

ANNUAL REPORT

FY 2012-13

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 Fourth 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, 2013.

OPERATIONS:

Your Company's 50 MW Solar Thermal Power Plant at Naukh, Dist. Jaisalmer, Rajasthan is at the verge of completion and the commercial operations are expected to start in June, 2013.

During the year under review, your Company earned an interest income of Rs.1.63 lacs on Fixed Deposits and registered Profit after Tax of Rs.3.76 lacs during the year under review.

DIVIDEND:

Your directors have not recommended any dividend for the year ended 31st March 2013.

ALLOTMENT OF SHARES:

During the year under review, your Company has issued & allotted 56,00,000 Optionally Convertible Cumulative Preference Shares (OCCPS) of Rs.100/- each to M/s Shiv-Vani Energy Limited, a Strategic investor, on preferential basis at par and also allotted 49,00,000 OCCPS of Rs.100/- each to M/s Godawari Power and Ispat Limited, the Holding Company, on preferential basis at par.

Each OCCPS shall be converted into One Equity Share of Rs.10/- at a Share Premium of Rs.90/- per share at the option of the investor at any time after the expiry of one year from the achievement of Commercial Operations Date (COD).

CSP TODAY INDIA 2013 AWARD:

The prestigious “CSP Today India Award 2013” has been bagged by your Company on 12.03.2013 in New Delhi at the CSP Today India 2013 conference. This award is given to the companies that excel in the industry for their great efforts on getting CSP further down the competitive route. Those exceptional companies were recognized in the 4th Concentrated Solar Thermal Power Summit India.

In CSP Today India Award 2013, your Company won the two prestigious awards viz “CSP Today Developer Award” received by Mr. Siddharth Agrawal, Managing Director & “CSP Today India Personality of the year” by Mr. J.P.Tiwari, Director of the Company.

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 towards purchase of Capital goods & related travelling expenses to the tune of Rs. 233.69 crores.

PARTICULARS OF EMPLOYEES:

None of the employee of the Company was in receipt of remuneration in excess of limits prescribed under Section 217(2A) of the Companies Act, 1956. Hence, particulars as required under the Companies (Particulars of Employees) Rules, 1975 are not given.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Company’s Articles of Association, Shri Rajnish Gupta, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

DIRECTORS’ RESPONSIBILITY STATEMENT:

In accordance with the provisions of section 217(2AA) of the Companies Act, 1956, your Directors state:

- (i) That in the preparation of the annual accounts, all the applicable accounting standards have been followed.
- (ii) 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;
- (iii) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting record in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
- (iv) That your Directors have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

The provisions of 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 not applicable to the Company, since the Company has not started any manufacturing activity during F.Y. 2012-13.

AUDITORS REPORT:

There is no qualifying remark in the Auditors Report on the Annual Accounts of the Company for the financial year 2012-13 and hence does not require any clarification in the Directors Report.

AUDITORS:

M/s. O.P. Singhanian & Co., Chartered Accountants, the Statutory Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and being eligible and 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 224(1B) of the Companies Act, 1956.

AUDIT COMMITTEE:

Due procedure in regard to the Audit Committee has been followed and necessary compliances have been made as per section 292A of the Companies Act, 1956 during the year under review.

The Audit Committee consists of One Executive Director and Two Non-Executive Directors. The composition of the Audit Committee is as follows:

Name of Chairman / Member	Category
1. Shri Siddharth Agrawal	Chairman
2. Shri Rajnish Gupta	Member
3. Shri Dinesh Kumar Gandhi	Member

REMUNERATION COMMITTEE:

The Remuneration Committee consists of Three Directors out of which two are Non- Executive Directors and One Executive Director. The Remuneration of Directors in all the cases is decided by the Board subject to necessary approval of Shareholders, Remuneration Committee and other applicable approvals, if any. The composition of the Remuneration Committee is as follows:

Name of Chairman / Member	Category
1. Shri Siddharth Agrawal	Chairman
2. Shri Rajnish Gupta	Member
3. Shri Dinesh Kumar Gandhi	Member

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: May 27, 2013
Place: Raipur

Siddharth Agrawal
(Managing Director)

Dinesh Gandhi
(Director)

OPSinghania & Co.

