

ANNUAL REPORT

FY 2013-14

GODAWARI GREEN ENERGY LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Godawari Green Energy Limited

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

Your Directors have pleasure in presenting the Fifth Annual Report of the Company with the Audited Statement of Accounts and the Auditor's Report of your Company for the financial year ended 31st March, 2014. The summarized financial result for the year ended 31st March 2014 as under:

	Year ended 31.03.2014 (Rs. in Lacs)	Year ended 31.03.2013 (Rs. in Lacs)
Revenue from operations	3955.92	-
Other Income	134.83	165.08
Total Income from Operations	4090.75	165.08
Earnings before interest, tax, depreciation and amortization (EBITDA)	3151.60	19.84
Less: Finance Cost	2751.09	1.62
Less: Depreciation for the Year	1897.00	13.57
Profit/(Loss) before Taxation	(1496.49)	4.65
Less: Total Tax Expenses	0.01	0.89
Profit/(Loss) for the Year after Tax	(1496.48)	3.76

OPERATIONS:

Your Directors are glad to inform that the Company's 50 MW Solar Thermal Power Plant at Naukh, Dist. Jaisalmer, Rajasthan has been successfully commissioned on 19th June, 2013, within the stipulated time and ahead of all other 6 similar projects awarded by the Government. Your Company has achieved the distinction of being the first Company in India to set up such plant. The operations have been stabilized and the plant is now operating smoothly.

During the year under review your Company registered turnover of Rs.3955.92 lacs. The Company registered Net Loss of Rs.1496.49 lacs due to high interest burden. Since the operations have now stabilised your Directors hope that the Company's overall financial performance will improve in F.Y. 2014-15.

DIVIDEND:

Your directors could not recommended any dividend for the year ended 31st March 2014.

BOARD MEETINGS:

During the year FY 2013-14, the Board met 06 times and agenda papers were circulated well in advance of each meeting to the Board of Directors. In order to ensure fruitful deliberations at the meetings, the Board of Directors of your company is provided with all relevant information on various matters related to the working of the company. The dates on which Meetings of the Board of Directors were held and the number of Directors present in each meeting are given below: -

Sl. no	Date of Meeting	No. of Directors Present
1.	27.05.2013	3
2.	02.08.2013	4
3.	28.09.2013	4
4.	08.11.2013	5
5.	09.11.2013	4
6.	07.02.2014	5

PARTICULARS OF EMPLOYEES:

None of the employees of the Company was in receipt of remuneration in excess of limits prescribed under section 217(2A) of the Companies Act, 1956 read with Rule 5 of Companies (Particulars of Employees) Rules, 1975. Hence, the particulars as required under said Rules are not given.

AUDIT COMMITTEE:

The Audit Committee was reconstituted with effect from 22.05.2014 by induction of Shri B. N. Ojha and Shri Sanjay Bothra in place of Shri Siddharth Agrawal and Shri Rajnish Gupta.

The Audit Committee was further reconstituted with effect from 31.07.2014 by induction of Miss. Bhavana G. Desai, Independent Director as a member of the Audit Committee in place of Shri Sanjay Bothra in order to bring the composition of the Audit Committee in line the provisions of Section 177 of the Companies Act, 2013.

The Audit committee met four times during the year 2013-14 on 27.05.2013, 02.08.2013, 08.11.2013 and 07.02.2014. The composition of the committee and the details of meeting attended by the directors during the year are given below:

Name of Chairman / Member	Category	No. of Meeting attended
Shri Dinesh Gandhi	Chairman (Executive Director)	04
Shri Sanjay Bothra*	Member (Non-Executive Director)	NA
Shri B. N. Ojha**	Member (Independent Director)	NA
Shri Siddharth Agrawal***	Chairman (Executive Director)	04
Shri Rajnish Gupta***	Member (Non-Executive Director)	03
Miss Bhavna G. Desai#	Member (Independent Director)	NA

* Appointed w.e.f 22nd May, 2014 and resigned w.e.f. 31st July, 2014

** Appointed w.e.f 22nd May, 2014

*** Resigned from the Audit Committee w.e.f 22nd May, 2014

Appointed w.e.f 31st July, 2014

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.

NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the requirements of section 178(1) of the Companies Act, 2013, the Board of Directors of the Company rechristened the "Remuneration

Committee” as “Nomination and Remuneration Committee” at its meeting held on 31st July, 2014.

The Nomination and Remuneration Committee was reconstituted with effect from 31st July, 2014 by induction of Shri B. N. Ojha, Shri Sanjay Bothra and Miss Bhavna G. Desai in place of Shri Siddharth Agrawal, Shri Dinesh Gandhi and Shri Rajnish Gupta in order to bring the composition of the Nomination and Remuneration Committee in line the provisions of Section 178 (1) of the Companies Act, 2013.

The Nomination and Remuneration Committee consists of Three Directors out of which two are Independent Directors and One Non-executive Director. The composition of the Nomination and Remuneration Committee is as follows:

Name of Chairman / Member	Category
1. Shri B. N. Ojha	Chairman (Independent Director)
2. Miss Bhavna G. Desai	Member (Independent Director)
3. Shri Sanjay Bothra	Member (Non-executive Director)

DIRECTORS’ RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors based on the representation received from the operating management and CFO of the Company, confirm:

- a. That in the preparation of the annual accounts, the applicable accounting standards have been followed;
- 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 or loss 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; and
- d. That your Directors have prepared the annual accounts on a going concern basis.

RE-APPOINTMENT OF AUDITORS:

M/s O.P. Singhania and Co., Chartered Accountants, Auditors of the Company, hold office until the conclusion of the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment. The Company has received a certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 141 (3)(g) of the Companies Act, 2013 and also satisfies the criteria as mentioned under Section 141 of the Act.

AUDITORS' REPORT:

There is no qualifying remark in the Auditors Report on the Annual Accounts of the Company for the financial year 2013-14 and hence does not require any clarification in the Directors Report.

