



SAGAR POWER LIMITED

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CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Dr.S.Anand Reddy Smt.S.Aruna Shri S.Sreekanth Reddy Shri N.Suresh Reddy Shri M.Mohan Reddy Shri O.Anji Reddy	Director Executive Director Director Director Independent Director Independent Director
COMPANY SECRETARY & CFO	:	Mrs. G.Tejaswini	
AUDITORS	:	T. Mohan & Associates Chartered Accountants (FR No.012482S) Plot#87 & 88, Flat#201, Panduranga Hills, Sainagar Road, Pragathi Nagar, Hyderabad-500 090	
REGISTERED OFFICE	:	Plot No.111, Road No.10, Jubilee Hills, Hyderabad – 500 033 email: splhyd@gmail.com website: www.sagarpower.in	
PLANT	:	Theni Wind Project S.F.No.750/3A, 3B, 4(P) Poomalaigundu Village Theni Taluk and District Tamilnadu State Pin - 625 531	
CORPORATE IDENTITY NUMBER	:	U40109TG1994PLC017761	
BANKERS	:	State Bank of India IDBI Bank	

SAGAR POWER LIMITED

CIN: U40109TG1994PLC017761

Registered Office: Plot No.111, Road No.10, Jubilee Hills, Hyderabad – 500033

E-mail Id: splhyd@gmail.com

NOTICE

NOTICE is hereby given that the 29th Annual General Meeting (AGM) of the Members of the Company will be held on Thursday, the 28th September, 2023 at 3.30 p.m. at the registered office of the company at Plot No.111, Road No.10, Jubilee Hills, Hyderabad -500033, to transact the following business:

Ordinary Business**1. Adoption of Accounts**

To receive, consider, approve and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2023 together with the Reports of the Director's and Auditor's thereon and in this regard to pass the following resolution as an ordinary resolution.

"Resolved that the audited Standalone Financial Statements of the Company for the year ended 31st March, 2023 together with the reports of the Auditor's and Director's thereon and the audited Consolidated Financial Statements of the Company for the year ended 31st March, 2023 together with the report of the Auditor's thereon be and are hereby received, considered, approved and adopted."

2. Re-appointment of Retiring Director

To re-appoint Smt.S.Aruna (DIN: 00123878), who retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment and in this regard to pass the following resolution as an ordinary resolution:

"Resolved that Smt.S.Aruna (DIN: 00123878), who retires by rotation in accordance with Section 152 of the Companies Act, 2013 be and is hereby re-appointed as a Director liable to retire by rotation."

By Order of the Board of Directors

Place: Hyderabad
Date: 26th August, 2023

G.Tejaswini
Company Secretary and CFO
M.No.A65480

Notes:

1. The details required to be given in respect of re-appointment of the director are given in **Annexure-1** which forms part of this notice.
2. A member entitled to attend and vote at the meeting is entitled to appoint proxy/proxies to attend and vote on poll instead of him/her and such proxy need not be a member of the company.
3. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Proxies to be effective must be deposited at the registered office of the Company within 48 hours before the commencement of the Meeting.

5. A Corporate Member intending to send its authorized representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.
6. Members are requested to intimate any change in their registered addresses to the Company at its registered office immediately.
7. Members /proxy holders are requested to bring the attendance slips duly filled in for being handed over at the entrance of the venue for the meeting.
8. Shareholders of the company have the option of holding shares of the company in Demat Form with the NSDL and the ISIN INE068M01014 has been allotted for the purpose. Shareholders are requested to make use of this facility.
9. Section 72 of the Companies Act, 2013 provides for Nomination facility for the shareholders and the shareholders are requested to avail the facility.
10. As the several restrictions earlier imposed on account of Covid-19 have since been eased in different phases of unlock, the AGM is being held physically, on the date, time and venue mentioned in the Notice by taking all the precautionary measures against Covid-19. Members are requested to observe safety measures like wearing mask and keeping adequate distance among themselves during their participation in the meeting.
11. The route map showing directions to reach the venue of the 29th Annual General Meeting is annexed.

By Order of the Board of Directors

Place: Hyderabad
Date: 26th August, 2023

G.Tejaswini
Company Secretary and CFO
M.No.A65480

Registered Office:

Plot No.111, Road No.10,
Jubilee Hills,
Hyderabad – 500 033, Telangana.

Annexure to the Notice of the 29th Annual General Meeting

Annexure 1

Details of Directors seeking re-appointment at the Annual General Meeting

Name of the Director	Smt.S.Aruna
DIN	00123878
Date of birth	15.07.1968
Age	55 years
Experience in specific functional areas	Corporate Executive
Qualification	M.L.
Brief Resume	Smt.S.Aruna has been associated with the company nearly 28 years as a director and her business acumen and qualities of leadership have contributed to the growth and stability of the company, and has vast experience in the field of power industries.
Nature of Appointment	Retire by rotation and offer herself for re-appointment
Terms and conditions of appointment / re-appointment	Appointment as a director subject to retirement by rotation under section 152 of the Companies Act, 2013
Details of Remuneration last drawn and Remuneration sought to be paid	The present proposal is for re-appointment as a director liable to retire by rotation. However, she is paid a remuneration of Rs.52,50,000/- p.a. as Executive Director, as has already been approved by the shareholders for her tenure as Executive Director.
Date of first appointment on the Board	03.12.1994
Directorships in other Companies (Other than Listed companies)	Super Hydro Electric Private Limited. R V Consulting Services Private Limited.
Directorships in other Listed Companies	Nil
Names of Listed Companies from which she has resigned in the past three years	Nil
Membership/Chairmanship of Committees of other Boards	Nil
Membership of Audit / Stakeholders' Relationship Committees of other Public Limited Companies	Nil
No. of shares held including shareholding as a beneficial owner in Sagar Power Limited	3,62,220
Number of Meetings of the Board attended during the year	4
Inter-se relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Related to Dr.S.Anand Reddy, Director.

By Order of the Board of Directors

Place: Hyderabad
Date: 26th August, 2023

G.Tejaswini
Company Secretary and CFO
M.No.A65480

Registered Office:
Plot No.111, Road No.10,
Jubilee Hills,
Hyderabad – 500 033, Telangana.

DIRECTORS' REPORT

Dear Members

Your Directors are pleased to present their 29th Annual Report together with the Audited Accounts of your Company for the financial year ended 31st March, 2023.

PERFORMANCE

The following is the summary of the Financial Results of your Company for the year under report:

Rs. in lakhs

Particulars	Standalone		Consolidated	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Income				
Sale of Electrical Energy	117.92	119.45	117.92	119.45
Other Income	20.67	49.19	20.67	49.19
Net Income	138.59	168.64	138.59	168.64
Less: Generation, Distribution, Administration and other Miscellaneous Expenses	144.33	133.42	170.16	138.71
Gross Profit before Depreciation, Financial Charges and Tax	(5.74)	35.22	(31.57)	29.93
Less: Depreciation	45.73	46.70	47.46	48.42
Financial Charges	0.02	0.02	0.02	0.03
Profit /(Loss) before tax for the year	(51.49)	(11.51)	(79.05)	(18.53)
Less: Provision for Income-tax	-	8.10	-	8.10
Less: Provision for Deferred Tax Asset / Liability	11.89	11.08	11.89	11.09
Profit /(Loss) after Tax	(39.60)	(8.52)	(67.16)	(15.53)

The physical performance of the Company's wind mill unit is as under:

Particulars	Wind Power For the Year Ended	
	31.03.2023	31.03.2022
Units Generated	35,17,993	36,12,394
No. of Days	365	365
Average Units Generated per Day	9,638	9,897
Capacity (%)	24.34	24.99

DIVIDEND

Your directors are unable to recommend any dividend for the financial year 2022-23, on both its equity and preference shares on account of absence of profits.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, there was no unclaimed dividend amount to transfer to the Investor Education and Protection Fund.

SHARE CAPITAL

There was no change in the share capital of your company during the year.

As the shareholders are aware, shares of the company can be kept in Demat form with NSDL and the ISIN No. **INE068M01014** has been allotted for the company's equity shares. M/s. KFin Technologies Limited, Hyderabad is the Registrar and Transfer Agent of the company for the purpose.

TRANSFER TO RESERVES

The entire balance available in the Profit and Loss Account is retained in it, as no transfer from it to reserves is contemplated.

RISK MANAGEMENT SYSTEM

The Company has put in place a mechanism to identify, assess, monitor and mitigate various risks associated with the business. In line with the regulatory requirements, the Company has in place the Risk Management Policy to identify the risk elements and manage, monitor and report on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company has proper confidentiality and privacy policies to control risk elements. The Company has wherever required, taken insurance policies to protect the property, assets etc. Major risks identified were discussed at the meeting of the Board of Directors of the Company.

INTERNAL FINANCIAL CONTROL

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANIES

Super Hydro Electric Private Limited (Wholly owned Subsidiary Company)

As the shareholders are aware, your company is implementing two Hydel Power Projects of a combined capacity of 28.3 MW in the State of Uttarakhand. However, the construction of the projects has been suspended from 8th May, 2014 as per the interim order of the Supreme Court passed on a petition filed by NGOs seeking ban on construction of hydel power projects for environmental reasons.

The matter is sub-judice. Further progress in the implementation of the project can occur only after the matter is finally decided by the Supreme Court.

During the year, no company has become or ceased to be the Subsidiary, Joint Ventures or Associate Company.

Your Company does not have any Joint Ventures or Associate Companies.

Statement containing salient features of the financial statement of the above mentioned subsidiary has been given in Form AOC 1 in the **Annexure 1** to this report.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments, affecting the financial position of the Company which occurred during the end of the financial year to which the financial statements relate and the date of this report.

