

REF: GPIL/NSE & BSE /2011/1364

Date: 22.05.2011

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|---|---|
| <p>1. The Listing Department,
The National Stock Exchange Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
<u>MUMBAI – 400051</u>
<u>Fax : 022 – 26598237/38, 26598347/48</u>
<u>E-mail: cmlist@nse.co.in</u></p> | <p>2. The Corporate Relation Department,
The Stock Exchange, Mumbai,
1st Floor, Rotunda Building,
Dalal Street,
<u>MUMBAI – 400 001</u>
<u>Fax: 022 – 22722061/41/39/37</u>
<u>E-mail: corp.relations@bseindia.com</u></p> |
|---|---|

Dear Sirs,

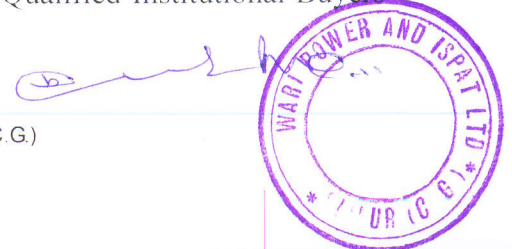
Sub: Outcome of the Board Meeting held on 22.05.2011

A Meeting of the Board of Directors of Godawari Power and Ispat Limited was held on 22nd May, 2011 at Raipur, wherein the board approved the following:

1. Standalone and Consolidated Audited Financial Results of the Company for the Quarter and year ended 31st March, 2011. Copies of the same are enclosed.
2. Recommendation of Final Dividend @ Rs.2.50 per share (i.e., 25%) for the year 2010-11. The said Dividend, after approval by the shareholders in the ensuing Annual General Meeting to be held on 30.08.2011 at the Registered Office of the company at Raipur shall be paid to shareholders of the company whose names appear as on the date of commencement of Book Closure and Books will be closed from 22.08.2011 to 30.08.2011 (both days inclusive) for the purpose of payment of Dividend for the financial year 2010-11.
3. Setting up an Iron ore Pelletisation Plant with an installed capacity of 1.20 million tonnes per annum at an estimated cost of project of Rs.350 crores (approx.) at the company's existing plant location at Siltara, Raipur (C.G.).
4. Fund Raising plans to the extent of Rs.350 crores for meeting the fund requirement of the Company for funding the above project, normal capital expenditure and general corporate purpose through rupee/foreign currency term loans, issue of shares/convertible instruments in one or more tranches through placement to Qualified Institutional Buyers

GODAWARI POWER AND ISPAT LIMITED
core competency in core sector.

Registered Office and Works : Plot No. 428/2, Phase I, Industrial Area, Siltara - 493111, Raipur (C.G.)
Tel. : 0771-4082333, 4082235, Fax : 0771-4082234, E-mail : igl@hiragroupindia.com
City Office : Hira Arcade, 1st Floor, New Bus Stand, Pandri, Raipur-492001 (C.G.)
Ph. : 0771-4082000, 4082001, Fax : 0771-4057601





(QIPs)/ Global Depository Receipts (GDRs)/ Foreign Currency Convertible Bonds (FCCBs) etc.

5. The proposal of subsidiary company M/s. Godawari Energy Limited for raising further funds for meeting its immediate requirements by issue of 1,12,00,000 equity shares of Rs.10 each at a premium of Rs.5 per share to the promoters or their relatives, associates or group companies subject to the maximum dilution of 49%.
6. The proposal for seeking approval of the shareholders under section 372A of the Companies Act, 1956 for enhancing the limits from Rs.500 crores to Rs.1000 crores for making inter-corporate investments, giving loans and guarantees and providing securities.
7. Shri Dinesh Agrawal and Shri Vinod Pillai have been appointed as Whole Time Directors of the company w.e.f June 01, 2011.