CHARTERED ACCOUNTANTS

"JDS Chambers, 1st Floor, 6-Central Avenue,
Choubey Colony, RAIPUR –492001(C.G.)INDIA
PHONE: 0771-4041235, 4041236

E-mail : 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 31 March 2013, 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. 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 2013;
- (ii) in the case of the statement of profit and loss, of the profit 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; and
 - e. on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.

For OPSinghania & Co.
(Firm Registration No.002172C)
Chartered Accountants

SANJAY SINGHANIA
Partner
Membership No.076961

Raipur, 27th May, 2013

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
- (a) 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) As there is no inventory during the year, therefore the provisions of clause 4(ii)(a),(b) and (c) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (iii) (a) The company has granted unsecured loans to two companies covered in the register maintained under section 301 of the companies Act, 1956. The maximum amount involved during the year was Rs.7035.00 lacs and the year-end balance was Rs.Nil.
- (b) In our opinion, the terms & conditions on which loan has been granted to the companies listed in the register maintained under section 301 of the Companies Act 1956, are not prima facie prejudicial to the interest of the company.
- (c) The receipt of the principal amount and interest wherever applicable was regular.
- (d) There was no overdue amount of loans granted to companies listed in the register maintained under section 301 of the Companies Act, 1956.
- (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.1059.37 lacs and the year-end balance was Rs.59.10 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) As there is no any manufacturing activity during the year, therefore the provisions of clause 4(viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (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) The company does not have any accumulated losses and has not incurred cash losses during the financial year covered by our audit and also in the 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.
(Firm Registration No.002172C)
Chartered Accountants

SANJAY SINGHANIA
Partner
Membership No.076961

Raipur, 27th May, 2013

Godawari Green Energy Limited
Balance Sheet as at 31st March, 2013

Particulars	Notes	2013 ₹	2012 ₹
EQUITY AND LIABILITIES			
<u>Shareholders' Funds</u>			
Share capital	3	1,081,500,000	121,500,000
Reserves and surplus	4	<u>1,090,816,594</u>	<u>1,090,440,543</u>
		<u>2,172,316,594</u>	<u>1,211,940,543</u>
<u>Non-current liabilities</u>			
Long-term borrowings	5	<u>3,220,400,048</u>	<u>459,942,427</u>
		<u>3,220,400,048</u>	<u>459,942,427</u>
<u>Current liabilities</u>			
Short-term borrowings	6	2,262,417,631	618,399,595
Other current liabilities	7	<u>97,455,265</u>	<u>12,188,899</u>
		<u>2,359,872,896</u>	<u>630,588,494</u>
TOTAL		<u><u>7,752,589,538</u></u>	<u><u>2,302,471,464</u></u>
ASSETS			
<u>Non-current assets</u>			
Fixed Assets			
- Tangible assets	8	516,532,151	510,142,874
- Capital work-in-progress including pre-operative exp		<u>7,059,457,734</u>	<u>865,826,177</u>
Long-term loans and advances	9	<u>546,000</u>	<u>446,000</u>
		<u>7,576,535,885</u>	<u>1,376,415,051</u>
<u>Current assets</u>			
Cash & bank balances	10	155,276,064	377,799,024
Short-term loans and advances	9	10,443,123	544,876,702
Other current assets	11	<u>10,334,467</u>	<u>3,380,687</u>
		<u>176,053,653</u>	<u>926,056,413</u>
TOTAL		<u><u>7,752,589,538</u></u>	<u><u>2,302,471,464</u></u>
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.