DIRECTORS:

During the year under review Shri Dinesh Gandhi, Non-Executive Director of the Company was appointed as Whole Time Director & CFO on the Board of the Company with effect from 10th November, 2013.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Shri Sudeep Chakraborty has been appointed as Additional Whole Time Director and Shri Sanjay Bothra has been appointed as Additional Director (Non-executive) on the Board of the Company with effect from 22nd May, 2014 and Miss Bhavna G. Desai has been appointed as an Additional Director (Independent) w.e.f. 31st July, 2014. The Board proposes to appoint them as Directors on the Board of the Company at the ensuing Annual General Meeting.

The appointment of Ms. Bhavna G. Desai as Independent Director on the Board of Company shall fulfill the requirements of section 149(1) of the Companies Act, 2013 regarding appointment of a Woman Director on the Board of the Company

In accordance with the provisions of Section 152(6) (c) of the Companies Act, 2013 and the Company's Articles of Association, Shri Padam Chimanlal Singhee, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Moreover pursuant to the provisions of Section 149 of the Companies Act, 2013, Shri B.N. Ojha, Independent Director of the Company shall be reappointed for a period of 5 years with effect from 01.10.2014.

The Company has received declarations from Mr. B. N. Ojha and Miss Bhavna G. Desai, Independent Directors, confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013.

ALLOTMENT OF SHARES:

During the year under review, the shareholder in their Extra Ordinary Genral Meeting held on 15th March, 2014 has approved the allotment of 23,95,000 Equity Shares of Rs.10/- at a premium of Rs 90/- (Rupees Ninety only) per share each to M/s Godawari Power and Ispat Limited, Holding Company, on preferential basis.

Your Company has allotted 23,95,000 Equity Shares of Rs.10/- at a premium of Rs 90/- (Rupees Ninety only) per share each to M/s Godawari Power and Ispat Limited, Holding Company, on preferential basis on 31st March, 2014.

BORROWING IN EXCESS OF PAID-UP CAPITAL AND FREE RESERVES:

As per the provisions of clause (c) of sub-section (1) of Section 180 of the Companies Act, 2013, the shareholders of the Company in their Extra Ordinary general Meeting held on 11th December, 2013 have passed the special resolution empowering the Board of Directors of the Company to borrow any sum or sums of money in excess of the aggregate of the paid up share capital and free reserves of the Company not exceeding the limit of Rs.1000.00 crores.

Similarly, as per the provisions of clause (a) of sub-section (1) of Section 180 of the Companies Act, 2013, the shareholders of the Company in their Extra Ordinary general Meeting held on 11th December, 2013 have passed the special resolution empowering the Board of Directors of the Company to create charge / mortgage / hypothecation on all or any of the movable / immovable properties of the Company.

FIXED DEPOSITS:

The Company has not accepted any fixed deposits from Public and is, therefore, not required to furnish information in respect of outstanding deposits

under the Non Banking & Non financial Companies (Reserve Bank) Directions, 1966 and Companies (Acceptance of Deposits) Rules 1975.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the Company had no foreign exchange earnings. However, the Company made expenditure in foreign Currency the details of which are as follows:

Expenditure in Foreign Currency		2013-14	2012-13
S. No.	Particulars		
1.	Capital Goods	165.33	23342.76
2.	Consultancy and other charges	275.56	26.46
3.	Travelling & other services	62.10	58.70

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

Information on Conservation of Energy, required to be disclosed under Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988, are provided as an **Annexure A** to this report.

ACKNOWLEDGEMENT:

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

For and on behalf of the Board of Directors

Date: July 31, 2014
Place: Raipur

Siddharth Agrawal
(Managing Director)

Dinesh Gandhi
(Director & CFO)

ANNEXURE-“A” TO THE DIRECTOR’S REPORT

STATEMENT CONTAINING PARTICULARS PURSUANT TO COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF DIRECTORS) COMPANIES ACT, 1988 AND FORMING PART OF BOARDS’S REPORT

FORM B

Form for disclosure of particulars with respect to absorption

Research and development (R & D)

1. Specific areas in which R & D carried out by the company:

Increasing the HTF temperature set point from 395°C to 400°C.

Mixing of 100 MT of HTF from a new vendor which was never used before in any CSP plant because of cost benefit.

BFP RPM control auto logic is kept at 8 kg/cm² of positive pressure difference between BFP discharge pressure and steam drum pressure to reduce the auxiliary consumption.

2. Benefits derived as a result of the above R&D: Performance under review
3. Future plan of action:
Upon seeing the performance it is planned to increase the HTF set point to 410°C
4. Expenditure on R & D:
 - (a) Capital: Nil
 - (b) Recurring: Nil
 - (c) Total: Nil
 - (d) Total R & D expenditure as a percentage of total turnover:

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

The power plant is under operation from 19th June 2013 and is being operated by the staff of GGEL though this is the first plant of its type in India and hands on experience to run such a plant was not readily available. The experience over the last 1 year has resulted in several improvements being made operationally (mainly the offset angle remedy for each of the SCA) which helped in increasing the generation by around 25% since February 2014.

2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.:

The generation has increased by around 25% since February 2014.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

(a) Technology imported: Complete solar field design

(b) Year of import: 2011

(c) Has technology been fully absorbed?: Yes

(d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action: N.A.

For and on behalf of the Board of Directors

Date: July 31, 2014

Place: Raipur

Siddharth Agrawal

(Managing Director)

Dinesh Gandhi

(Director & CFO)

OPSinghania & Co.

