consolidated Notes to financial statements for the year ended 31st March, 2022

39. Information on Related Party Disclosures are given below : (Contd.)

(₹ in Lacs)

			2021-22	2020-21
c)	Joint Ventures	Credit note received	-	189.52
		Outstandings		
		Payables	-	79.79
e)	Key Management Personnel	Remuneration/ Salary Paid	915.00	850.77
		Directors' Sitting Fees	31.20	24.00
		Commission paid	85.00	55.00

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)

		2021-22	2020-21
a)	Purchase of Materials:		
	Hira Ferro Alloys Ltd	357.26	595.46
	Hira Cement Ltd	677.46	314.53
b)	Service Charges Paid:		
	Chhattisgarh Ispat Bhumi Limited	379.34	368.93
	Hira Cement Ltd.	301.68	111.45
c)	Sale of Materials:		
	Hira Ferro Alloys Ltd.	90.37	37.17
	Ardent Steel Private Ltd.	115.30	279.92
	Jagdamba Power & Alloys Ltd.	3,184.30	116.22
d)	Income From Services / Misc other receipts:		
	Godawari Emobility Pvt. Ltd.	19.76	18.58
	Godawari Electric Moters Pvt. Ltd.	8.89	-
	Ardent Steel Private Ltd.	-	16.18
e)	Purchase of Capital Goods:		
	Godawari Emobility Pvt. Ltd.	-	2.14
	Hira Ferro Alloys Ltd	-	69.60
f)	Purchase of Electricity		
	Jagdamba Power & Alloys Ltd.	7,500.68	6,386.10
	Hira Ferro Alloys Ltd	822.08	1,686.24
g)	Interest received:		
	Hira Ferro Alloys Ltd	-	14.51
h)	Rent Paid:		
	Raipur Complex	13.20	12.64
i)	Credit note received		
	Raipur Infrastructure Company Ltd.	-	189.52
j)	Remuneration/ salary paid:		
	Shri B.L.Agrawal	240.00	240.00
	Shri N.P. Agrawal	165.00	150.00
	Shri Dinesh Agrawal	192.00	192.00
	Shri Abhishek Agrawal	198.00	192.00
	Shri Prakhar Agrawal	120.00	76.77

Consolidated Notes to financial statements for the year ended 31st March, 2022

39. Information on Related Party Disclosures are given below : (Contd.)

(₹ in Lacs)

		2021-22	2020-21
k)	Directors' Sitting Fees :		
	Shri Bhrigu Nath Ojha	7.50	5.60
	Shri Biswajit Choudhuri	5.00	5.60
	Shri Harishankar Khandelwal	6.25	4.40
	Shri Shashi Kumar	6.05	3.40
	MS. Bhavana Govindbhai Desai	6.40	5.00
l)	Commission Paid :		
	Shri Bhrigu Nath Ojha	12.00	6.00
	Shri Biswajit Choudhuri	12.00	6.00
	Shri Harishankar Khandelwal	12.00	6.00
	Shri Shashi Kumar	12.00	6.00
	MS. Bhavana Govindbhai Desai	12.00	6.00
	Shri Dinesh Kumar Gandhi	25.00	25.00
m)	Outstanding - Receivables		
	Jagdamba Power & Alloys Limited	1,052.67	839.68
n)	Outstanding - Payables		
	Hira Ferro Alloys Limited	-	70.64
	Chhattisgarh Ispat Bhumi Limited	28.53	61.14
	Hira Cement Ltd.	35.56	43.08
	Chhattisgarh Captive Coal Mining Pvt. Ltd.	-	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 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: ₹ 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.

40. 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 (₹ in Lacs)

Particulars	External Sales		Inter Segment Sales		Eliminations		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
A) REVENUE								
Steel	535938.71	395764.10	0.00	0.00	0.00	0.00	535938.71	395764.10
Electricity Segment	3979.40	0.00	3617.42	0.00	(3617.42)	0.00	3979.40	0.00
Total Segment Revenue	**539918.11**	**395764.10**	**3617.42**	**0.00**	**(3617.42)**	**0.00**	**539918.11**	**395764.10**

Consolidated Notes to financial statements for the year ended 31st March, 2022

40. Segment-wise Revenue Results : (Contd.)

B) RESULTS (₹ in lacs)

	2021-22	2020-21
Segment Operational Profit		
Steel	1,87,056.26	1,03,142.62
Electricity	1701.88	0.00
Operating Profit	**1,88,758.14**	**103142.62**
Interest Expenses	(1968.76)	(11495.73)
Share of profit/(loss)of associates and JV	6517.24	3002.66
Profit before tax from continuing operation	**193306.62**	**94649.55**
Profit before tax from discontinuing operation	(1854.57)	2407.11
Profit before tax for the period	**191452.05**	**97056.66**

C) OTHER INFORMATION (₹ in lacs)