(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

Place : Raipur

Date :27.05.2013

Rishi Dave

Company Secretary

Godawari Green Energy Limited**Statement of Profit & Loss for the year ended 31st March, 2013**

	Notes	2013 ₹	2012 ₹
INCOME			
Revenue from operations		-	-
Other Income	12	16,508,949	54,468,570
TOTAL REVENUE (I)		16,508,949	54,468,570
EXPENDITURE			
Employees benefits expenses	13	6,207,340	9,828,692
Other Expenses	14	8,317,214	35,415,099
TOTAL REVENUE (II)		14,524,554	45,243,791
Earnings before interest, tax, depreciation and amortization (EBITDA) (I)-(II)		1,984,395	9,224,779
Depreciation expenses	15	1,357,148	517,890
Finance costs	16	162,200	7,087,048
Profit before tax		465,047	1,619,840
Tax expenses			
Current tax		88,996	308,660
Income tax related to earlier year		-	13,074
Total tax expenses		88,996	321,734
Profit for the year		376,051	1,298,106
Earnings per equity share [nominal value of share @ Rs.10/- (31st March,2012" Rs.10]	17		
Basic		0.03	0.11
Diluted		0.03	0.11
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.
(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

Place : Raipur
Date :27.05.2013

Rishi Dave
Company Secretary

Godawari Green Energy Limited

Cash Flow Statement for the year ended 31st March, 2013

	2013 ₹	2012 ₹
Cash Flow from operating activities		
Profit before tax	465,047	1,619,840
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization	1,357,148	517,890
Interest Income	16,314,943	54,348,570
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	18,137,138	56,486,300
Movements in working capital :		
Increase/(decrease) in other current liabilities	85,266,366	3,357,851
Decrease/(increase) in long-term loans and advances	(100,000)	(446,000)
Decrease/(increase) in short-term loans and advances	550,706,503	77,359,549
Decrease/(increase) in other current assets	(6,953,780)	15,351,076
Cash generated from/(used in) operations	647,056,228	152,108,776
Direct taxes paid (net of refunds)	(16,361,920)	(5,290,733)
Net Cash flow from/(used in) operating activities	A 630,694,308	146,818,043
Cash flows from investing activities		
Tangible assets	(7,746,425)	(510,624,019)
Capital work-in-progress	(6,193,631,557)	(845,922,944)
Interest received	(16,314,943)	(54,348,570)
Net cash flow from/(used in) investing activities	B (6,217,692,925)	(1,410,895,533)
Cash flows from financing activities		
Proceeds / (Repayment) from Share Capital	960,000,000	-
Proceeds / (Repayment) from long-term borrowings	2,760,457,621	459,942,427
Proceeds / (Repayment) from short-term borrowings	1,644,018,036	8,399,595
Net cash flow from/(used in) financing activities	C 5,364,475,657	468,342,022
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(222,522,961)	(795,735,468)
Cash and Cash Equivalents at the beginning of the year	377,799,024	1,173,534,491
Cash and Cash Equivalents at the end of the year	155,276,063	377,799,024
Components of cash and cash equivalents		
Cash in hand	10,021	19,163
With banks- on current account	19,995,602	178,632,844
Deposits with original maturity of less than 3 months	48,204,324	102,080,900
Other bank balances (Margin Money Deposit)	87,066,117	97,066,117
	155,276,064	377,799,024

The accompanying notes are integral part of the financial statements.

As per our report of even date

For **OPSinghania & CO.**

(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

Place : Raipur

Date : 27.05.2013

Rishi Dave

Company Secretary

Godawari Green Energy Limited

Notes to financial statements for the year ended 31st March, 2013

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 under the historical cost convention, on going concern concept and in compliance with the accounting standards as notified by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.
- 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 and except for the changes in accounting policies discussed below, are consistent with those used in the previous year.

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.

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) Depreciation

Depreciation on all tangible assets is provided on Straight Line Method as per the rates and in the manner prescribed in the Schedule XIV to the Companies Act, 1956.

d) 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.

e) 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.

f) Impairment of Tangible 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.

g) 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.

Godawari Green Energy Limited**Notes to financial statements for the year ended 31st March, 2013**

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

h) 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.

i) 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.

j) 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.

k) 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.

l) Preliminary Expenses

Preliminary expenses shall be written off with in five years.

m) 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.

n) 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 31st March , 2013

	2013 ₹	2012 ₹
3. Share capital		
Authorised shares		
25000000 Equity Share of Rs.10/- each	250,000,000	250,000,000
11600000 Preference Shares of Rs. 100/- each	1,160,000,000	-
	1,410,000,000	250,000,000
Issued, subscribed and fully paid-up shares		
12150000 Equity Shares of Rs.10/- each fully paid-up	121,500,000	121,500,000
9600000 9% Optionally Convertible Cumulative Preference Shares of Rs. 100/- Each	960,000,000	-
	1,081,500,000	121,500,000