CHARTERED ACCOUNTANTS

JDS CHAMBERS, 1ST FLOOR, 6-CENTRAL AVENUE,
CHOUBE COLONY, RAIPUR -492001(C.G.) INDIA

PHONE: 0771-4041235, 4041236

Email:opsinghania.co@gmail.com

Independent Auditor's Report To the Members of Godawari Green Energy Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Godawari Green Energy Limited** which comprise the balance sheet as at 31st March 2014, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dtd.13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act,2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014;
- (ii) in the case of the statement of profit and loss, of the loss for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dtd.13th September,2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
 - e. on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No.076961

Raipur, 22nd May, 2014

Re: GODAWARI GREEN ENERGY LIMITED

Referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date,

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, looking to the size of the company and the nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification
- (c) The company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern status.
- (ii) (a) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the inventory records of the company, we are of the opinion that, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) (a) The company has not granted any loans to companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956 during the year. Therefore, the provisions of (iii) (a) to (d) of clause 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (e) The company has taken unsecured loans from two companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.3422.00 lacs and the year-end balance was Rs.692.91 lacs.
- (f) In our opinion, the terms & conditions on which loan has been taken from a company listed in the register maintained under section 301 of the Companies Act 1956, are not prima facie prejudicial to the interest of the company.
- (g) The company was regular in repaying the amount as stipulated.
- (iv) In our opinion and according to the information & explanations given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of fixed assets and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the Companies Act 1956 and exceeding the value of Rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time
- (vi) In our opinion and according to the information and explanations given to us, the company has not taken any deposits from public; therefore the provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (vii) In our opinion the company has an internal audit system commensurate with the size and nature of its business.
- (viii) 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 209(1)(d) of the Companies Act, 1956, 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.
- (ix) According to the information & explanations given to us, during the year the company is not having any statutory liabilities whether undisputed or disputed as regard to the Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Wealth Tax, Service Tax, Income Tax, Sales Tax, Custom Duty, Excise Duty, Cess and other material statutory dues, therefore, the provisions of clause 4(ix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (x) In our opinion and according to information and explanations given to us, the company is having accumulated losses during the year, however the same is not more than 50% of its new-worth. Further the company has not incurred cash losses during the financial year covered by our audit and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the banks.
- (xii) In our opinion and according to the information and explanations given to us, the company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities, therefore, the provisions of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) As there are no investments held by the company during the year, therefore the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly the provisions of clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xvi) In our opinion, the term loans have been applied progressively for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we are of the opinion that, prima facie short-term funds have not been used for long term investment.
- (xviii) According to the information and explanations given to us the company has made preferential allotment of shares during the year covered in the register maintained u/s.301 of the Companies Act, 1956 and we are of the opinion that such allotments are not prejudicial to the interest of the company.
- (xix) The company has not issued any debentures during the year. Therefore, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xx) The company has not raised any money by public issue during the year; therefore, the provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xxi) In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year. Therefore, the provisions of clause 4(xxi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

For **OPSinghania & Co.**
(ICAI Firm Regn. No.002172C)
Chartered Accountants

per Sanjay Singhania
Partner
Membership No.076961

Raipur, 22nd May, 2014

Godawari Green Energy Limited
Balance Sheet as at 31st March 2014

Particulars	Notes	2014 Rs.	2013 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	1,195,450,000	1,081,500,000
Reserves and surplus	4	1,156,718,221	1,090,816,594
		2,352,168,221	2,172,316,594
Non-current liabilities			
Long-term borrowings	5	5,841,802,347	5,482,817,679
Long-term provisions	6	671,520	-
		5,842,473,867	5,482,817,679
Current Liabilities			
Short-term borrowings	7	156,422,531	-
Trade payables	8	21,421,656	53,522,225
Other current liabilities	8	262,709,558	43,933,040
Short-term provisions	6	45,200	-
		440,598,945	97,455,265
TOTAL		8,635,241,032	7,752,589,538
ASSETS			
Non-current assets			
At 31 st March, 2013			
- Tangible assets	9	7,556,168,220	516,532,151
- Intangible Assets	10	6,913,390	-
- Capital Work in Progress		13,533,056	7,017,317,553
Long-term loans and advances	11	767,412,656	42,686,180
Other non current assets	12.2	104,697,041	-
		8,448,724,363	7,576,535,884
Current assets			
Inventories	13	12,939,502	-
Trade receivables	12.1	101,168,907	-
Cash & bank balances	14	58,056,569	155,276,064
Short-term loans and advances	11	13,284,689	10,443,123
Other current assets	12.2	1,067,001	10,334,467
		186,516,668	176,053,654
TOTAL		8,635,241,032	7,752,589,538
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For OPSinghania & CO.

(ICAI Firm Reg. No.002172C)

Chartered Accountants

For and on behalf of the Board of Directors of
Godawari Green Energy Limited

per Sanjay Singhania

Partner

Membership No.076961

Siddharth Agrawal
Managing Director

Dinesh Gandhi
Director

Rishi Dave
Company Secretary

Place : Raipur

Date : 22.05.2014

Godawari Green Energy Limited**Statement of Profit & Loss for the year ended 31 st March, 2014**

	Notes	2014 Rs.	2013 Rs.
INCOME			
Revenue from operations	15	395,592,483	-
Other Income	16	13,482,618	16,508,949
TOTAL REVENUE (I)		409,075,101	16,508,949
EXPENDITURE			
Employees benefits expenses	17	40,440,149	6,207,340
Other Expenses	18	53,475,061	8,317,214
Total Revenue II	TOTAL REVENUE (II)	93,915,210	14,524,554
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		315,159,891	1,984,395
Depreciation and amortisation expenses	19	189,700,137	1,357,148
Finance costs	20	275,108,508	162,200
Profit/ (loss) before tax		(149,648,754)	465,047
At 31 st March, 2013			
Current tax		-	88,996
Income Tax related to earlier year		(381)	-
Total tax expenses		(381)	88,996
Profit/(loss) for the year		(149,648,373)	376,051
Earnings per equity share [nominal value of share @ Rs.10/- (31st March,2013" Rs.10]	21		
Basic		(12.31)	0.10
Diluted		(12.31)	0.10
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For OPSinghania & CO.