FUTURE OUTLOOK

As the shareholders are aware, the company started implementing two hydel power projects of a combined capacity of 28.3 MW in Uttarakhand through its wholly-owned subsidiary viz., Super Hydro Electric Private Limited. However, the further implementation of these projects is now kept in abeyance, disposal of the case filed by a few NGOs is pending in Supreme Court against the implementation of hydel power projects in the said State. With the speedy disposal of the matter by the Supreme Court, hopefully in favour of the company, which would expedite the completion of the projects will resume and once the generation starts in these projects, your company will be in a strong financial position.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

Your Company continues to enjoy cordial relationship with all its personnel at its Plant, Office and on the field.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. the directors have selected such accounting policies and applied them consistently and made judgments 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 loss of the company for that period;
- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the directors have prepared the annual accounts on a going concern basis;
- v. The directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CHANGE IN DIRECTORS OR KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013, Smt S.Aruna will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. The resolution seeking the approval of the members for the said re-appointment has been incorporated in the notice of the Annual General Meeting of the company.

None of the non-executive directors has any pecuniary relationship or transactions with the company, other than the receipt of sitting fee for the meetings attended by them and dividend as and when declared on the shares, if any, held by them in the company.

During the year, there was no change in the composition of Board of Directors.

INDEPENDENT DIRECTORS DECLARATION

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act 2013, that they meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013.

All the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

During the year, no Independent Director was appointed.

NUMBER OF MEETINGS OF THE BOARD

Four Board Meetings were held during the financial year 2022-23 and the gap between any two consecutive Board Meetings did not exceed one hundred and twenty days. These Meetings were held on 24th April 2022, 29th July 2022, 23rd November 2022 and 15th March, 2023.

Attendance of directors during the financial year 2022-23 :

Name of the Director	Number of board meetings during the year 2022-23	
	Held	Attended
Dr. S.Anand Reddy	4	4
Shri S.Sreekanth Reddy	4	4
Smt. S.Aruna	4	4
Shri N.Suresh Reddy	4	4
Shri M.Mohan Reddy	4	4
Shri O.Anji Reddy	4	4

SUB COMMITTEES OF THE BOARD

The Board has Audit Committee and Nomination and Remuneration Committee.

AUDIT COMMITTEE

The composition of the Audit Committee is given below:

Dr.S.Anand Reddy, Non-Executive Director	- Chairman
Shri M.Mohan Reddy, Independent Director	- Member
Shri O.Anji Reddy, Independent Director	- Member

During the year one meeting of the committee was held on 29th July, 2022 and all the members were present at the meeting.

NOMINATION AND REMUNERATION COMMITTEE

Under Section 178 (3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the board has adopted a policy for nomination, remuneration and other related matters for directors and senior management personnel. Details of the policy are available on the company's website www.sagarpower.in.

The composition of the Nomination and Remuneration Committee is given below:

Shri M.Mohan Reddy, Independent Director	- Chairman
Shri O.Anji Reddy, Independent Director	- Member
Shri N.Suresh Reddy, Non-Executive Director	- Member

During the year one meeting of the Nomination and Remuneration Committee was held on 29th July, 2022 and all the members were present at the meeting.

CHANGE IN THE NATURE OF BUSINESS

During the year under review there were no change in the nature of business of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the financial year, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

PARTICULARS OF EMPLOYEES

There are no employees whose details are required to be furnished pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 have been provided in the **Annexure-2**, which forms part of the Report.

BOARD EVALUATION

The Board of directors have carried out an evaluation of its own performance and of its committees as well as its individual directors, on the basis of criteria such as composition of the board / committee structure, effectiveness, its process, information flow, functioning etc.

AUDITORS

M/s.T.Mohan & Associates, Chartered Accountants (FR No.012482S), who were re-appointed as Statutory Auditors of the company by the Shareholders at their 28th Annual General Meeting held on 21st September 2022 for a second consecutive term of five years and will be holding their said office till the conclusion of 33rd Annual general Meeting of the company at such remuneration as may be mutually agreed between the Board of Directors of the company and the said Auditors.

SECRETARIAL AUDIT REPORT

Rules pertaining to Secretarial Audit are not applicable to the Company.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITOR IN THEIR REPORTS

The auditors' report does not contain any qualifications, reservations or adverse remarks.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There were no frauds as reported by the Statutory Auditors under sub-section 12 of Section 143 of the Companies Act, 2013 along with Rules made there-under other than those which are reportable to the Central Government.

COST RECORDS

Maintenance of cost records is not presently applicable to the Company as prescribed under the provisions of Section 148 (1) of the Companies Act, 2013.

SECRETARIAL STANDARDS

The Company complied with all the applicable secretarial standards.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

TRANSACTIONS WITH RELATED PARTIES

None of the transactions with related parties falls under the scope of Section 188(1) of the Companies Act, 2013. Information on transactions with related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure-3** in Form AOC-2 and the same forms part of this report.

CORPORATE SOCIAL RESPONSIBILITY

Provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are presently not applicable to the company as it is not covered under the parameters mentioned in the said section.

INVESTMENT IN PANYAM CEMENTS AND MINERAL INDUSTRIES LIMITED

The Hon'ble National Company Law Tribunal (NCLT), Amravati Bench had approved a Resolution Plan submitted by your company along with M/s.R V Consulting Service Private Limited vide its order dated 25th June, 2021 read with 10th July, 2021, pursuant to which M/s.Panyam Cements and Mineral Industries Limited has allotted 2,00,535 equity shares of Rs.10/- to your company during the year.

SEXUAL HARASSMENT

Regarding the Sexual Harassment of Women at the work place (Prevention, Prohibition & Redressal) Act, 2013, no complaints were received or disposed off during the year under the above Act.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return in Form MGT-7 is available at Company's website at <http://www.sagarpower.in/images/financial/Draft%20Form%20MGT-7%20-%20FY%202022-23.pdf>.

INSURANCE

All the properties of the Company have been adequately insured.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

VIGIL MECHANISM

The provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

DISCLOSURE OF ACCOUNTING TREATMENT

The applicable Accounting Standards as notified from time to time under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2016 issued by the Ministry of Corporate Affairs, are followed in the preparation of the financial statements of the company.

CAUTIONARY STATEMENT

Statements in this report and its annexures describing company's projections, expectations and hopes are forward looking. Though, these are based on reasonable assumption, their actual results may differ.

OTHER DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items, during the period under review:

- a. There was no issue of equity shares with differential voting rights as to dividend, voting or otherwise etc.
- b. There was no issue of shares (including sweat equity shares) to the employees of the Company under any Scheme.
- c. No application has been admitted against the Company under the Insolvency and Bankruptcy Code, 2016.
- d. There was no instance of one time settlement with any bank or financial institution.
- e. The Whole-time Director of the Company has not received any remuneration or commission from the subsidiary company.

ACKNOWLEDGEMENT

We wish to place on record our appreciation of the valuable guidance and co-operation extended by the bankers, State and Central Government Authorities to the Company. We also wish to place on record our appreciation of the contributions made by the employees at all levels of your Company and of the continued confidence reposed by you in the Management.

By the Order of the Board

Place: Hyderabad
Date: 26th August, 2023

S.ARUNA
Executive Director
DIN: 00123878

Dr. S.ANAND REDDY
Director
DIN: 00123870

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Lakhs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	SUPER HYDRO ELECTRIC PRIVATE LIMITED
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees
4.	Share Capital	7,391.84
5.	Reserves & surplus	(811.52)
6.	Total assets	7,141.88
7.	Total Liabilities	7,141.88
8.	Investments	0
9.	Turnover	0
10.	Profit before taxation	(27.55)
11.	Provision for taxation	0
12.	Profit after taxation	(27.55)
13.	Proposed Dividend	0
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: *SUPER HYDRO ELECTRIC PRIVATE LIMITED*
- Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:**

The company does not have any associates or joint ventures.

- Names of associates or joint ventures which are yet to commence operations: Nil
- Names of associates or joint ventures which have been liquidated or sold during the year: Nil

S.Aruna
Executive Director
DIN: 00123878

Dr.S.Anand Reddy
Director
DIN: 00123870

Place: Hyderabad
Date: 26th August, 2023

G.Tejaswini
Company Secretary & CFO
M.No.A65480

Annexure - 2

Pursuant to Section 134(3) (m) of Companies Act, 2013 read with Rule (3) of Companies (Accounts) Rules, 2014**(A) Conservation of energy-**

- (i) the steps taken or impact on conservation of energy: Nil
- (ii) the steps taken by the company for utilising alternate sources of energy: Nil
- (iii) the capital investment on energy conservation equipments: Nil

(B) Technology absorption-

- (i) the efforts made towards technology absorption: Nil
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NA
- (iv) the expenditure incurred on Research and Development: NA

(C) Foreign exchange earnings and Outgo-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows: Nil

On behalf of the Board of Directors

Place: Hyderabad
Date: 26th August, 2023

S.Aruna
Executive Director
DIN: 00123878

Dr.S.Anand Reddy
Director
DIN: 00123870

Annexure - 3

Form No. AOC-2

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and
Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered in to by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sagar Power Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2022-23.

2. Details of material contracts or arrangements or transactions at arm's length basis:

There were no material contracts or arrangements or transactions with the related parties during the financial year 2022-23.