Thanking you,
Yours faithfully,

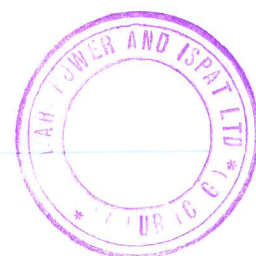
For **GODAWARI POWER AND ISPAT LIMITED**

Y.C. RAO
COMPANY SECRETARY

Encl: As Above

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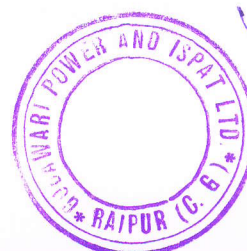
GODAWARI POWER AND ISPAT LIMITED
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2011
 Regd. Office: Plot No. 428/2, Phase I, Industrial Area, Siltara, Raipur (C.G.)
 Corporate Office: First Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.)

(Rs. In crores)

Sr. No.	Particulars	STAND ALONE				CONSOLIDATED	
		Quarter Ended		Year Ended		Year Ended	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
		Pre merger	Pre merger	Post merger	Pre merger	Post merger	Pre merger
		Audited	Audited	Audited	Audited	Audited	Audited
1	Gross Sales	361.73	253.79	1,021.69	832.39	1,220.74	882.63
	Less Exise Duty	32.94	19.27	89.61	55.96	104.69	60.25
	(a) Net Sales/Income from operations	328.79	234.53	932.08	776.43	1,116.05	822.38
	(b) Other operating income	-	-	-	-	-	-
	(c) Total	328.79	234.53	932.08	776.43	1,116.05	822.38
2	Expenditure						
	(a) (Increase)/decrease in stock	2.90	(9.17)	(33.86)	(10.86)	(33.22)	(15.67)
	(b) Consumption of raw materials	188.22	159.23	570.75	570.32	671.47	595.99
	(c) Employees cost	7.73	5.06	29.40	17.34	35.47	19.05
	(d) Depreciation	11.41	9.84	46.83	31.62	55.42	34.15
	(e) Other expenditure	57.54	33.11	175.11	77.01	209.99	92.49
	Total Expenditure	267.80	198.07	788.23	685.43	939.13	726.01
3	Profit from operations before other incomes & exceptional items (1-2)	60.99	36.46	143.85	91.00	176.92	96.37
4	Other Income	0.38	0.87	5.68	3.01	15.45	4.00
5	Profit before interest & exceptional items (3+4)	61.37	37.33	149.53	94.01	192.37	100.37
6	Interest Expense	22.97	10.12	60.25	32.04	73.10	33.72
7	Profit after interest but before exceptional items (5-6)	38.40	27.21	89.28	61.97	119.27	66.65
8	Exceptional itmes	-	-	-	-	-	-
9	Profit/(Loss) from operating activity before tax (7-8)	38.40	27.21	89.28	61.97	119.27	66.65
10	Tax expenses						
	-Current	7.43	4.66	18.01	10.57	24.17	11.52
	-Deffered	-	-	-	-	(4.35)	(0.90)
	-Fringe benefit	-	-	-	-	-	-
11	Net Profit(+) / Loss (-) from ordinary activities after tax (9-10)	30.97	22.55	71.27	51.40	99.45	56.03
12	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13	Net Profit(+) / Loss (-) before Minority Interest (11-12)	30.97	22.55	71.27	51.40	99.45	56.03
14	Less :Minority Interest	-	-	-	-	14.00	-
15	Add: Share of profit in associate company	-	-	-	-	0.41	1.21
16	Net Profit(+) / Loss (-) for the period (13-14+15)	30.97	22.55	71.27	51.40	85.86	57.24
17	Paid-up equity share capital (face value of Rs.10/- each)	28.07	28.07	31.75	28.07	31.75	26.94
18	Reserves (excluding revaluation reserve) as per Balance Sheet of previous accounting year.	515.68	451.59	527.37	451.59	573.17	471.31
19	Earning per share						
	(a) Basic EPS before and after extra-ordinary items	11.03	8.03	22.44	18.31	27.04	21.25
	(b) Diluted EPS before and after extra-ordinary items	11.03	8.03	22.44	18.31	27.04	21.25
19	Debt Service Coverage Ratio (DSCR)			1.43	1.14	1.42	1.06
20	Interest Service Coverage Ratio (ISCR)			3.26	3.92	2.92	3.67
21	Public share holdings						
	-No. of shares	11517155	11,517,155	11517155	11,517,155	11517155	11,517,155
	-Percentage of share holding	41.03	41.03	36.27	41.03	36.27	41.03
22	Promoters and promoter group Shareholding						
	a) Pledged/Encumbered						
	-No. of shares	2730000	2730000	2730000	2730000	2730000	2730000
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	16.49	16.49	13.49	16.49	13.49	16.49
	-Percentage of Shares (as a % of the total share capital of the Company)	9.73	9.73	8.60	9.73	8.60	9.73
	a) Non-encumbered						
	-No. of shares	13822652	13822652	17509092	13822652	17509092	13822652
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	83.51	83.51	86.51	83.51	86.51	83.51
	-Percentage of Shares (as a % of the total share capital of the Company)	49.24	49.24	55.14	49.24	55.14	49.24