(ICAI Firm Reg. No.002172C)

Chartered Accountants

For and on behalf of the Board of Directors of

Godawari Green Energy Limited

per Sanjay Singhania

Partner

Membership No.076961

Siddharth Agrawal
Managing Director

Dinesh Gandhi
Director

Rishi Dave
Company Secretary

Place : Raipur

Date : 22.05.2014

Godawari Green Energy Limited**Cash Flow Statement for the year ended 31st March, 2014**

	2014 Rs.	2013 Rs.
Cash Flow from operating activities		
Profit before tax	(149,648,754)	465,047
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization	189,700,137	1,357,148
Provision for gratuity	716,720	-
Interest Income	(13,133,860)	(16,314,943)
Interest Expense	275,108,508	162,200
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	302,742,751	(14,330,548)
Movements in working capital :		
Increase/(decrease) in trade payable	(32,100,569)	-
Increase/(decrease) in other current liabilities	(18,329,941)	85,266,366
Decrease/(increase) in long-term loans and advances	(724,726,476)	(100,000)
Decrease/(increase) in short-term loans and advances	(1,528,179)	550,706,503
Decrease/(increase) in inventories	(12,939,502)	-
Decrease/(increase) in trade receivable	(101,168,907)	-
Decrease/(increase) in other non current assets	(2,021,426)	-
Decrease/(increase) in other current assets	9,267,466	(6,953,780)
Cash generated from/(used in) operations	(580,804,784)	614,588,541
Direct taxes paid (net of refunds)	(1,313,006)	(16,361,920)
Net Cash flow from/(used in) operating activities	A (582,117,790)	598,226,621
Cash flows from investing activities		
Purchase of fixed assets including Capital work-in-progress	(233,968,536)	(6,201,377,982)
Proceeds from sale of fixed assets	1,503,437	-
Investments in bank deposits (having original maturity of more than three months)	(102,675,615)	
Interest received	13,133,860	16,314,943
Net cash flow from/(used in) investing activities	B (322,006,854)	(6,185,063,039)
Cash flows from financing activities		
Proceeds from Share Capital	329,500,000	960,000,000
Proceeds / (Repayment) from long-term borrowings	596,091,127	2,760,457,621
Proceeds / (Repayment) from short-term borrowings	156,422,531	1,644,018,036
Interest Expense	(275,108,508)	(162,200)
Net cash flow from/(used in) financing activities	C 806,905,149	5,364,313,457
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(97,219,495)	(222,522,961)
Cash and Cash Equivalents at the beginning of the year	155,276,064	377,799,024
Cash and Cash Equivalents at the end of the year	58,056,569	155,276,064
Components of cash and cash equivalents		
Cash in hand	93,194	10,021
Balance With banks- on current account	5,897,168	19,995,602
Deposits with original maturity of less than 3 months	52,066,207	48,204,324
Other bank balances (Margin Money Deposit)	-	87,066,117
	58,056,569	155,276,064

The accompanying notes are integral part of the financial statements.

As per our report of even date

For OPSinghania & CO.

(ICAI Firm Reg. No.002172C)

Chartered Accountants

For and on behalf of the Board of Directors of

Godawari Green Energy Limited

per **Sanjay Singhania**

Partner

Membership No.076961

Siddharth Agrawal

Managing Director

Dinesh Gandhi

Director

Rishi Dave

Company Secretary

Place : Raipur

Date : 22.05.2014

Godawari Green Energy Limited

Notes to financial statements for the year ended 31st March, 2014

1. Corporate information

Godawari Green Energy Ltd. (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is in the process of setting up 50 MW Solar Energy power plant at Nokh, Dist. Jaisalmer, Rajasthan.

2. Basis of preparation

- i) The financial statements are prepared in accordance with the generally accepted accounting principles under the historical cost convention, on going concern concept and in compliance with the accounting standards as notified by Companies (Accounting Standards) Rules, 2006, the provisions of Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable).
- ii) The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- iii) The accounting policies have been consistently applied by the Company are consistent with those used in the

2.1 Summary of significant accounting policies

a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

b) Tangible Fixed Assets

Tangible Fixed Assets are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight, installation and other direct or allocated expenses upto the date of commencement of commercial production.

From accounting periods commencing on or after 7 December, 2006, the company adjusts exchange differences arising on translation/settlement of long term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The various expenditure incurred during the construction stage and upto the date of commencement of commercial production for setting-up the relevant project-assets are grouped under the head "Pre-operative Expenditure" and allocated to related fixed assets on pro-rata basis upon completion of project and put to use.

c) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

At 31 st Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with *AS 5 Net Profit or Loss for the Period, Prior Period items and Changes in Accounting Policies*.

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 recognized in the statement of profit and loss when the asset is derecognized.

d) Depreciation on tangible fixed assets and amortization of intangible assets

Godawari Green Energy Limited

Notes to financial statements for the year ended 31st March, 2014

- i) Depreciation is provided on Straight Line Method based on estimated useful life of the assets which is same as envisaged in schedule XIV of the Companies Act, 1956.
 - ii) Depreciation on fixed assets added/disposed off during the year is provided on pro-rata basis.
 - iii) Free-hold land and site & land development cost are not depreciated. Leasehold land is amortised annually on the basis of tenure of lease period.
 - iv) Intangible assets are amortized over technically useful life of the assets.
- e) Inventories :**
Inventories are valued at lower of cost and net realizable value, after providing for obsolescences, if any.
- f) Revenue recognition**
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- i) Sale of Products
Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the
 - ii) Interest
Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- g) Borrowing Cost**
Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of fixed assets are capitalized only with respect to qualifying fixed assets i.e. those which take substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.
- h) Contingent Liabilities**
Liabilities which are material and whose future outcome cannot be reasonably ascertained are treated as contingent and not provided for and disclosed by way of notes to the accounts.
- i) Taxes on Income**
Current Taxes are accounted based on provisions of Income Tax Act,1961. Deferred Taxes are not recognised for those timing differences which reverse in tax holiday period.
- j) Foreign Currency Transactions**
- i) Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate prevailing as on the date of transaction.
 - ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. Non-monetary items which are carried in terms of historical cost denominating in a foreign currency are reported using the exchange rate at the date of transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values are determined.
 - iii) Exchange differences
The company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:
 - 1 Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset. For this purpose, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination.
 - 2 Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
 - 3 All other exchange differences are recognized as income or as expenses in the period in which they arise.
- For the purpose of 2 and 3 above, the company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated 09 August 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Godawari Green Energy Limited