On behalf of the Board of Directors

Place: Hyderabad
Date: 26th August, 2023

S.Aruna
Executive Director
DIN: 00123878

Dr.S.Anand Reddy
Director
DIN: 00123870

INDEPENDENT AUDITORS' REPORT

To
The Members of
M/s Sagar Power Limited

Report on the audit of standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M/s Sagar Power Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report and Management discussion and analysis report including Annexures, Corporate Governance and Shareholder's information but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application

of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the individual financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these individual financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the individual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the individual financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flow dealt with in this report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. Based on the Written Representation received from the directors as on March 31, 2023 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Sub-section 2 of Section 164 of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and the operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note No. 2.22 of the Financial Statements.
 - ii. There is no requirement for any provision as required by any act or Accounting Standards for material foreseeable losses, if any, on long term contracts including derivative contracts.

- iii. There are no amounts which are required to be transferred to Investor Education and protection fund.
- iv. (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures considered has reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The company has not declared any dividend or paid during the year.

For **T MOHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.012482S

MOHAN REDDY T
Partner
M.No.239635
UDIN: 23239635BGUXQM9440

Place: Hyderabad
Date: 26th August, 2023

Annexure A to the Auditors' Report

Annexure referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of the Independent Auditor's Report of even date of M/s Sagar Power Limited, on the financial statements for the year ended March 31, 2023.

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state the following:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
(B) The Company does not have any intangible assets and accordingly paragraph 3(i)(a)(B) of the Order is not applicable to the company.
- (b) The management has physically verified the Property, Plant and Equipment at regular intervals. There were no material discrepancies noticed on such verification.
- (c) The company is holding immovable property in its name.
- (d) During the year, the company has not revalued its Property, Plant and Equipment. Thus, paragraph 3(i)(d) of the Order is not applicable to the company.
- (e) As informed to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Thus, paragraph 3(i)(e) of the Order is not applicable to the company.
- ii. (a) According to information's explanations provided to us, the company does not hold any physical inventories. Thus, paragraph 3(ii)(a) of the Order is not applicable to the Company.
- (b) The company has not sanctioned with any working capital limits from banks or financial institutions. Thus, paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii. The company has granted loans to companies during the year, in respect of which:
 - a. The company has granted an interest free loan to Wholly owned subsidiary during the year and the details of which are given below:

Particulars	Loans
Aggregate amount of granted during the year	29,22,135
Balance outstanding as at balance sheet date	5,30,40,247

The Company has not provided any advances in the nature of loans to any other entity during the year

- b. In our opinion, the terms and conditions on which the loan had been granted to the subsidiaries, in our opinion, prima facie, not prejudicial to the interest of the company.
- c. In respect of a loan granted by the company, the schedule of repayment of principal and payment of interest has not been stipulated, as the loan granted by the company to its subsidiary is interest free there is no interest accrued and accounted as on March 31, 2023.
- d. According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e. In our opinion and based on the information provided to us, the existing demand loan has been extended. During the year, the company has not granted any fresh loans to settle the overdue of existing loans given to the same parties.
- f. The company has granted an interest free loan to its subsidiary during the year and earlier years. The loan outstanding as on March 31, 2023 is Rs.5,30,40,247/- and it constitutes 100% to the total loans granted.

- iv. The company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made, guarantees, and securities provided, as applicable.
- v. The company has not accepted any deposits, within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Thus, paragraph 3(v) of the Order is not applicable to the company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the companies examined by us, in our opinion, the company is regular in depositing the undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax and other material statutory dues as applicable with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, and other material statutory dues in arrears as at March 31, 2023 for the period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred in clause (a) above, which have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Thus, reporting under clause 3(viii) of the order is not applicable to the Company.
- ix. The Company has not taken any loans or other borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the reporting period. Thus, reporting under clause 3(x)(a) of the order is not applicable to the Company.
- xi. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the year. Thus, reporting under clause 3(xi) of the order is not applicable to the company.
- xii. In our opinion, the company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable for the company.
- xiii. In our opinion and according to information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the financial statements of the company as required by applicable Accounting Standards.
- xiv. In our opinion and based on our examination, the company is not required to have an internal audit system as per the provisions of section 138 of the companies Act, 2013. Thus, paragraph 3(xiv) of the Order is not applicable to the company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the company is not required to be registered under section 45IA of Reserve Bank of India Act 1934. Thus, paragraph 3(xvi)(a) of the Order is not applicable to the company.
- (b) In our opinion, the company has not conducted any Non-Banking Financial or Housing Finance activities. Thus, paragraph 3(xvi)(b) of the Order is not applicable to the company.

- (c) In our opinion, the company is not a Core Investment Company (CIC). Thus, paragraph 3(xvi)(c) of the Order is not applicable to the company.
 - (d) In our opinion, the group does not have more than one Core Investment Company (CIC). Thus, paragraph 3(xvi)(d) of the Order is not applicable to the company.
- xvii. In our opinion, the company has incurred cash losses in the current financial year and there is no cash losses in the immediately proceeding Financial Year.
- xviii. During the year, there is no resignation of the statutory auditors of the company.
- xix. On the basis of Financial Ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, in our opinion there are no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. The provisions of section 135 of the companies Act, 2013 with regard to Corporate Social Responsibility are not applicable to the company and accordingly clause 3(xx) of the order is not applicable.

For **T MOHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.012482S

Place: Hyderabad
Date: 26th August, 2023

MOHAN REDDY T
Partner
M.No.239635
UDIN: 23239635BGUXQM9440

Annexure B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s Sagar Power Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures

of the company are being made only in accordance with authorizations of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **T MOHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.012482S

Place: Hyderabad
Date: 26th August, 2023

MOHAN REDDY T
Partner
M.No.239635
UDIN: 23239635BGUXQM9440

SAGAR POWER LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2023

(Rupees in thousands)

Particulars	Notes	As At 31st March, 2023	As At 31st March, 2022
EQUITY AND LIABILITIES			
Share Holders' Funds:			
Share Capital	2.1	1,98,607	1,98,607
Reserves and Surplus	2.2	2,81,753	2,85,714
Sub-Total : Shareholders' Funds		4,80,361	4,84,321
Non-Current Liabilities:			
Deferred Tax Liability	2.3	11,158	12,347
Sub-Total : Non Current Liabilities		11,158	12,347
Current Liabilities:			
Trade Payables	2.4		
(i) Total Outstanding dues of micro enterprise and small enterprise		81	164
(ii) Total Outstanding dues of creditors other than micro enterprise and small enterprise		-	-
Other Current Liabilities	2.5	193	224
Short - Term Provisions	2.6	1,230	1,230
Sub-Total : Current Liabilities		1,504	1,618
TOTAL EQUITY AND LIABILITIES		4,93,023	4,98,286
ASSETS			
Non-Current Assets:			
Property, Plant and Equipment			
Property, Plant and Equipment	2.7	43,003	47,576
Non-Current Investments	2.8	2,61,785	2,59,780
Other Non-Current Assets	2.9	1,23,574	1,36,808
Sub-Total : Non - Current Assets		4,28,362	4,44,163
Current Assets:			
Trade Receivables	2.10	27,909	18,086
Cash and Cash Equivalents	2.11	949	482
Short-Term Loans and Advances	2.12	35,201	34,970
Other Current Assets	2.13	602	585
Sub-Total : Current Assets		64,661	54,123
TOTAL ASSETS		4,93,023	4,98,286

Summary of Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For T MOHAN & ASSOCIATES
Chartered Accountants (FR No.012482S)

Mohan Reddy T
Partner
M.No.239635

Place : Hyderabad
Date: 26th August, 2023

For and on behalf of the Board

Dr.S.Anand Reddy
Director
DIN: 00123870

S.Aruna
Executive Director
DIN: 00123878

G.Tejaswini
Company Secretary & CFO
M.No.A65480

SAGAR POWER LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(Rupees in thousands)

Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
INCOME			
Revenue from Operations	2.14	11,792	11,945
Other Income	2.15	2,067	4,919
Total Income		13,859	16,864
EXPENSES			
Generation and Distribution Expenses	2.16	484	465
Repairs and Maintenance Expenses	2.17	3,950	3,683
Employee Benefit Expenses	2.18	2,584	2,432
Administrative and Other Expenses	2.19	7,416	6,762
Total		14,433	13,342
Earning Before Interest,Tax and Depreciation (EBITD)		(574)	3,522
Finance Costs	2.20	2	2
Depreciation	2.21	4,573	4,670
Profit/(Loss) Before Tax		(5,149)	(1,151)
Tax Expenses:			
Current Tax		-	810
Deferred Tax Asset/Liability		(1,189)	(1,109)
Total of Tax Expenses		(1,189)	(299)
Profit/(Loss) After Tax		(3,960)	(852)
Less: Appropriations			
Proposed Dividend on CRP Shares			
Corporate Dividend Tax			
Transfer to General Reserve			
Balance Transferred to Reserves and Surplus Account		(3,960)	(852)
Basic Earnings per share of Rs 10/- each	2.24	(0.36)	(0.08)
Diluted Earnings per share of Rs.10/- each	2.24	(0.36)	(0.08)
Summary of Significant Accounting Policies	1 & 2.22-2.23		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For T MOHAN & ASSOCIATES
Chartered Accountants (FR No.012482S)