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

	2013		2012	
	No.	₹	No.	₹
Equity shares				
At the beginning of the period	12,150,000	121,500,000	12,150,000	121,500,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	12,150,000	121,500,000	12,150,000	121,500,000
Preference Shares				
At the beginning of the period	-	-		
Issued during the period	9,600,000	960,000,000	-	-
Outstanding at the end of the period	9,600,000	960,000,000	-	-

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

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 at the share premium of Rs.90/- each at the option of the investor at any time after the expiry of one year from the date of the commercial operations of the 50MW Solar thermal power project but before the expiry of the term 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
	9600000

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 right of the preference share shall be in accordance with the section 87 of the Companies Act,1956.

d. Shares of the company held by holding company

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

	2013 ₹	2012 ₹
Equity shares of Rs.10/- each fully paid		
12150000 nos. of shares held by Godawari Power & Ispat Limited, Holding company	121,500,000	121,500,000
Preference shares of Rs.100/- each fully paid		
4000000 nos. 9% Optionally Convertible Cumulative Preference Shares held by Godawari Power & Ispat Limited, Holding company	400,000,000	-
	521,500,000	121,500,000

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

	2013		2012	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of Rs.10/- each fully paid				
Godawari Power & Ispat Ltd.	12,150,000	100.00	12,150,000	100.00
	12,150,000	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	58.33	-	-
Godawari Power & Ispat Ltd.	4,000,000	41.67	-	-
	9,600,000	100.00	-	-

Godawari Green Energy Limited

Notes to financial statements for the year ended 31st March, 2013

4. Reserves and Surplus

	2013 ₹	2012 ₹
Securities Premium Reserve		
Balance as per last financial statements	1,089,000,000	1,089,000,000
	1,089,000,000	1,089,000,000
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	1,440,543	142,437
Profit/(Loss) for the year	376,051	1,298,106
Net surplus/(deficit) in the statement of profit and loss	1,816,594	1,440,543
Total reserves and surplus	1,090,816,594	1,090,440,543

5. Long-term borrowings

	Non-current portion		Current maturities	
	2013 ₹	2012 ₹	2013 ₹	2012 ₹
Term Loans				
Indian rupee loan from banks (secured)	3,219,798,934	458,746,658	-	-
Other loans and advances				
Other loans (secured)	601,114	1,195,769	594,655	536,915
	3,220,400,048	459,942,427	594,655	536,915
The above amount includes				
Secured borrowings	3,220,400,048	459,942,427	594,655	536,915
Unsecured borrowings	-	-		
Amount disclosed under the head "other current liabilities" (note 7)			(594,655)	(536,915)
Net amount	3,220,400,048	459,942,427	594,655	-

- a. Indian rupee term loan from Bank of Baroda, Corporation Bank, Vijaya Bank, State Bank of Patiala, Indian overseas Bank and Oriental Bank of Commerce 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 assignment of the company's rights and interests related to the Project under Letter of Credit, guarantee or performance bond provided by any party in favour of the company, for any contract related to the Project, both present and future.
- b. 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.
- c. Other Loans are repayable within 3 years and are secured by hypothecation of vehicle.

6. Short-term borrowings

	2013 ₹	2012 ₹
Buyers Credit facility in foreign currency (Secured)	999,416,024	58,399,595
Suppliers Credit facility in foreign currency (secured)	1,263,001,607	-
Interest free loan and advances from body corporate repayable on demand (unsecured)	-	560,000,000
	2,262,417,631	618,399,595
The above amount includes		
Secured borrowings	2,262,417,631	58,399,595
Unsecured borrowings	-	560,000,000

Buyers Credit and Suppliers Credit Facility in foreign currency is secured by way of letter of comfort issued by the lead bank i.e. Bank of Baroda which is within the term loan facility granted to the company.