Notes to financial statements for the year ended 31st March, 2014

- iv) All loans and deferred credits repayable in foreign currency and outstanding at the close of the year are expressed in Indian currency at the appropriate rates of exchange prevailing as on the date of the balance sheet, except in cases where these borrowings are covered by forward exchange contracts. Any increase or reduction in these liabilities are booked to revenue.
- v) In respect of transactions covered by Forward Foreign Exchange Contracts, the difference between the forward rate and exchange rate at the inception of contract is recognized as income or expenses over the life of the contract.

k) Derivatives Transactions

The company uses derivative financial instruments, such as, foreign currency forward contracts to hedge foreign currency risk arising from future transactions in respect of which firm commitments are made or which are highly probable forecast transactions. It also uses interest rate swaps to hedge interest rate risk arising from variable rate loans. The company designates these forward contracts and interest rate swaps in a hedging relationship by applying the hedge accounting principles of AS 30 Financial Instruments: Recognition and Measurement.

l) Retirement and other Employee Benefits

- i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.
- ii) Gratuity Liability is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- iii) Value of encashable leave are encashed during the year and charged to the statement of Profit & Loss.
- iv) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

m) Provisions

Provisions are recognised, where the company has any legal or constructive obligation or where reliable estimate can be made for the amount of the obligation and as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

n) Impairment of Tangible and Intangible Assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to statement of profit & loss. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

o) Cash and Cash equivalents

Cash and Cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

p) 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.

q) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit & loss. The company measures EBITDA on the basis of profit/(loss) from continuing operations. In this measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

Godawari Green Energy Limited

Notes to financial statements for the year ended 31 st March, 2014

	2014 Rs.	2013 Rs.
3. Share capital		
Authorised		
25000000 (25000000) Equity Share of Rs.10/- each	250,000,000	250,000,000
11600000 (11600000) Preference Shares of Rs. 100/- each	1,160,000,000	1,160,000,000
	1,410,000,000	1,410,000,000
Issued, subscribed and paid-up		
14545000 (12150000) Equity Shares of Rs.10/- each fully paidup	145,450,000	121,500,000
10500000 (9600000) 9% Optionally Convertible Cumulative Preference Shares of Rs. 100/- Each fully paidup	1,050,000,000	960,000,000
	1,195,450,000	1,081,500,000

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

Equity shares

	2014		2013	
	No.	Rs.	No.	Rs.
At the beginning of the period	12,150,000	121,500,000	12,150,000	121,500,000
Issued during the period	2,395,000	23,950,000	-	-
Outstanding at the end of the period	14,545,000	145,450,000	12,150,000	121,500,000
Preference Shares				
At the beginning of the period	9,600,000	960,000,000	-	-
Issued during the period	900,000	90,000,000	9,600,000	960,000,000
Outstanding at the end of the period	10,500,000	1,050,000,000	9,600,000	960,000,000

b. Terms/rights attached to equity shares

At 31 st March, 2013

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

c. Terms/rights attached to preference shares

The 9% optionally convertible cumulative preference shares of Rs. 100/- each shall be convertible into one equity share of Rs. 10/- each @ share premium of Rs. 90/- each at the option of the investor at any time after the expiry of 1 year from the date of the commercial operation of the 50 MW Solar Thermal project but before the expiry of 15 years from the date of allotment.

Date of Allotment	No. of Shares
30.09.2012	4000000
08.02.2013	1600000
26.03.2013	4000000
27.05.2013	900000
Total	10500000

The 9% optionally convertible cumulative preference shares of Rs. 100/- shall rank in priority to the equity shares with respect to the dividend rights and winding up rights. The voting rights of the preference shares shall be in accordance with section 87 of the companies act 1956

d. Shares of the company held by holding company

Out of the equity shares issued by the company, shares held by its holding company are as below:

	2014 Rs.	2013 Rs.
Equity shares of Rs.10/- each fully paid		
14545000 (12150000) nos. of shares held by Godawari Power & Ispat Limited, Holding Company	145,450,000	121,500,000
Preference Shares of Rs. 100/- each fully paid		
4900000 (4000000) nos. 9% Optionally Convertible Cumulative Preference Shares held by Godawari Power & Ispat Limited, Holding company	490,000,000	400,000,000
	635,450,000	521,500,000

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

	2014		2013	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of Rs.10 each fully paid				
Godawari Power & Ispat Ltd.	14,545,000	100.00	12,150,000	100.00
	14,545,000	100.00	12,150,000	100.00
9% Optionally Convertible Cumulative Preference Shares of Rs. 100 each Fully Paid				
Shiv Vani Energy Limited	5,600,000	53.33	5,600,000	58.33
Godawari Power & Ispat Ltd.	4,900,000	46.67	4,000,000	41.67
	10,500,000	100.00	9,600,000	100.00

Godawari Green Energy Limited

Notes to financial statements for the year ended 31 st March, 2014

4. Reserves and Surplus

	2014 Rs.	2013 Rs.
Securities Premium Reserve		
Balance as per last financial statements	1,089,000,000	1,089,000,000
Addition during the period	215,550,000	-
	1,304,550,000	1,089,000,000
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	1,816,594	1,440,543
Profit/(Loss) for the year	(149,648,373)	376,051
Net surplus/(deficit) in the statement of profit and loss	(147,831,779)	1,816,594
Total reserves and surplus	1,156,718,221	1,090,816,594