Mohan Reddy T
Partner
M.No.239635

Place : Hyderabad
Date: 26th August, 2023

For and on behalf of the Board

Dr.S.Anand Reddy
Director
DIN: 00123870

S.Aruna
Executive Director
DIN: 00123878

G.Tejaswini
Company Secretary & CFO
M.No.A65480

SAGAR POWER LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A Cash flow from Operating Activities		
Profit Before Tax	(5,149)	(1,151)
Adjustments for		
Interest Income	(2,067)	(4,919)
Provision for Income Tax	-	(810)
Depreciation	4,573	4,670
Interest and Finance charges	2	2
Loss on Sale of Fixed Asset	2,508	114
Cash generated from Operations	(2,641)	(2,093)
Less: Expenses		
Net Cash generated from Operations	(2,641)	(2,093)
Movement of Working Capital		
Increase/(Decrease) in Trade Payables	(83)	81
Increase/(Decrease) in Other Current Liabilities	(32)	73
Decrease/(Increase) in Non Current Assets	13,233	4,699
Decrease/(Increase) in Trade Receivables	(9,823)	(8,940)
Decrease/(Increase) in Short Term Loans and Advances	(231)	318
Decrease/(Increase) in Other Current Assets	(17)	(3)
Net Cash Flow from Operating Activities	406	(5,866)
B Cash Flow from Investing Activities		
Investments	(2,005)	
Interest on Fixed Deposit	2,067	4,919
Sale of Fixed Assets	-	500
Net Cash used in Investing Activities	62	5,419
C Cash Flow from Financing Activities		
Interest and Finance Charges	(2)	(2)
Net Cash used in Financing Activities	(2)	(2)
Net increase in Cash and Cash equivalent	466	(449)
Cash and Cash equivalent at the beginning of the Year	482	932
Cash and Cash equivalent at the end of the Year	949	482

As per our report of even date attached

For and on behalf of the Board

For T MOHAN & ASSOCIATES
Chartered Accountants (FR No.012482S)

Dr.S.Anand Reddy
Director
DIN: 00123870

S.Aruna
Executive Director
DIN: 00123878

Mohan Reddy T
Partner
M.No.239635
Place : Hyderabad
Date: 26th August, 2023

G.Tejaswini
Company Secretary & CFO
M.No.A65480

NOTES ON ACCOUNTS:**1.1 SIGNIFICANT ACCOUNTING POLICIES****(a) Basis for Preparation of Accounts:**

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/2013 Act, as applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

(b) Use of Estimates:

The preparation of the Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

(c) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(d) Tangible/Intangible Fixed Assets:

- (i) Fixed assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets upto the date the asset is ready for its intended use. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Net value of assets on balance sheet date was disclosed after adjustment for depreciation as per schedule II of Companies Act, 2013
- (ii) Assets of which life was expired as per schedule II of companies Act, 2013 but carrying amount is yet to be depreciated in books were adjusted to retained earnings.

(e) Depreciation/Amortisation:

Depreciation on Fixed Assets has been provided in the manner prescribed under Schedule II of the Companies Act, 2013, on Straight Line Method.

(f) Investments:

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments determined on an individual basis. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

(g) Inventories:

- (i) Stores and spares were valued at lower of cost and net realizable value.
- (ii) company has entered into power purchasing agreements with the parties for sale of power. The agreement consists of pricing terms and other conditions. The agreement binds the respective party to pay the agreed amount. During the March month the company has delivered energy to the respective parties on which some portion was unbilled. As the realisation will be at agreed price and there is no question regarding collectibility the company has valued delivered energy at net realisable value which is same as price as per power purchasing agreement.

(h) Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty supported by convincing evidences that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Deferred tax Asset balance as per reporting date includes tax on assets on which adjustment was made as per schedule II of Companies Act, 2013

(i) Employee Benefits:**Short term benefits:**

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.

Long term benefits:

Payments to the defined contribution retirement benefit schemes are charged as an expense as they fall due.

Gratuity:

Under defined benefit scheme, Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The company has taken a master policy with Life Insurance Corporation of India under group gratuity scheme.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date, based upon which, the Company contributes all the ascertained liabilities to the Life Insurance Corporation of India.

Employee Leave Encashment:

The leave encashment payable to the employees is provided based on the actuarial valuation carried out in accordance with the AS 15 and is not funded.

Provident fund

The company has a defined contribution plan for Provident Fund under which the company contributes the fund to the Regional Provident Fund Commissioner.

(j) Revenue recognition:

Revenue was recognised as and when the invoice is raised to the parties subject to the collectability

(k) Provisions and contingent liabilities:

The Company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow resources is remote, no provision or disclosure is made.

(l) Earnings per share:

The basic earnings per share ('EPS') is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Notes to Financial Statements for the year ended 31st March, 2023

2.1 SHARE CAPITAL

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised:		
1,50,00,000 Equity Shares of Rs.10/- each	1,50,000	1,50,000
1,00,00,000 Cumulative Redeemable Preference Shares of Rs.10/- each	1,00,000	1,00,000
Issued, Subscribed and Paid up:		
1,08,60,730 Equity Shares of Rs.10/- each	1,08,607	1,08,607
90,00,000 8% Cumulative Redeemable Preference Shares of Rs.10/- each	90,000	90,000
Total	1,98,607	1,98,607

Reconciliation of shares outstanding at the beginning and at the end of the reporting Year (Rupees in thousands)

Equity Shares	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	Rs.	No. of shares	Rs.
Shares at the beginning of the year	1,08,60,730	1,08,607	1,08,60,730	1,08,607
Issued during the year as Bonus Shares	-	-	-	-
Outstanding at the end of the year	1,08,60,730	1,08,607	1,08,60,730	1,08,607
Cumulative Redeemable Preference Shares	As at 31st March, 2023		As at 31st March, 2022	
	No. of shares	Rs.	No. of shares	Rs.
Shares at the beginning of the year	90,00,000	90,000	90,00,000	90,000
Issued during the year as CRP Shares	-	-	-	-
Outstanding at the end of the year	90,00,000	90,000	90,00,000	90,000

1. The Company has only one class of Equity Shares issued at a par value of Rs.10/- per share. Each Equity Share is entitled to one vote. The company declares and pays dividends in Indian Rupees. The dividends as and when proposed by the Board of Directors is subject to the approval of the Share Holders in the Annual General Meetings.
2. The Company has 8% Cumulative Redeemable Preference Shares issued at a par value of Rs.10/- per share. The Company will repay the CRP Shares as per allotment conditions.
3. For the year ended 31st March,2023, no dividend has been proposed on Equity Shares (Previous year Rs.Nil per Equity Share).

Details of Shareholders holding more than 5 % of Equity / Preference Shares in the Company

Name of the Shareholder	As at 31st March, 2023			As at 31st March, 2022		
	No. of shares	% of holding	% Change during the year	No. of shares	% of holding	% Change during the year
Equity Shares						
S. Krishna Reddy	22,29,200	20.53	-	22,29,200	20.53	-
S. Anand Reddy	15,51,990	14.29	-	15,51,990	14.29	-
S. Siddarth	11,04,335	10.17	-	11,04,335	10.17	-
S. Aneesh Reddy	11,04,335	10.17	-	11,04,335	10.17	-
S. Sreekanth Reddy	8,33,600	7.68	-	8,33,600	7.68	-
S. Rachana	7,50,000	6.91	-	7,50,000	6.91	-
S. Vanajatha	6,88,820	6.34	-	6,88,820	6.34	-
Sagar Priya Housing and Industrial Enterprises Ltd.	7,40,000	6.81	-	7,40,000	6.81	-
Preference Shares						
Twinvest Financial Services Limited*	90,00,000	100%	-	90,00,000	100%	-

*The National Company Law Tribunal, Hyderabad Bench, vide its order dated 26th May, 2023, approved the scheme of merger of M/s.Twinvest Financial Services Limited (Transferor Company) with M/s. R.V. Consulting Services Private Limited (Transferee Company), accordingly, the shares held by the Transferor Company are in the process of being transferred to the Transferee Company.

As per records of the Company, including its register of Shareholders/Members and other declarations received from Shareholders regarding beneficial interest, the above Shareholding represents both legal and beneficial ownerships of Shares.

Details of shareholding of promoters in the Company and change during the year:

Name of the Shareholder	As at 31st March, 2023			As at 31st March, 2022		
	No. of shares	% of holding	% Change during the year	No. of shares	% of holding	% Change during the year
S Anand Reddy	15,51,990	14.29	-	15,51,990	14.29	-
S Sreekanth Reddy	8,33,600	7.68	-	8,33,600	7.68	-
Sammidi Aneesh Reddy	11,04,335	10.17	-	11,04,335	10.17	-
Sammidi Siddarth	11,04,335	10.17	-	11,04,335	10.17	-
S Rachana	7,50,000	6.91	-	7,50,000	6.91	-
S Aruna	3,62,220	3.34	-	3,62,220	3.34	-
W Malathi	2,36,820	2.18	-	2,36,820	2.18	-
R V Consulting Services Private Limited	4,05,660	3.74	-	4,05,660	3.74	-
S Vanajatha	6,88,820	6.34	-	6,88,820	6.34	-
Sagar Priya Housing and Industrial Enterprises Limited	7,40,000	6.81	-	7,40,000	6.81	-
Panchavati Polyfibres Limited	60,000	0.55	-	60,000	0.55	-

2.2 RESERVES AND SURPLUS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
General Reserve		
Balance as per the last Financial Statement	17,422	17,422
Closing Balance - (A)	17,422	17,422
Profit & Loss Account		
Balance as per last Financial Statement	2,68,291	2,69,143
Add: Profit After Tax earned during the Year	(3,960)	(852)
	2,64,331	2,68,291
Less: Dividend on CRP Shares	-	-
Less: Tax on Proposed Dividend	-	-
Less: Transfer to General Reserve	-	-
Closing Balance - (B)	2,64,331	2,68,291
Total - (A + B)	2,81,753	2,85,714

NON-CURRENT LIABILITIES

2.3 DEFERRED TAX ASSET

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Asset	(12,347)	(13,456)
Add:Deferred Tax Asset/Liability	1,189	1,109
Total	(11,158)	(12,347)

Note: Deferred Tax Asset resulting from timing differences between book and Tax Profit, is accounted for under the Asset method at the current rate of Tax.