NOTES :

- The above financial results were reviewed by the Audit Committee and thereafter were approved by Board of Directors in their meeting held on 22.05.2011.
- The Board of Directors of the Company has recommended a dividend @ Rs.2.50 per equity share of Rs.10/- each for the year 2010-11 subject to the approval of Shareholders in the Annual General Meeting.
- Pursuant to the scheme of amalgamation as sanctioned by the Hon'ble High Court of Chhattisgarh vide order dated 09.03.2011 R.R. Ispat Limited (RRIL) a wholly owned subsidiary of the company and Hira Industries Limited (HIL) have been amalgamated with the company with effect from the appointed date commencing from 01.04.2010. Accordingly 23,32,750 equity shares of erstwhile RRIL owned by the company have been cancelled and 11,25,000 equity shares of the company held by erstwhile RRIL have been transferred to a trust created in the name of GPIL Beneficiary Trust for sole benefit of the company. Further the company has allotted 3686440 equity shares of Rs.10 each fully paid to the shareholders of erstwhile HIL in the ratio of one equity share for every 1.18 equity shares of erstwhile HIL as per the terms of the scheme.
- Consequent upon the above amalgamation, the aggregate holdings of the company in the equity of Hira Ferro Alloys Limited (HFAL) increased beyond 51% as a result of which the company has become holding company of HFAL with effect from 30.03.2011.
- Since the Scheme came into effect with effect from 30.03.2011, accounting effect of the amalgamation has been given during the current quarter, and hence the consolidated financial results for the full year has been given and since the separate quarterly results of merged entities are not available, the quarterly consolidated results could not be determined.



6 The consolidated financial results, which relates to the company and its subsidiaries namely Hira Ferro Alloys Ltd., Ardent Steel Ltd., Godawari Green Energy Ltd., Godawari Integrated Steels (I) Ltd., Godawari Energy Ltd., Godawari Clinkers and Cement Ltd., Krishna Global Minerals Ltd. and associate company namely Hira Steels Ltd. and joint ventures namely Chhattisgarh Captive Coal Mining Ltd. and Raipur Infrastructure Co. Ltd. have been prepared in accordance with the principles and procedures for the preparation and presentation of consolidated accounts as set out in the relevant Accounting Standards.

7 Ratios have been computed as follows:

a) DSCR = Earning before interest and depreciation but after tax / (interest on term loans & debentures + principal repayment of term loans and debentures).

b) ISCR = Earning before interest, depreciation & tax / interest expense.

8 The previous year/period figures have been regrouped/rearranged wherever found necessary.

9 There was no investor complaints pending at the beginning and at the end of the quarter and the company received and disposed six complaints during the quarter ended 31st March, 2011.