5. Long-term borrowings

	Non-current portion		Current maturities	
	2014 Rs.	2013 Rs.	2014 Rs.	2013 Rs.
Term Loans				
Indian rupee loan from banks including buyers and suppliers credit facility availed under rupee term loan (secured)	5,841,802,347	5,482,216,565	237,100,000	-
Other loans and advances				
At 31 st March, 2013	-	601,114	601,114	594,655
	5,841,802,347	5,482,817,679	237,701,114	594,655
The above amount includes				
Secured borrowings	5,841,802,347	5,482,817,679	237,701,114	594,655
Amount disclosed under the head "other current liabilities" (note 8)			(237,701,114)	(594,655)
Net amount	5,841,802,347	5,482,817,679	-	-

Terms & Conditions of Secured Loans

- Indian rupee term loan from Banks is availed under consortium arrangement. The loan is repayable in 48 Quarterly instalments commencing from 01.04.2014. The loan is secured by first pari passu charge on all immovable properties of the company, both present and future and hypothecation of all tangible movable assets, book debts, receivables, all bank accounts including the Escrow/ Trust & retention a/c, debt service reserve a/c etc. and all intangible including, goodwill, uncalled capital, rights, undertakings etc. of the company, both present and future. The loan is further secured by Assignment of all rights, titles, interest, claims etc of the company in all the Project Documents, insurance policies, clearances, etc and ssignment of the company's rights and interests related to the Project under Letter of Credit, guarantee or performance bond provided by any party in favour of the company, for any contract related to the Project, both present and future.
- The loan is further secured by Pledge of 51% of the equity shares of the company held by the holding company. In case fresh equity shares will be issued by the company during currency of loan than 51% of the enhanced share capital also will be pledged with the lenders to secure this term loan.
- Other Loans are repayable within 3 years from the date of loan viz.1st March, 2012 and are secured by hypothecation of vehicle.

6. Provisions

	Non-current		Current	
	2014 Rs.	2013 Rs.	2014 Rs.	2013 Rs.
Provision for gratuity (refer note-27)	671,520	-	45,200	-
	671,520	-	45,200	-

7. Short-term borrowings

	2014 Rs.	2013 Rs.
Overdraft facility from bank (secured)	87,131,231	-
Loans and advances from holding company repayable on demand (unsecured)	69,291,300	-
	156,422,531	-
The above amount includes		
Secured borrowings	87,131,231	-
Unsecured borrowings	69,291,300	-

Terms & Conditions of Secured Loans

Overdraft facility from bank is secured by way of pledge of fixed deposit with bank.

8 Other Current Liabilities

	2014 Rs.	2013 Rs.
Trade payables (including acceptances (refer note 28 for details of dues for micro and small enterprises)	13,088,725	-
Creditors for capital goods	8,332,931	53,522,225
Other liabilities		
Current maturities of long-term borrowings (note 5)	237,701,114	594,655
Interest Accrued but not due on Loan	7,117,489	33,190,474
Credit balance of bank current account	10,342	-
Other Payables	17,880,613	10,147,911
	284,131,214	97,455,265

Godawari Green Energy Limited

Notes to financial statements for the year ended 31 st March, 2014

9. Tangible assets	Freehold Land	Leasehold Land	Site & Land Development	Factory Shed & Building	Plant & Machinery	Office Equipment	Furniture & Fixtures	Vehicles	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Cost or valuation									
At 1st April ,2012	1,192,731	2,528,793	492,234,586	-	-	6,377,896	5,508,998	2,823,915	510,666,919
Additions	-	783,392	5,591,531	-	-	1,068,590	257,079	45,833	7,746,425
Disposals	-	-	-	-	-	-	-	-	-
At 31 March, 2013	1,192,731	3,312,185	497,826,117	-	-	7,446,486	5,766,077	2,869,748	518,413,344
Additions			135,000	134,894,660	6,068,127,784	3,574,942	32,516,699	918,703	6,240,167,788
Disposals			-	-	-	1,706,409	-	-	1,706,409
Other adjustments									
- Exchange differences				-	301,149,054				301,149,054
- Borrowing costs				10,532,765	678,851,611				689,384,375
At 31 March, 2014	1,192,731	3,312,185	497,961,117	145,427,425	7,048,128,448	9,315,019	38,282,776	3,788,451	7,747,408,152
Depreciation									
At 1st April ,2012	-	-	-	-	-	314,954	174,724	34,367	524,045
Charge for the year						733,228	355,421	268,499	1,357,148
At 31 March, 2013	-	-	-	-	-	1,048,182	530,145	302,866	1,881,193
Charge for the year		55,052	-	2,111,153	185,432,425	894,462	506,191	336,991	189,336,274
Disposals/ Adjustment		225,437	-	-	-	202,972	-	-	(22,465)
At 31 st March, 2014	-	280,489	-	2,111,153	185,432,425	1,739,672	1,036,336	639,857	191,239,932
Net Block									
At 31 st March, 2013	1,192,731	3,312,185	497,826,117	-	-	6,398,304	5,235,932	2,566,882	516,532,151
At 31 st March, 2014	1,192,731	3,031,696	497,961,117	143,316,272	6,862,696,024	7,575,347	37,246,440	3,148,594	7,556,168,220

Capitalised Borrowing Costs

Borrowing Costs capitalised during the year ended 31st March 2014 was Rs. 6893.84 Lacs. The company capitalised this borrowing cost in the capital work in progress (CWIP). The amount of borrowing cost shown as other adjustments in the above note reflects the amount of borrowing cost transferred from CWIP.

Exchange differences on the long term foreign currency monetary items.

Pusuant to the option granted by Clause 46A of the AS-11 (as amended vide notification dt. 29.12.2011), the company during the year added Rs. 3011.49 Lacs (31 st March 2013 NIL) to the cost of assets, being the exchange differences of long term foreign currency monetary items relating to acquisition of assets. This is to be depreciated over the balance of life of assets.