7. Other Current Liabilities

	2013 ₹	2012 ₹
Creditors for capital goods	53,522,225	5,851,759
Other liabilities		
Current maturities of long-term borrowings (note 5)	594,655	536,915
Interest Accrued but not due on loans	33,190,474	21,205
Other Payable	10,147,911	5,779,020
	97,455,265	12,188,899

Godawari Green Energy Limited

Notes to financial statements for the year ended 31st March, 2013

8. Tangible assets

	Leasehold Land ₹	Freehold Land ₹	Site & Land Development ₹	Computer ₹	Office Equipment ₹	Furniture & Fixtures ₹	Vehicles ₹	Total ₹
Cost or valuation								
At 1 April 2011	-	-	-	42,900	-	-	-	42,900
Additions	2,528,793	1,192,731	492,234,586	2,915,890	3,419,106	5,508,998	2,823,915	510,624,019
Disposals	-	-	-	-	-	-	-	-
At 31 March, 2012	2,528,793	1,192,731	492,234,586	2,958,790	3,419,106	5,508,998	2,823,915	510,666,919
Additions	783,392	-	5,591,531	1,001,475	67,115	257,079	45,833	7,746,425
Disposals	-	-	-	-	-	-	-	-
At 31 March, 2013	3,312,185	1,192,731	497,826,117	3,960,265	3,486,221	5,766,077	2,869,748	518,413,344
Depreciation								
At 1 April 2011	-	-	-	6,154	-	-	-	6,154
Charge for the year	-	-	-	268,409	40,391	174,724	34,367	517,891
Disposals	-	-	-	-	-	-	-	-
At 31 March, 2012	-	-	-	274,563	40,391	174,724	34,367	524,045
Charge for the year	-	-	-	568,629	164,599	355,421	268,499	1,357,148
Disposals	-	-	-	-	-	-	-	-
At 31 March, 2013	-	-	-	843,192	204,990	530,145	302,866	1,881,193
At 31 March, 2012	2,528,793	1,192,731	492,234,586	2,684,227	3,378,715	5,334,274	2,789,548	510,142,874
At 31 March, 2013	3,312,185	1,192,731	497,826,117	3,117,073	3,281,231	5,235,932	2,566,882	516,532,151

Godawari Green Energy Limited

Notes to financial statements for the year ended 31st March, 2013

9. Loans and advances (unsecured, considered good)

	Non-current		Current	
	2013	2012	2013	2012
	₹	₹	₹	₹
Security deposit	546,000	446,000	-	-
Loan to Holding Company	-	-	-	245,000,000
Loans and advances to related parties (note-20)	-	-	-	290,000,000
Advances recoverable in cash or in kind	-	-	3,717,540	2,273,021
Other loans and advances				
Advance income-tax (net of provision)			6,516,195	7,557,181
Prepaid expenses	-	-	209,388	46,500
Total	546,000	446,000	10,443,123	544,876,702

	Current	
	2013	2012
	₹	₹
Loans and advances to related parties include		
Dues from the Godawari Energy Ltd. (a subsidiary of holding company)	-	290,000,000
	-	290,000,000

10. Cash and bank balances

	Current	
	2013	2012
	₹	₹
Cash and cash equivalents		
Balances with banks:		
On current accounts	19,995,602	178,632,844
Deposits with original maturity of less than three months	48,204,324	102,080,900
Cash on hand	10,021	19,163
	68,209,947	280,732,907
Other bank balances		
Margin money deposit	87,066,117	97,066,117
	87,066,117	97,066,117
Total	155,276,064	377,799,024

11. Other assets

	Current	
	2013	2012
	₹	₹
Others		
Interest accrued on fixed deposits	10,334,467	3,380,687
	10,334,467	3,380,687

Godawari Green Energy Limited
Notes to financial statements for the year ended 31st March, 2013