AUDITED SEGMENT WISE RESULTS

Sr. No.	Particulars	STAND ALONE				CONSOLIDATED	
		Quarter Ended		Year ended		Year ended	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
		Audited				Audited	
		Pre merger	Pre merger	Post merger	Pre merger	Post merger	Pre merger
1	Total Segment Revenue						
	a.Steel	322.24	221.37	889.31	681.31	1,048.85	726.51
	b.Power	42.57	27.53	112.01	129.07	174.91	129.82
	Total	364.81	248.90	1,001.32	810.38	1,223.76	856.33
	Less:Inter Segment Revenue	36.02	14.37	69.24	33.95	107.71	33.95
	Net Sales	328.79	234.53	932.08	776.43	1,116.05	822.38
2	Segment Results						
	a.Steel	48.78	26.95	130.12	34.57	141.09	40.79
	b.Power	26.09	14.89	49.59	75.54	72.70	75.97
	Total	74.87	41.84	179.71	110.11	213.79	116.76
	Less:Un-Allocable Expenses Net of un-allocable income	13.50	4.51	30.18	16.10	21.42	16.39
	Less: Interest & Finance Charges	22.97	10.12	60.25	32.04	73.10	33.72
	Net Profit Before Tax	38.40	27.21	89.28	61.97	119.27	66.65
3	Net Capital Employed						
	a.Steel	454.78	366.13	463.54	366.13	382.06	416.21
	b.Power	127.26	96.49	133.87	96.49	320.90	146.77
	Total	582.04	462.62	597.41	462.62	702.96	562.98
	Add:Un-Allocable Capital	(38.29)	17.04	(38.29)	17.04	(27.24)	(53.69)
	Total Capital Employed	543.75	479.66	559.12	479.66	675.72	509.29

AUDITED STATEMENT OF ASSETS & LIABILITIES AS ON 31ST MARCH, 2011

Sr. No.	Particulars	Stand Alone		Consolidated	
		Year Ended		Year Ended	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
		Post Merger	Pre Merger	Post Merger	Pre Merger
1	Shareholders' Fund				
(a)	Share Capital	31.75	28.07	31.75	26.94
(b)	Reserves and Surplus	527.37	451.59	573.17	471.31
	TOTAL (a) + (b)	559.12	479.66	604.92	498.25
2	Loan Funds				
(a)	Secured Loan	607.79	391.50	805.74	512.08
(b)	Unsecured Loan	36.45	-	78.74	6.00
	TOTAL (a) + (b)	644.24	391.50	884.48	518.08
3	Minority Interest	-	-	76.38	10.15
4	Deferred Tax Liabilities (Net)	-	-	-	0.89
	TOTAL	1,203.36	871.16	1,565.78	1,027.37
1	Goodwill arising on Consolidation	-	-	-	4.55
2	Net Fixed Assets	722.60	640.74	1,064.49	823.33
3	Investment	212.09	71.54	22.00	11.74
4	Deferred Tax Assets (Net)	-	-	5.49	-
5	Current Assets Loans & Advances				
(a)	Inventories	228.73	158.64	287.18	172.75
(b)	Sundry Debtors	54.02	35.84	67.44	37.17
(c)	Cash & Bank Balance	10.15	13.67	136.26	19.62
(d)	Loan and Advances	60.65	47.26	109.73	58.66
	TOTAL (a) + (b) + (c) + (d)	353.55	255.40	600.61	288.20
Less:	Current Liabilities & Provisions				
(a)	Current Liabilities	66.03	77.93	104.81	81.81
(b)	Provisions	18.85	18.59	22.08	18.73
	TOTAL (a) + (b)	84.88	96.53	126.89	100.54
	Net Current Assets	268.67	158.88	473.72	187.66
6	Miscellaneous Expenditure (not written off)	-	-	0.08	0.09
	TOTAL	1,203.36	871.16	1,565.78	1,027.37

For and on behalf of Board of Directors

Place: Raipur
Date: 22nd May, 2011

B. L. Agrawal
Managing Director