2.4 TRADE PAYABLES

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Total Outstanding dues of micro enterprise and small enterprise	81	164
(ii) Total Outstanding dues of creditors other than micro enterprise and small enterprise	-	-
Total	81	164

Trade payables ageing schedule

(Rupees in thousands)

FY 2022-23

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	81	-	-	81
(ii) Others	-	-	-	-	-
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
Total	-	81	-	-	81

Trade payables ageing schedule

(Rupees in thousands)

FY 2021-22

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	81	83	-	-	164
(ii) Others	-	-	-	-	-
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
Total	81	83	-	-	164

DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	81	164
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

2.5 OTHER CURRENT LIABILITIES

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Income Tax Deducted At Source	193	209
Professional Tax	0.40	0.40
Outstanding Expenses	-	15
Total	193	224

2.6 SHORT TERM PROVISIONS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Income Tax	1,230	1,230
Total	1,230	1,230

NON CURRENT ASSETS

2.7. FIXED ASSETS (TANGIBLE)

(Rupees in thousands)

Particulars	Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Total
Cost or Valuation								
At 1st April, 2021	87	-	1,08,923	510	1,893	2,620	575	1,14,608
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	1,893	-	-	1,893
At 31st March, 2022	87	-	1,08,923	510	-	2,620	575	1,12,715
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
As at 31st March, 2023	87	-	1,08,923	510	-	2,620	575	1,12,715
Depreciation								
At 1st April, 2021	-	-	56,994	510	1,198	2,473	573	61,748
Charge for the year	-	-	4,573	-	81	16	-	4,670
Disposals	-	-	-	-	1,278	-	-	1,278
At 31st March, 2022	-	-	61,568	510	-	2,490	573	65,140
Charge for the year	-	-	4,573	-	-	-	-	4,573
Disposals	-	-	-	-	-	-	-	-
As at 31st March, 2023	-	-	66,141	510	-	2,490	573	69,713
Net Block								
At 31st March, 2022	87	-	47,356	-	-	131	3	47,576
As at 31st March, 2023	87	-	42,783	-	-	131	3	43,003

2.8 NON-CURRENT INVESTMENTS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investment in Subsidiaries (Unquoted)		
1,10,40,000 8% Cumulative Redeemable Preference Shares of Rs.10/- each in Super Hydro Electric Pvt.Ltd.	1,10,400	1,10,400
2,32,98,351 Equity Shares of Rs.10/- each in Super Hydro Electric Pvt. Ltd.	1,49,380	1,49,380
Investment in Others (Quoted)		
2,00,535 Equity shares of Rs. 10/- each in Panyam Cements and Mineral Industries Limited	2,005	-
Total	2,61,785	2,59,780

2.9 OTHER NON-CURRENT ASSETS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Advances	67,856	84,012
State Load Despatch Centre (SLDC) Charges paid under Protest	2,678	2,678
Loan to Super Hydro Electric Pvt. Ltd.	53,040	50,118
Total	1,23,574	1,36,808

Loans or Advances in the nature of loans are granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) that are repayable on demand

Type of Advance	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related parties	1,20,896	100%

2.10 TRADE RECEIVABLES

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Undisputed Trade receivables considered good – Considered good	26,889	16,851
Undisputed Trade receivables considered good – Considered doubtful	1,021	1,236
Disputed Trade Receivables considered good	-	-
Disputed Trade Receivables considered doubtful	-	-
Grand Total	27,909	18,086

Trade Receivables ageing schedule

(Rupees in thousands)

FY 2022-23

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good – Considered good	-	10,288	11,480	5,120	-	26,888
(ii) Undisputed Trade receivables considered good – Considered doubtful	1,021	-	-	-	-	1,021
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	1,021	10,288	11,480	5,120	-	27,909

Trade Receivables ageing schedule

(Rupees in thousands)

FY 2021-22

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good – Considered good	-	10,244	6,607	-	-	16,851
(ii) Undisputed Trade receivables considered good – Considered doubtful	1,236	-	-	-	-	1,236
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	1,236	10,244	6,607	-	-	18,086

2.11 CASH AND CASH EQUIVALENTS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash in Hand	0.02	0.02
Cash at Banks	949	482
Total	949	482

2.12 SHORT TERM LOANS AND ADVANCES

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advances to Others	200	200
MAT Credit Entitlement Account	33,313	33,313
TDS on Fixed Deposit	1,688	1,457
Total	35,201	34,970

2.13 OTHER CURRENT ASSETS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Prepaid Expenses	602	585
Total	602	585

Financial ratios	Numerator	Denominator	As at 31st March, 2023	As at 31st March, 2022	% of Variance
Current Ratio	Current Assets	Current Liabilities	43.00	33.44	29%
Return on Equity Ratio (ROE)	Profit after tax	Shareholders Equity	(0.82)	(0.18)	369%
Trade Receivables Turnover Ratio	Net Credit sales	Average Accounts Receivables	0.51	0.88	-42%
Net Capital Turnover Ratio	Sales	Working capital	0.19	0.23	-100%
Net Profit Ratio	Profit after tax	Revenue from Operations	-34%	-7%	-18%
Return on Capital Employed	Earnings before interest and tax	Capital Employed	0.001	(0.002)	-49%
Trade Payables Turnover Ratio	Purchase	Average Trade Payable	32.26	29.85	8%
Return on Investments	No income for investments				
Debt Equity Ratio	No Debts				
Inventory Turnover Ratio	No Inventories				

Shareholders Equity	Equity Share Capital + Reserves and Surplus
Average Accounts Receivables	(Opening + Closing Balance) / 2
Working Capital	Current Assets - Current Liabilities
Capital Employed	Total Assets - Current Liabilities

Notes

1. Variance in current ratio is due to increase in trade receivables.
2. Variance in Return on Equity is due to increase in current year loss.
3. Variance in Trade Receivables ratio is due to increase in debtors compared to previous year.
4. Variance in Return on Capital Employed is due to increase in current year loss.
5. Variance in Net Profit Ratio is due to increase in current year loss.

2.14 REVENUE FROM OPERATIONS

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of Electrical Energy - Wind	11,792	11,945
Total	11,792	11,945

2.15 OTHER INCOME

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on Others	2,067	4,919
Total	2,067	4,919

2.16 GENERATION AND DISTRIBUTION EXPENSES

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Wheeling Charges	484	465
Total	484	465

2.17 REPAIRS AND MAINTENANCE EXPENSES

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
R & M - Machinery	3,950	3,226
R & M - Others	-	457
Total	3,950	3,683

2.18 EMPLOYEE BENEFIT EXPENSES

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, Bonus and Contribution to Funds	2,584	2,420
Staff Welfare Expenses	-	12
Total	2,584	2,432

2.19 ADMINISTRATIVE AND OTHER EXPENSES

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Travelling and Conveyance	940	462
Printing and Stationery	-	7
Communication Expenses	38	48
Rent	354	354
Rates and Taxes	75	51
Legal and Consultancy Charges	76	103
Insurance	483	174
Directors Remuneration	5,250	5,250
Auditors Remuneration	89	89
General Expenses	112	110
Loss on Sale of Fixed Assets	-	114
Total	7,416	6,762

2.20 FINANCE COST

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on Others	-	1
Bank Charges and Others	2	1
Total	2	2

2.21 DEPRECIATION

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation on Tangible Assets	4,573	4,670
Total	4,573	4,670

2.22 CONTINGENT LIABILITIES

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Wheeling Charges payable to APTRANSCO	35,031	35,031
SLDC Charges payable to APCPDCL	736	736

- a) As against the wheeling charges @ 2% of the quantity of energy wheeled as provided in the amended and restated Power Wheeling and Purchase Agreement dated 1st August, 1998 between the company and Andhra Pradesh State Electricity Board [now Transmission Corporation of Andhra Pradesh (APTRANSCO)], the Andhra Pradesh Electricity Regulatory Commission (APERC) vide its Order dt.24.3.2002 determined that effective from 1st April, 2002, the private power generators shall pay the wheeling charges @ 28.40% in kind and 50 paise per unit in cash of the energy wheeled. The company had disputed the said Order before the High Court of Andhra Pradesh, which vide its Judgment dated 18th April, 2003 set aside the order of APERC. APTRANSCO has filed a special leave petition in the Supreme Court of India against the Order of the High Court. The Supreme Court has declined to grant

a stay on the order of High Court but has allowed leave for appeal to be heard in due course. Later, APTRANSCO charged the wheeling charges @ 6.40% in kind and 45 paise in cash per unit of the energy wheeled with effect from 1st April, 2004 and 5.78% in kind and 46 paise in cash per unit of the energy wheeled with effect from 1st April, 2005 and claimed the same from Sagar Cements Limited, who is the energy consumer for the company. SPL has disputed the said order also before the High Court of Andhra Pradesh. The Contingent Liability computed on the basis of imputed cost in respect of the above as claimed by APTRANSCO as on March 31st, 2023 was Rs.350.31 lakhs (As on March 31st, 2022– Rs.350.31 lakhs).

- b) The Government of Andhra Pradesh has issued G.O.No.39, dt.02.04.2002 for payment of Royalty on consumptive use of water. Accordingly, the irrigation and CAD Department issued a notice on 20.05.2005 vide Letter No.F/H/222M claiming an additional amount of Rs.37,45,402/- towards Royalty on usage of water from April, 2002 to December, 2004. The Company has contested the said order before the High Court of Andhra Pradesh. The Contingent Liability pertaining to the period from April, 2002 to December, 2004 on account of the above as claimed by the Government works out to Rs.37,45,402/-.

The Contingent Liability for the subsequent period is not ascertainable as the related data regarding gallons of water “Used” is not ascertainable by the Company.