	2021-22	2020-21
Segment Assets		
Steel Segment	443216.83	273717.94
Electricity Segment	20052.44	73,637.48
Unallocated assets	25723.51	-
Total Segment Assets	**488992.78**	**347355.42**
Segment Liabilities and Provisions		
Steel Segment	142363.84	99482.76
Electricity Segment	1671.67	37071.26
Unallocated Liabilities	741.49	-
Total Segment Liabilities & Provisions	**144777.00**	**136554.02**
Capital Expenditure		
Steel Segment	61317.85	5154.39
Electricity Segment	9.01	0.00
Total Capital Expenditure	**61326.86**	**5154.39**
Depreciation & Amortisation		
Steel Segment	10128.65	10896.49
Electricity Segment	341.03	0.00
Total Segment Depreciation & Amortisation	**10469.68**	**10896.49**

41. During the year, the group have divested its entire stake in subsidiary company viz. Godawari Green Energy Limited w.e.f. 1st January, 2022. Accordingly the revenue and expenses from operations of the said company upto 31.12.2021 are shown as and the figures of the previous year of the said subsidiary have been regrouped/rearranged wherever found necessary in accordance with the provisions of Ind AS 105. The revenue and expense related to disposal of subsidiary company are as follows:

(₹ in lacs)

Sl No.	Particulars	Discontinuing Operations: For the period ended 31.12.2021	Discontinuing Operations: For the year ended 31.03.2021
I	**Revenue**		
	Revenue from operations	7,943.55	11,427.74
	Other Income	43.63	64.93
	TOTAL REVENUE (I)	**7,987.18**	**11,492.67**

Consolidated Notes to financial statements for the year ended 31st March, 2022

41. (Contd.)

(₹ in lacs)

SI No.	Particulars	Discontinuing Operations	
		For the period ended 31.12.2021	For the year ended 31.03.2021
II	**Expenditure**		
	Changes in inventories	(8.28)	-
	Employees benefits expense	717.34	849.48
	Finance costs	2,366.95	3,898.44
	Depreciation and amortization expense	2,207.90	2,948.64
	Other Expenses	775.90	1,389.00
	TOTAL EXPENDITURE (II)	**6,059.81**	**9,085.56**
III	Profit before exceptional items and tax (I - II)	1,927.37	2,407.11
IV	Exceptional Items	3,781.94	-
V	Profit before tax (III - IV)	(1,854.57)	2,407.11
VI	**Tax Expense**		
	Current Tax	9.33	-
	Deferred Tax	(403.05)	898.57
		(393.72)	**898.57**
VII	Profit after tax (V - VI)	**(1,460.85)**	**1,508.54**

Note: The net gain of ₹ 9874.46 lacs on disposal of stake in the said subsidiary has been shown under exceptional items.

42. Business combinations and acquisition of non-controlling interests

Acquisitions during the year ended 31 March 2022

Acquisition of Hira Ferro Alloys Limited (HFAL), increased shareholding from 48.45% to 56.45%. The HFAL has become subsidiary w.e.f. 29.09.2021 by increasing stake to 56.45%. From the date of acquisition, HFAL contributed ₹ 32458.04 lacs of revenue and ₹ 6572.00 lacs to profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, the Groups revenue from continuing operations would have been ₹ 24154.21 lacs and the profit before tax from continuing operations would have been ₹ 4777.12 lacs.

The non-controlling interests in the acquiree is taken at fair value at the time of acqusition.

The goodwill of ₹ 3364.04 lacs comprises the fair value of amount paid for acquisition. Goodwill is allocated entirely to the steel segment. None of the goodwill recognized is deductible for income tax purposes.

During the year ended 31 March 2022 business combination the Group elected to value the non-controlling interest by its proportionate share of the acquiree's identifiable net assets and fair value paid for acquisition of shares.

	₹ in lacs
Total net assets at the acquistion date	42,363.16
Non-Controlling Interest as per fair value	(19,690.13)
Proportion of Net assets before acquistion	(17,081.55)
Goodwill arising on acquisition	1,428.52
Purchase consideration	**7,020.00**

Consolidated Notes to financial statements for the year ended 31st March, 2022

42. Business combinations and acquisition of non-controlling interests (Contd.)

Acquisition of additional interest in Hira Ferro Alloys Limited

On 22 March 2022, the Group acquired an additional 19.22 % interest in the voting shares of Hira Ferro Alloys Limited, increasing its ownership interest to 75.67 %. Cash consideration of INR 9978.35 lacs was paid to the non-controlling shareholders. The carrying value of the additional interest acquired at the date of acquisition was INR 8042.83 lacs. Following is a schedule of additional interest acquired in Hira Ferro Alloys Limited:

Cash consideration paid to non-controlling interest	9,978.35
Carrying value of additional interest in Hira Ferro Alloys Limited	8,042.83
Difference recognised in Goodwill	**1,935.52**

Acquisition of additional interest in Godawari Energy Limited

On 22 July 2021, the Group acquired an additional 48.69% interest in the voting shares of Godawari Energy Limited, increasing its ownership interest to 100%. Cash consideration of INR 1679.99 lacs was paid to the non-controlling shareholders. The carrying value of the additional interest acquired at the date of acquisition was INR 1630.92 lacs. Following is a schedule of additional interest acquired in Godawari Energy Limited:

	₹ in lacs
Cash consideration paid to non-controlling interest	1679.99
Carrying value of additional interest in Godawari Energy Limited	1630.92
Difference recognised in Goodwill	**49.07**

43. The Group have not undertaken any transactions with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956 during the current year or in previous year.