12. Other Income	2013	2012
	₹	₹
Interest Income		
Bank Deposits	16,314,943	54,348,570
Other non-operating income (net of expenses directly attributable to such income)	194,006	120,000
	16,508,949	54,468,570
13. Employee benefit expense	2013	2012
	₹	₹
Salaries, wages and bonus	5,562,995	8,861,880
Contribution to provident and other fund	98,070	138,130
Workmen and staff welfare expenses	546,275	828,682
	6,207,340	9,828,692
14. Other Expense	2013	2012
	₹	₹
Rent	1,326,341	1,360,329
Travelling Expenses	1,244,389	9,113,128
Communication Expenses	1,938,128	1,630,880
Printing and Stationery	342,942	220,783
Professional & Legal Fee	308,351	14,197,202
Directors Remuneration	1,114,282	1,586,250
Payment to Auditor (Refer details below)	84,270	33,090
Miscellaneous Exp.	1,958,511	7,273,437
	8,317,214	35,415,099
Payment to Auditor	2013	2012
	₹	₹
As auditor :		
Audit fee	56,180	22,060
Tax Audit	16,854	-
In other capacity		
Taxation matters	11,236	11,030
	84,270	33,090
15. Depreciation and amortization expense	2013	2012
	₹	₹
Depreciation on tangible assets	1,357,148	517,890
	1,357,148	517,890
16. Finance Costs	2013	2012
	₹	₹
Interest		
- on others	162,200	2,845,598
Bank charges	-	4,241,450
	162,200	7,087,048

Godawari Green Energy Limited

Notes to financial statements for the year ended 31st March , 2013

17. Earnings per share (EPS)

	2013 ₹	2012 ₹
Net profit as per profit and loss account	376,051	1,298,106
Net profit for calculation of basic EPS & Diluted EPS	376,051	1,298,106
Weighted average number of equity shares in calculating Basic EPS	12,150,000	12,150,000
Weighted average number of equity shares in calculating Diluted EPS	12,150,000	12,150,000
Basic & Diluted EPS		
- Basic earning per share	0.03	0.11
- Diluted earning per share	0.03	0.11

18. Contingent liability has not been provided for in respect of dividend on 9600000 9% Optionally Convertible Cumulative Preference Shares of Rs. 100/- Each.

19. Estimated amount of contracts remaining to be executed on capital accounts Rs.3000 lacs (Previous Year Rs.45354 lacs).

20. 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 B.L. Agrawal
- Shri Siddharth Agrawal
- Shri Dinesh Gandhi
- Shri J.P. Tiwari

		2013 ₹	2012 ₹
		Transaction with Related Parties in the ordinary course of business	
Holding Company	Advances Given	215,425,000	47,400,000
	Advances Recovered	460,425,000	-
	Advances Received	1,840,227	-
	Advances Repaid	430,512	-
	Allotment of Preference Shares	400,000,000	-
	Outstanding at the end of the year		
	Advances Receivable	-	245,000,000
Advances Payable	1,409,715	-	
Subsidiary of Holding Company	Advances Given during the year	177,500,000	54,369,049
	Advances Recovered	467,500,000	181,269,049
	Advances Taken during the year	2,849,275	4,526,736
	Advances Refunded during the year	581,650	8,379,799
	Outstanding at the end of the year		
	Unsecured Loan Receivable	-	290,000,000
	Advances Payable	4,500,000	2,232,375

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	2013 ₹	2012 ₹
	Godawari Power & Ispat Limited	215,425,000
Godawari Energy Limited	177,500,000	54,369,049

Repayment of Advances Received

Godawari Energy Limited	467,500,000	181,269,049
Godawari Power & Ispat Limited	460,425,000	-

Advances Received

Godawari Power & Ispat Limited	1,840,227	-
Godawari Energy Limited	2,849,275	4,526,736

Advances Repaid

Godawari Energy Limited	581,650	8,379,799
Godawari Power & Ispat Limited	430,512	-

Allotment of Preference Shares

Godawari Power & Ispat Limited	400,000,000	-
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Godawari Green Energy Limited**Notes to financial statements for the year ended 31st March , 2013**

21. Expenditure in Foreign Currency

	2013	2012
	₹	₹
- For Capital Goods	2,334,275,918	165,322,623
- For Travelling	2,645,709	321,800
- For Consultancy & Other Charges	5,869,649	-

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

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

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

Sanjay Singhania
Partner
Membership No.076961

Siddharth Agrawal
Managing Director

Dinesh Gandhi
Director

Place : Raipur
Date :27.05.2013

Rishi Dave
Company Secretary