- c) The Company received a demand notice dated 1st February, 2010 from APTRANSCO claiming payment of SLDC operating charges to the extent of Rs.8,14,299/- for GBC Plant and Rs.6,56,994/- for LIS Plant totaling to Rs.14,71,294/-. The aforesaid claim of APTransco was challenged by the Company through a Writ Petition before the Honorable High Court of A.P. vide WP No.6768/2010. The Honorable High Court was pleased to grant an interim stay subject to depositing 50% of the demanded amount within four (4) weeks and directed the Company to pay the SLDC Charges in future after the outcome of the Writ Petition. Accordingly the Company has paid an amount of Rs.7,35,647/- being the 50% part of the demand notice.

Further the Company is paying the SLDC Charges from 1st February, 2010 onwards on a monthly basis. The payment made is not recognized as expenditure but kept under advances. Total payment made upto 31.03.2023 was Rs.26,77,830/- .(Previous Year Rs.26,77,830/-)

The Contingent liability on account of the above as on 31st March, 2023 was Rs.7,35,647/-. (Previous Year Rs.7,35,647/-)

2.23 As required by Accounting Standards AS 18, the related parties’ disclosure issued by the Institute of Chartered Accountants of India is as follows:

Related Party Disclosures

Names of related parties and description of relationship

Subsidiary Company	Super Hydro Electric Private Limited
Key Management Personnel	1. Dr. S.Anand Reddy, Director 2. Smt.S.Aruna, Executive Director 3. Sri S. Sreekanth Reddy, Director
Enterprise where key managerial personnel along with their relatives exercise significant influence	1. Sagar Cements Limited 2. R V Consulting Services Private Limited 3. Sagar Priya Housing and Industrial Enterprises Limited 4. Sagarsoft (India) Limited 5. Panchavati Polyfibres Limited 6. Smt. S.Vanajatha

Transactions with related parties for the year ended March 31, 2023

(Rupees in thousands)

Description	Key Management Personnel	Enterprise where key managerial personnel along with their relatives exercise significant influence	Balance as on 31.03.2023
Remuneration to Directors - Smt. S. Aruna	5,250		-
Rent Payments:			
Smt. S. Vanajatha	354		-
Investments in Super Hydro Electric Pvt. Limited			2,59,780
Loan to Super Hydro Electric Pvt. Limited		2,922	53,040
Advance to RV Consulting Services Private Limited			67,856

2.24 EARNINGS PER SHARE

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Net Profit/(Loss) for the Year	(3,960)	(852)
Shares		
Number of Shares at the beginning of the Year	1,08,60,730	1,08,60,730
Add: Number of Shares Issued during the Year (See Note.1)	-	-
Outstanding Shares at the end of the Year	1,08,60,730	1,08,60,730
Weighted Average No of equity shares for earnings per share computation	1,08,60,730	1,08,60,730
Earnings Per Share - Rs.		
Basic	(0.36)	(0.08)
Diluted	(0.36)	(0.08)

As per our report of even date attached

For and on behalf of the Board

For T MOHAN & ASSOCIATES

Chartered Accountants (FR No.0124825)

Dr.S.Anand Reddy

Director

DIN: 00123870

S.Aruna

Executive Director

DIN: 00123878

Mohan Reddy T

Partner

M.No.239635

G.Tejaswini

Company Secretary & CFO

M.No.A65480

Place : Hyderabad

Date: 26th August, 2023

INDEPENDENT AUDITOR'S REPORT

To

The Members of Sagar Power Limited

Report on the audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of M/s Sagar Power Limited (hereinafter referred to as the 'Holding Company') and its subsidiary M/s Super Hydro Electric Private Limited (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated statement of Profit and Loss, and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements") and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2023, and the consolidated loss, and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Information other than the Consolidated Financial Statements and Auditors' report thereon

The Company's Board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and

other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of Consolidated Financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope

of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs. 71,41,88,674/- as at 31st March, 2023, total revenues of Rs.0/- and net cash flows amounting to (Rs. 22,906/-) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 27,55,265/- for the year ended 31st March, 2023. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other Auditors on the separate financial Statements of subsidiary, referred to in the other Matters section above, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with rule 7 of the companies (accounts) rules, 2014.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of the subsidiary company, none of the directors of the Group companies, Incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
 - i) The company has disclosed the impact of pending litigations on the consolidated financial statements (refer Note No. 2.26 of Consolidated Financial Statements).
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses,
 - iii) There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) (i) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on such audit procedures considered has reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v) The company has not declared any dividend or paid during the year.

For T MOHAN & ASSOCIATES

Chartered Accountants
Firm Registration No.0124825

MOHAN REDDY T

Partner

M.No.239635

UDIN: 23239635BGUXQN6409

Place: Hyderabad
Date: 26th August, 2023

Annexure - A to the Auditors' Report

Annexure referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of the Independent Auditor's Report of even date of M/s Sagar Power Limited, on the Consolidated Financial Statements for the year ended March 31, 2023.

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state the following:

Xxi. In our opinion and based on the information provided to us, there are no qualification / adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) of the respective companies, except for the following:

S No.	Name of the Company	Clause No. of CARO
1	Super Hydro Electric Private Limited (Wholly Owned Subsidiary)	Xix

For T MOHAN & ASSOCIATES

Chartered Accountants
Firm Registration No.0124825

MOHAN REDDY T

Partner

M.No.239635

UDIN: 23239635BGUXQN6409

Place: Hyderabad
Date: 26th August, 2023

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s Sagar Power Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the consolidation financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal

financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

- a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For T MOHAN & ASSOCIATES
Chartered Accountants
Firm Registration No.012482S

MOHAN REDDY T
Partner

Place: Hyderabad
Date: 26th August, 2023

M.No.239635
UDIN: 23239635BGUXQN6409

SAGAR POWER LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

(Rupees in thousands)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
EQUITY AND LIABILITIES			
Share Holders' Funds:			
Share Capital	2.1	5,94,407	5,94,407
Reserves and Surplus	2.2	2,84,205	2,90,921
Sub-Total : Shareholders' Funds		8,78,613	8,85,328
Non-Current Liabilities:			
Long - Term Provisions	2.3	128	128
Deferred Tax Liability	2.4	11,158	12,347
Sub-Total : Non Current Liabilities		11,286	12,475
Current Liabilities:			
Trade Payables	2.5	2,453	2,536
(i) Total Outstanding dues of micro enterprise and small enterprise			
(ii) Total Outstanding dues of creditors other than micro enterprise and small enterprise			
Other Current Liabilities	2.6	809	757
Short - Term Provisions	2.7	1,230	2,040
Sub-Total : Current Liabilities		4,493	5,333
TOTAL EQUITY AND LIABILITIES		8,94,391	9,03,136
ASSETS			
Non-current Assets:			
Property, Plant and Equipment			
Property, Plant and Equipment	2.8	62,428	67,627
Capital work in progress	2.9	2,93,546	2,93,546
Long-Term Loans & Advances	2.10	86,764	86,764
Non-Current Investments	2.11	2,005	-
Other Non-Current Assets	2.12	3,84,834	4,00,090
Sub-Total : Non - Current Assets		8,29,577	8,48,026
Current Assets:			
Trade Receivables	2.13	27,909	18,086
Cash and Cash Equivalents	2.14	1,102	659
Short-Term Loans and Advances	2.15	35,201	35,780
Other Current Assets	2.16	602	585
Sub-Total : Current Assets		64,814	55,110
TOTAL ASSETS		8,94,391	9,03,136

Summary of Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For T MOHAN & ASSOCIATES
Chartered Accountants (FR No.012482S)

Mohan Reddy T
Partner
M.No.239635

Place: Hyderabad
Date: 26th August, 2023

For and on behalf of the Board

Dr.S.Anand Reddy
Director
DIN: 00123870

G.Tejaswini
Company Secretary & CFO
M.No.A65480

S.Aruna
Executive Director
DIN: 00123878

SAGAR POWER LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(Rupees in thousands)

Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
INCOME			
Revenue from Operations	2.17	11,792	11,945
Other Income	2.18	2,067	4,919
Total Income		13,859	16,864
EXPENSES			
Generation and Distribution Expenses	2.19	484	465
Repairs and Maintenance Expenses	2.20	3,950	3,683
Employee Benefit Expenses	2.21	2,644	2,569
Administrative and Other Expenses	2.22	9,937	7,155
Total		17,016	13,871
Earning Before Interest, Tax and Depreciation (EBITD)		(3,157)	2,992
Finance Costs	2.23	2	3
Depreciation	2.24	4,746	4,842
Profit Before Tax		(7,905)	(1,853)
Tax Expenses:			
Current Tax		-	810
Deferred Tax Asset/Liability		(1,189)	(1,109)
Total of Tax Expenses		(1,189)	(299)
Profit After Tax		(6,716)	(1,553)
Balance Transferred to Reserves and Surplus Account		(6,716)	(1,553)
Basic Earnings per share of Rs 10/- each	2.25	(0.62)	(0.14)
Diluted Earnings per share of Rs.10/- each	2.25	(0.62)	(0.14)
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

For and on behalf of the Board

For T MOHAN & ASSOCIATES

Chartered Accountants (FR No.012482S)

Dr.S.Anand Reddy

Director

DIN: 00123870

S.Aruna

Executive Director

DIN: 00123878

Mohan Reddy T

Partner

M.No.239635

G.Tejaswini

Company Secretary & CFO

M.No.A65480

Place: Hyderabad

Date: 26th August, 2023

SAGAR POWER LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(Rupees in thousands)