Godawari Green Energy Limited

Notes to financial statements for the year ended 31 st March, 2014

10. Intangible Assets	Computer Software	Total
	Rs.	Rs.
Cost or valuation		
At 1st April ,2012	-	-
Purchases/additions	-	-
Disposals	-	-
At 31 March, 2013	-	-
Purchases/additions	7,277,253	7,277,253
Disposals	-	-
At 31 March, 2014	7,277,253	7,277,253
Amortisation		
At 1st April ,2012	-	-
Charge for the year	-	-
At 31 March, 2013	-	-
Charge for the year	363,863	363,863
Disposals	-	-
At 31 st March, 2014	363,863	363,863
Net Block		
At 31 st March, 2013	-	-
At 31 st March, 2014	6,913,390	6,913,390

Godawari Green Energy Limited

Notes to financial statements for the year ended 31 st March, 2014

11. Loans and advances (unsecured, considered good)

	Non-current		Current	
	2014 Rs.	2013 Rs.	2014 Rs.	2013 Rs.
Advance against capital goods	766,107,643	42,140,180		
Advances recoverable in cash or in kind	-	-	9,338,378	3,717,540
Other loans and advances				
TDS receivable (net of provision)	-	-	2,860,964	6,516,195
Prepaid expenses			1,085,347	209,388
Security deposit with govt. & others	1,305,013	546,000	-	-
Total	767,412,656	42,686,180	13,284,689	10,443,123

12.1 Trade Receivables

	Current	
	2014 Rs.	2013 Rs.
Unsecured, Considered Good		
Outstanding for a period exceeding Six months from the date they are due for payment	-	-
At 31 st March, 2013	101,168,907	-
	101,168,907	-

12.2 Other Assets

	Non-current		Current	
	2014 Rs.	2013 Rs.	2014 Rs.	2013 Rs.
Unsecured, considered good unless stated otherwise				
Non-current bank balances (note-14)	102,675,615	-		
Interest accrued on fixed deposits	2,021,426	-	1,067,001	10,334,467
	104,697,041	-	1,067,001	10,334,467

13. Inventories (Valued at lower of cost and net realisable value)

	Current	
	2014 Rs.	2013 Rs.
Stores & Spares	12,939,502	-
	12,939,502	-

14. Cash and bank balances

	Non-current		Current	
	2014 Rs.	2013 Rs.	2014 Rs.	2013 Rs.
Cash and cash equivalents				
Balances with banks:				
On current accounts			5,897,168	19,995,602
Deposits with original maturity of less than three months			52,066,207	48,204,324
Cash on hand			93,194	10,021
			58,056,569	68,209,947
Other bank balances				
Deposits with original maturity of More than twelve months	102,675,615	-	-	-
Margin Money Deposit				87,066,117
	102,675,615	-	-	87,066,117
Amount disclosed under non-current assets (note 12.2)	(102,675,615)	-		
	-	-	58,056,569	155,276,064

Fixed Deposits with Bank are pledged with bank for availing OD facilities, LC and Bank Guarantee.

Godawari Green Energy Limited

Notes to financial statements for the year ended 31 st March, 2014

	2014	2013
	Rs.	Rs.
15. Revenue from operations		
Sale of Products		
Electricity	395,592,483	-
	<u>395,592,483</u>	<u>-</u>
16. Other Income		
Interest Income		
Bank Deposits	13,133,860	16,314,943
Other income	348,758	194,006
	<u>13,482,618</u>	<u>16,508,949</u>
17. Employee benefit expense		
Salaries, wages and bonus	35,239,468	5,562,995
Contribution to provident and other fund	695,784	98,070
Gratuity Expenses (refer note-27)	716,720	-
Workmen and staff welfare expenses	3,788,177	546,275
	<u>40,440,149</u>	<u>6,207,340</u>
18. Other Expenses		
Consumption of Stores & Spares	4,467,599	-
At 31 st March, 2013	961,918	-
Water Charges	93,228	-
Other Manufacturing Expenses	7,525,700	-
Rent	1,142,556	1,326,341
Rates & Taxes	-	-
- Entry Tax	232,486	-
Insurance	1,335,512	-
Repairs & Maintenance	-	-
- Plant & Machinery	1,304,500	-
- Others	778,627	-
Rebate & Discount	7,909,992	-
Travelling Expenses	7,267,590	1,244,389
Communication Expenses	1,541,310	1,938,128
Printing and Stationery	720,332	342,942
Legal & Professional Fee	3,911,709	308,351
Directors Sitting Fee	5,618	-
Director's Remuneration	6,820,134	1,114,282
Payment to Auditor (Refer details below)	337,080	84,270
Freight & Clearing Charges	203,588	-
Publicity & Branding	2,107,136	-
Security Service Charges	737,147	-
Corporate Social Responsibility	260,053	-
Miscellaneous Expenses	3,811,246	1,958,511
	<u>53,475,061</u>	<u>8,317,214</u>
Payment to Auditor		
As auditor :		
Audit fee	224,720	56,180
Tax Audit	56,180	16,854
In other capacity		
Taxation matters	56,180	11,236
	<u>337,080</u>	<u>84,270</u>
19. Depreciation and amortization expense		
Depreciation on tangible assets	189,336,274	1,357,148
Amortization of Intangible assets	363,863	-
	<u>189,700,137</u>	<u>1,357,148</u>
20. Finance Costs		
Interest		
- on Term Loan	233,015,064	-
- other Interest	23,621,999	162,200
Bank Charges	18,471,446	-
	<u>275,108,508</u>	<u>162,200</u>

Godawari Green Energy Limited
Notes to financial statements for the year ended 31 st March, 2014
21. Earnings per share (EPS)

	2014 Rs.	2013 Rs.
Net profit as per statement of profit and loss	(149,648,373)	376,051
Net profit for calculation of basic EPS & Diluted EPS	(149,648,373)	376,051
Weighted average number of equity shares in calculating Basic EPS	12,156,562	12,150,000
Weighted average number of equity shares in calculating Diluted EPS	12,156,562	12,150,000
Basic & Diluted EPS		
- Basic earning per share	(12.31)	0.03
- Diluted earning per share	(12.31)	0.03

22. Contingent liability has not been provided for in respect of:

- i) Dividend on 10500000 (9600000) 9% Optionally Convertible Cumulative Preference Shares of Rs. 100/- Each.
- ii) Counter Guarantees given to banks against Bank Guarantees issued by the company banker aggregate to Rs.25 Lacs (Previous year NIL).
- iii) Estimated amount of contracts remaining to be executed on capital accounts Rs.839.79 lacs (Previous Year Rs.45354.06 lacs).