44. All the transactions are recorded in the books of accounts and there was no income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also there was no previously unrecorded income and related assets which has been recorded in the books of account during the year.

45. No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

46. The Group have not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Further, the company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding , whether recorded in writing or otherwise, that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

47. The Group have complied with the number of layers of companies prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

48. The Group have neither traded nor invested in Crypto Currency or Virtual Currency during the financial year.

49. No scheme of compromise or arrangement has been proposed between the company & its members or the company & its creditors under section 230 of the Companies Act 2013 ("The Act") and accordingly the disclosure as to whether the scheme of compromise or arrangement has been approved or not by the competent authority in terms of provisions of sections 230 to 237 of the Act is not applicable.

Consolidated Notes to financial statements for the year ended 31st March, 2022

50. 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.

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

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Y.C. Rao
Company Secretary
FCS 3679

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 31.03.2022

(₹ 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	Hira Ferro Alloys Limited (w.e.f. 29.09.2021)	INR	2318.85	48750.69	78709.79	27640.24	20498.88	59321.29	1505.01	15848.77	4499.65	11349.12	NIL	75.67%
2	Godawari Energy Limited	INR	2300.00	510.92	97110.02	6900.09	0.00	0.00	8.13	6.12	0.00	6.12	NIL	99.99%

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 31.03.2022

(₹ 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	31.03.2022	2605000	260.50	33.97%	2,834.41	157.84	0.00	Note- A	---
2	Chhattisgarh Ispat Bhumi Limited	Unaudited Balance Sheet as on 31.03.2022 has been consolidated	2810000	489.40	35.36%	871.54	42.97	0.00	Note- A	---
3	Ardent Steel Private Limited	31.03.2022	3998800	2,362.09	37.85%	15,833.51	3793.02	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 31.03.2022 has been consolidated	130800	210.70	33.31%	738.66	165.32	0.00	Note- A	---
2	Chhattisgarh Captive Coal Mining Private Limited	Unaudited Balance Sheet as on 31.03.2022 has been consolidated	342824	473.54	25.93%	368.08	4.75	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 31.03.2022.

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

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

B.L.Agrawal
Managing Director
DIN: 00479747

Abhishek Agrawal
Director
DIN: 02434507

Y.C. Rao
Company Secretary
FCS 3679

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	**80.04%**	**275500.16**	**92.07%**	**1,35,096.57**	**4.12%**	**235.48**	**88.78%**	**135332.05**
	Subsidiaries (Indian)								
1	Hira Ferro Alloys Limited (w.e.f. 29.09.2021)	9.38%	32275.15	4.43%	6507.50	25.52%	1457.54	5.22%	7965.04
2	Godawari Energy Limited	0.82%	2810.92	0.00%	6.12	0.00%	0.00	0.00%	6.12
3	Godawari Green Energy Limited (upto 31.12.2021)	0.00%	0.00	-1.00%	(1460.85)	0.00%	0.00	-0.96%	(1460.85)
	Non Controlling Interests in all subsidiaries	**3.77%**	**12983.34**	**0.04%**	**64.50**	**4.88%**	**278.78**	**0.23%**	**343.28**
	Associates (investment as per equity method) (Indian)								
1	Jagdamba Power and Alloys Limited	0.82%	2834.41	0.11%	157.84	-0.01%	(0.78)	0.10%	157.06
2	Chhattisgarh Ispat Bhumi Limited	0.25%	871.54	0.03%	42.97	0.00%	0.00	0.03%	42.97
3	Hira Ferro Alloys Limited (upto 28.09.2021)	0.00%	0.00	1.60%	2353.34	57.28%	3271.50	3.69%	5624.84
4	Ardent Steels Private Limited	4.60%	15833.51	2.59%	3793.02	8.21%	468.62	2.80%	4261.64
	Joint Ventures (investment as per equity method) (Indian)								
1	Raipur Infrastructure Company Limited	0.21%	738.66	0.11%	165.32	0.00%	0.00	0.11%	165.32
2	Chhattisgarh Captive Coal Mining Private Limited	0.11%	368.08	0.00%	4.75	0.00%	0.00	0.00%	4.75

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

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 28.05.2022

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

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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

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