Particulars		For the year ended 31st March, 2023		For the year ended As at 31st March, 2022	
A	Cash flow from Operating Activities				
	Profit Before Tax		(7,905)		(1,853)
	Adjustments for				
	Interest Income	(2,067)		(4,919)	
	Provision for tax	-		(810)	
	Depreciation	4,746		4,842	
	Profit/(Loss) on Sale of Fixed Asset	-		338	
	Interest and Finance charges	2		3	
	Sundry Expenses Written off	-	2,681	-	(546)
	Cash generated from Operations		(5,224)		(2,399)
	Net Cash generated from Operations		(5,224)		(2,399)
	Movement of Working Capital				
	Increase/(Decrease) in Long Term Provisions	-		(502)	
	Increase/(Decrease) in Other Long Term Liabilities	-			
	Increase/(Decrease) in Trade Payables	(83)		81	
	Increase/(Decrease) in Other Current Liabilities	52		1,334	
	Increase/(Decrease) in Short Term Provisions	(810)		810	
	Decrease/(Increase) in Long Term Loans and Advances	-		(75)	
	Decrease/(Increase) in Other Non Current Assets	15,709		4,051	
	Decrease/(Increase) in Trade Receivables	(9,823)		(8,940)	
	Decrease/(Increase) in Short Term Loans and Advances	579		(492)	
	Decrease/(Increase) in Other Current Assets	(17)	5,607	(3)	(3,736)
	Net Cash Flow from Operating Activities		384		(6,135)
B	Cash Flow from Investing Activities				
	Interest on Fixed deposits	2,067		4,919	
	Purchase of Fixed Assets / Investments	(2,005)		40	
	Sale of Fixed Assets	-		575	
	Net Cash used in Investing Activities		62		5,534
C	Cash Flow from Financing Activities				
	Interest and Finance Charges	(2)		(3)	
	Net Cash used in Financing Activities		(2)		(3)
	Net increase in Cash and Cash equivalent		443		(602)
	Cash and Cash equivalent at the beginning of the Year		659		1,261
	Cash and Cash equivalent at the end of the Year		1,102		659

As per our report of even date attached

For T MOHAN & ASSOCIATES
Chartered Accountants (FR No.012482S)

Mohan Reddy T
Partner
M.No.239635

Place: Hyderabad
Date: 26th August, 2023

For and on behalf of the Board

Dr.S.Anand Reddy
Director
DIN: 00123870

S.Aruna
Executive Director
DIN: 00123878

G.Tejaswini
Company Secretary & CFO
M.No.A65480

NOTES ON ACCOUNTS:**1.1 SIGNIFICANT ACCOUNTING POLICIES****(a) Basis for Preparation of Accounts:**

The Financial Statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/2013 Act, as applicable. The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

(b) Use of Estimates:

The preparation of the Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

(c) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(d) Tangible/Intangible Fixed Assets:

- (i) Fixed assets are carried at cost less accumulated depreciation/amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets upto the date the asset is ready for its intended use. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Net value of assets on balance sheet date was disclosed after adjustment for depreciation as per schedule II of Companies Act, 2013
- (ii) Assets of which life was expired as per schedule II of companies Act, 2013 but carrying amount is yet to be depreciated in books were adjusted to retained earnings.

(e) Depreciation/Amortisation:

Depreciation on Fixed Assets has been provided in the manner prescribed under Schedule II of the Companies Act, 2013, on Straight Line Method.

(f) Investments:

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments determined on an individual basis. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

(g) Inventories:

- (i) Stores and spares were valued at lower of cost and net realizable value.
- (ii) company has entered into power purchasing agreements with the parties for sale of power. The agreement consists of pricing terms and other conditions. The agreement binds the respective party to pay the agreed amount. During the March month the company has delivered energy to the respective parties on which some portion was unbilled. As the realisation will be at agreed price and there is no question regarding collectibility the company has valued delivered energy at net realisable value which is same as price as per power purchasing agreement.

(h) Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty supported by convincing evidences that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Deferred tax Asset balance as per reporting date includes tax on assets on which adjustment was made as per schedule II of Companies Act, 2013

(i) Employee Benefits:

Short term benefits:

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.

Long term benefits:

Payments to the defined contribution retirement benefit schemes are charged as an expense as they fall due.

Gratuity:

Under defined benefit scheme, Company provides for gratuity, a defined benefit retirement plan (the "Gratuity Plan") covering eligible employees. In accordance with the Payment of Gratuity Act, 1972, the Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The company has taken a master policy with Life Insurance Corporation of India under group gratuity scheme.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date, based upon which, the Company contributes all the ascertained liabilities to the Life Insurance Corporation of India.

Employee Leave Encashment:

The leave encashment payable to the employees is provided based on the actuarial valuation carried out in accordance with the AS 15 and is not funded.

Provident fund

The company has a defined contribution plan for Provident Fund under which the company contributes the fund to the Regional Provident Fund Commissioner.

(j) Revenue recognition:

Revenue was recognised as and when the invoice is raised to the parties subject to the collectability

(k) Provisions and contingent liabilities:

The Company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow resources is remote, no provision or disclosure is made.

(l) Earnings per share:

The basic earnings per share ('EPS') is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Consolidated Notes to Financial Statements for the Year Ended 31st March, 2023
2.1 SHARE CAPITAL

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised:		
1,50,00,000 Equity Shares of Rs.10/- each	1,50,000	1,50,000
7,10,00,000 Cumulative Redeemable Preference Shares of Rs.10/- each	7,10,000	7,10,000
Issued, Subscribed and Paid up:		
1,08,60,730 Equity Shares of Rs.10/- each	1,08,607	1,08,607
4,85,80,000 8% Cumulative Redeemable Preference Shares of Rs.10/- each	4,85,800	4,85,800
Total	5,94,407	5,94,407

Reconciliation of shares outstanding at the beginning and at the end of the reporting Year (Rupees in thousands)

Equity Shares	As at 31st March, 2023	
	No. of Shares	Rs.
Shares at the beginning of the year	1,08,60,730	1,08,607
Issued during the year as Bonus Shares	-	-
Outstanding at the end of the year	1,08,60,730	1,08,607
Cumulative Redeemable Preference Shares	As at 31st March, 2023	
	No. of Shares	Rs.
Shares at the beginning of the year	4,85,80,000	48,580
Issued during the year as CRP Shares	-	-
Outstanding at the end of the year	4,85,80,000	48,580

- The Company has only one class of Equity Shares issued at a par value of Rs.10/- per share. Each Equity Share is entitled to one vote. The company declares and pays dividends in Indian Rupees. The dividends as and when proposed by the Board of Directors is subject to the approval of the Share Holders in the Annual General Meetings.
- The Company has 8% Cumulative Redeemable Preference Shares issued at a par value of Rs.10/- per share. The Company will repay the CRP Shares as per allotment conditions.
- For the year ended 31st March, 2023, no dividend has been proposed on Equity Shares (Previous year Rs.Nil per Equity Share).

Details of Shareholders holding more than 5 % of Equity / Preference Shares in the Company

Name of the Shareholder	As at 31st March, 2023			As at 31st March, 2022		
	No. of shares	% of holding	% Change during the year	No. of shares	% of holding	% Change during the year
Equity Shares						
S. Krishna Reddy	22,29,200	20.53	-	22,29,200	20.53	-
S. Anand Reddy	15,51,990	14.29	-	15,51,990	14.29	-
S. Siddarth	11,04,335	10.17	-	11,04,335	10.17	-
S. Aneesh Reddy	11,04,335	10.17	-	11,04,335	10.17	-
S. Sreekanth Reddy	8,33,600	7.68	-	8,33,600	7.68	-
S. Rachana	7,50,000	6.91	-	7,50,000	6.91	-
S. Vanajatha	6,88,820	6.34	-	6,88,820	6.34	-
Sagar Priya Housing and Industrial Enterprises Ltd.	7,40,000	6.81	-	7,40,000	6.81	-
Preference Shares						
Twinvest Financial Services Limited*	90,00,000	100%	-	90,00,000	100%	-

*The National Company Law Tribunal, Hyderabad Bench, vide its order dated 26th May, 2023, approved the scheme of merger of M/s.Twinvest Financial Services Limited (Transferor Company) with M/s. R.V. Consulting Services Private Limited (Transferee Company), accordingly, the shares held by the Transferor Company are in the process of being transferred to the Transferee Company.

As per records of the Company, including its register of Shareholders/Members and other declarations received from Shareholders regarding beneficial interest, the above Shareholding represents both legal and beneficial ownerships of Shares.