23. Foreign currency exposure that are not hedged by derivative instruments or forward contracts as at 31 st March, 2014 amount to Rs.25813.36 lacs (Previous Year Rs.22624.18 lacs)
24. The Solar Power Project set up by the company has been commissioned on 19.06.2013 and started commercial operation w.e.f. 1st October,2013. The expenses incurred during the construction stage till the date of COD attributable directly to project has been capitalised.
25. The company had arranged EPC contract for setting up the solar power project. The amount paid to EPC contractor towards setting up the project has been capitalised under the various head of fixed assets, difference, if any, upon final reconciliation of account shall be accounted accordingly.
26. Information on Related Party as required by Accounting Standard-18, "Related Party Disclosures" issued by The Institute of Chartered Accountants of India, are given below :
Related Parties

Holding Company	Subsidiary of Holding Company
Godawari Power & Ispat Limited	Godawari Energy Limited

Key Management Personnel

- Shri Siddharth Agrawal
- Shri Dinesh Gandhi
- Shri J.P. Tiwari
- Shri Rajneesh Gupta

Transaction with Related Parties in the ordinary course of business

		2014	Rs. in lacs 2013
Holding Company	Advances Given	-	2,154.25
	Advances recovered	-	4,604.25
	Advances Received	6,589.00	18.40
	Advances Repaid	6,172.00	4.31
	Interest Paid	275.91	-
	<u>Outstanding at the end of the year</u>		
	Advances Payable	692.91	14.10
Subsidiary of Holding Company	Advances Given during the year	-	1,775.00
	Advances Recovered	-	4,675.00
	Advances Taken during the year	-	28.49
	Advances Refunded during the year	45.00	5.82
	<u>Outstanding at the end of the year</u>		
	Unsecured Loan Receivable	-	-
Advances Payable	-	45.00	
Key Management Personnel	Director Remuneration paid	97.91	74.29

Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year

Advances Given		2014	Rs. in lacs 2013
Godawari Power & Ispat Limited		-	2,154.25
Godawari Energy Limite		-	1,775.00

Repayment of Advances Received

Godawari Energy Limite	-	4,675.00
Godawari Power & Ispat Limited	-	4,604.25

Godawari Green Energy Limited
Notes to financial statements for the year ended 31 st March, 2014
Advances Received

Godawari Power & Ispat Limited	6,589	18.40
Godawari Energy Limite	-	28.49

Advances Repaid

Godawari Energy Limite	45.00	5.82
Godawari Power & Ispat Limited	6,172.00	4.31

Interest Paid

Godawari Power & Ispat Limited	275.91	-
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Remuneration Paid

Shri Siddharth Agrawal	40.50	40.50
Shri Dinesh Gandhi	16.87	-
Shri J.P.Tiwari	40.54	33.79

27. Gratuity and other Post - Employment Benefit Plans

The Company has a defined gratuity benefit plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. The Gratuity liability has not been externally funded. Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per the Projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the statement of profit and loss and the unfunded status and amounts recognized in the balance sheet for the Gratuity.

Statement of Profit and Loss	Rs. in lacs
Net employee benefit expense (recognized in Employee Cost)	March 31, 2014
Current Service cost	3.19
Interest cost on benefit obligation	0.32
Expected return on plan assets	-
Net actuarial loss recognised in the year	3.66
Past service cost	-
Actual return on plan assets	7.17

Balance Sheet

Details of provision for Gratuity	March 31, 2014
Defined benefit obligation	7.17
Fair value of plan assets	0.00
	7.17
Less : Unrecognised past service cost	0.00
Plan liability	7.17

Changes in the present value of the defined benefit obligation are as follows :

Changes in the present value of the defined benefit obligation are as follows :	March 31, 2014
Defined benefit obligation as at April 1, 2013	0.00
Interest cost	3.19
Current Service Cost	0.32
Benefits paid	0.00
Actuarial losses on obligation	3.66
Defined benefit obligation as at March 31, 2014	7.17

Since the entire amount of plan obligation is unfunded therefore changes in the fair value of plan assets are not given. Further the entire amount of plan in unfunded therefore categories of plan assets as a percentage of the fair value of total plan assets and company's expected contribution to the plan assets in the next year is not given.

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below :

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below :	March 31, 2014
Discount Rate	8.25%
Increase in Compensation Cost	5%
Rate of Return on plan assets	0%
Expected average remaining working lives of employee (year)	24.96

The estimates of future salary increases, considered in actuarial valuation, taken account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Contribution to defined contribution plans :

	2014	Rs. in lacs 2013
Provident Fund	6.96	0.98

28. The company has taken steps for getting the required informations but none of the suppliers has provided information about their being Micro, Small and Medium Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March, 2014. Therefore no details could be disclosed as required.

29. Stores Consumed	2014		2013	
Indigenous	100%	44.68	-	-
Imported	-	-	-	-
Total	100%	44.68	-	-

30. Expenditure in Foreign Currency	2014		Rs. in lacs 2013	
- For Capital Goods	165.33	23,342.76	-	-
- For Consultancy & Other Charges	275.56	26.46	-	-
- For Travelling & other Services	62.10	58.70	-	-

31. Previous year figures have been regrouped or rearranged wherever necessary.

Godawari Green Energy Limited**Notes to financial statements for the year ended 31 st March, 2014**

The accompanying notes are integral part of the financial statements.

For OPSinghania & CO.

(ICAI Firm Reg. No.002172C)

Chartered Accountants

For and on behalf of the Board of Directors of

Godawari Green Energy Limited

per Sanjay Singhania

Partner

Membership No.076961

Siddharth Agrawal

Managing Director

Dinesh Gandhi

Director

Rishi Dave

Company Secretary

Place : Raipur

Date : 22.05.2014