Details of shareholding of promoters in the Company and change during the year:

Name of the Shareholder	As at 31st March, 2023			As at 31st March, 2022		
	No. of shares	% of holding	% Change during the year	No. of shares	% of holding	% Change during the year
S Anand Reddy	15,51,990	14.29	-	15,51,990	14.29	-
S Sreekanth Reddy	8,33,600	7.68	-	8,33,600	7.68	-
Sammiidi Aneesh Reddy	11,04,335	10.17	-	11,04,335	10.17	-
Sammiidi Siddarth	11,04,335	10.17	-	11,04,335	10.17	-
S Rachana	7,50,000	6.91	-	7,50,000	6.91	-
S Aruna	3,62,220	3.34	-	3,62,220	3.34	-
W Malathi	2,36,820	2.18	-	2,36,820	2.18	-
R V Consulting Services Private Limited	4,05,660	3.74	-	4,05,660	3.74	-
S Vanajatha	6,88,820	6.34	-	6,88,820	6.34	-
Sagar Priya Housing and Industrial Enterprises Limited	7,40,000	6.81	-	7,40,000	6.81	-
Panchavati Polyfibres Limited	60,000	0.55	-	60,000	0.55	-

2.2. RESERVES AND SURPLUS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Reserve	32,728	32,728
General Reserve		
Balance as per the last Financial Statement	17,422	17,422
Closing Balance - (A)	50,151	50,151
Profit & Loss Account		
Balance as per last Financial Statement	2,40,770	2,42,324
Add: Profit After Tax earned during the Year	(6,716)	(1,553)
Closing Balance - (B)	2,34,055	2,40,770
Total - (A + B)	2,84,205	2,90,921

NON-CURRENT LIABILITIES

2.3. LONG TERM PROVISIONS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gratuity	92	92
Leave Encashment	36	36
Total	128	128

2.4. DEFERRED TAX LIABILITY

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Asset	12,347	13,456
Add: Deferred Tax Asset/Liability	(1,189)	(1,109)
Total	(11,158)	12,347

2.5. TRADE PAYABLES

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Total Outstanding dues of micro enterprise and small enterprise	169	252
(ii) Total Outstanding dues of creditors other than micro enterprise and small enterprise	2,284	2,284
Total	2,453	2,536

Trade payables ageing schedule

FY 2022-23

(Rupees in thousands)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	81	88	-	-	169
(ii) Others	-	2,284	-	-	2,284
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	81	2,372	-	-	2,453

Trade payables ageing schedule

FY 2021-22

(Rupees in thousands)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	169	83	-	-	252
(ii) Others	2,284	-	-	-	2,284
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
Total	2,453	83	-	-	2,536

DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	169	252
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

2.6. OTHER CURRENT LIABILITIES

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Audit Fees	602	521
PF Payable	4	4
Income Tax Deducted at Source	203	216
Salaries Payable	-	-
PT Payable	-	-
Outstanding Expenses	-	15
Total	809	757

2.7. SHORT TERM PROVISIONS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Income Tax	1,230	2,040
Total	1,230	2,040

2.8 NON-CURRENT ASSETS

PROPERTY, PLANT AND EQUIPMENT

(Rupees in thousands)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	Additions	Deletions	As at 31.03.2023	As at 01.04.2022	For the Year	Deletions	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Plant and Machinery	1,12,621	-	-	1,12,621	62,463	4,658	-	67,121	45,500	50,158
Office Equipment	3,224	-	-	3,224	3,065	-	-	3,065	159	159
Computers	924	-	-	924	904	-	-	904	20	20
Furniture and fixtures	740	-	-	740	699	19	-	719	21	40
Vehicles	3,663	-	-	3,663	3,105	348	-	3,453	210	558
Leasehold Land-BG	5,684	-	-	5,684	2,122	173	-	2,295	3,389	3,561
Freehold Land-BG	13,129	-	-	13,129	-	-	-	-	13,129	13,129
Total	1,39,985	-	-	1,39,985	72,358	5,198	-	77,556	62,428	67,627

2.9 Note

Capital work in progress (CWIP)

CWIP Ageing schedule - FY 2022-23

(Rupees in thousands)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	-	40	7,500	2,86,006	2,93,546
Project temporarily suspended	-	-	-	-	-

Capital work in progress (CWIP)

CWIP Ageing schedule - FY 2021-22

(Rupees in thousands)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	40	7,500	17,312	2,68,694	2,93,546
Project temporarily suspended	-	-	-	-	-

2.10 LONG TERM LOANS AND ADVANCES

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security Deposits	1,925	1,925
Capital Advances	84,839	84,839
Total	86,764	86,764

2.11 NON-CURRENT INVESTMENTS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
2,00,535 Equity shares of Rs. 10/- each in Panyam Cements and Mineral Industries Limited	2,005	-
Total	2,005	-

2.12 OTHER NON-CURRENT ASSETS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans and Advances	-	-
Capital Advances	67,856	84,012
State Load Despatch Centre (SLDC) Charges paid under Protest	2,678	2,678
Loan to Super Hydro Electric Pvt. Ltd.	-	-
Pre-Operative Expenses pending for Allocation		
Engineering and Consultancy	91,991	91,991
Project Premium	7,000	7,000
Rent	36,527	36,407
Legal and Professional	24,233	24,233
Travelling and Conveyance	29,928	29,845
Communication	1,840	1,840
Depreciation	6,225	5,772
Advertisement Expenses	826	826
Insurance	1,972	1,972
Interest and upfront fees	7,244	7,244
Personnel Expenses:		
- Salary and Wages	78,155	77,912
- Staff Welfare Expenses	3,030	3,030
Electricity Expenses	2,309	2,309
Printing and Stationery	464	464
Repairs and Maintenance - Others	4,208	4,208
Relocation expenses	1,657	1,657
Fee and Subscriptions	460	460
Stores Consumes	276	276
Miscellaneous Expenses	15,954	15,953
Total	3,84,834	4,00,090

CURRENT ASSETS**2.13 TRADE RECEIVABLES**

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Undisputed Trade receivables considered good – Considered good	26,889	16,851
Undisputed Trade receivables considered good – Considered doubtful	1,021	1,236
Total	27,909	18,086

Trade Receivables ageing schedule

FY 2022-23 (Rupees in thousands)						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months	1 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good – Considered good	-	10,288	11,480	5,120	-	26,888
(ii) Undisputed Trade receivables considered good – Considered doubtful	1,021	-	-	-	-	1,021
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	1,021	10,288	11,480	5,120	-	27,909

Trade Receivables ageing schedule

FY 2021-22 (Rupees in thousands)						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 month-	1 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered good – Considered good	-	10,244	6,607	-	-	16,851
(ii) Undisputed Trade receivables considered good – Considered doubtful	1,236	-	-	-	-	1,236
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	1,236	10,244	6,607	-	-	18,086

2.14 CASH & CASH EQUIVALENTS

(Rupees in thousands)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash in Hand	0.02	0.02
Cash at Banks	1,052	609
Fixed deposit	50	50
Total	1,102	659

2.15 SHORT TERM LOANS & ADVANCES

(Rupees in thousands)		
Particulars	As at 31st March, 2023	As at 31st March, 2022
Advances to Others	200	200
MAT Credit Entitlement Account	33,313	34,123
TDS on Fixed Deposit	1,688	1,457
Total	35,201	35,780

2.16 OTHER CURRENT ASSETS

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Prepaid Expenses	602	585
Total	602	585

2.17 REVENUE FROM OPERATIONS

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of Electrical Energy - Wind	11,792	11,945
Total	11,792	11,945

2.18 OTHER INCOME

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on Others	2,067	4,919
Total	2,067	4,919

2.19 GENERATION & DISTRIBUTION EXPENSES

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Rebate to Customers and Wheeling Charges	484	465
Total	484	465

2.20 REPAIRS & MAINTENANCE EXPENSES

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
R & M - Machinery	3,950	3,226
R & M - Others	-	457
Total	3,950	3,683

2.21 EMPLOYEE BENEFIT EXPENSES

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, Bonus and Contribution to Funds	2,644	2,553
Staff Welfare Expenses	-	16
Total	2,644	2,569

2.22 ADMINISTRATIVE AND OTHER EXPENSES

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Travelling and Conveyance	961	464
Printing and Stationery	-	7
Communication Expenses	38	48
Rent	384	377
Rates and Taxes	77	65
Legal and Consultancy Charges	2,456	145
Insurance	483	174
Directors Remuneration	5,250	5,250
Auditors Remuneration	177	177
General Expenses	112	110
Loss on Sale of Fixed Assets	-	338
Other expenses	-	1
Total	9,937	7,155

2.23 FINANCE COST

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest		
On Hire purchase loans and Others	-	1
Bank Charges and Others	2	2
Total	2	3

2.24 DEPRECIATION

(Rupees in thousands)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation on Tangible Assets	4,746	4,842
Total	4,746	4,842

2.25 EARNING PER SHARE

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Net Profit for the Year	(6,716)	(1,553)
Shares		
Number of Shares at the beginning of the Year	10,861	10,861
Add: Number of Shares Issued during the Year	-	-
Outstanding Shares at the end of the Year	10,861	10,861
Weighted Average No of equity shares for earnings per share computation	10,861	10,861
Earnings Per Share - Rs.		
Basic	(0.62)	(0.14)
Diluted	(0.62)	(0.14)

2.26 CONTINGENT LIABILITIES

(Rupees in thousands)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Wheeling Charges payable to APTRANSCO	35,031	35,031
SLDC Charges payable to APCPDCL	736	736

- a) As against the wheeling charges @ 2% of the quantity of energy wheeled as provided in the amended and restated Power Wheeling and Purchase Agreement dated 1st August, 1998 between the company and Andhra Pradesh State Electricity Board [now Transmission Corporation of Andhra Pradesh (APTRANSCO)], the Andhra Pradesh Electricity Regulatory Commission (APERC) vide its Order dt.24.3.2002 determined that effective from 1st April, 2002, the private power generators shall pay the wheeling charges @ 28.40% in kind and 50 paise per unit in cash of the energy wheeled. The company had disputed the said Order before the High Court of Andhra Pradesh, which vide its Judgment dated 18th April, 2003 set aside the order of APERC. APTRANSCO has filed a special leave petition in the Supreme Court of India against the Order of the High Court. The Supreme Court has declined to grant a stay on the order of High Court but has allowed leave for appeal to be heard in due course. Later, APTRANSCO charged the wheeling charges @ 6.40% in kind and 45 paise in cash per unit of the energy wheeled with effect from 1st April, 2004 and 5.78% in kind and 46 paise in cash per unit of the energy wheeled with effect from 1st April, 2005 and claimed the same from Sagar Cements Limited, who is the energy consumer for the company. SPL has disputed the said order also before the High Court of Andhra Pradesh. The Contingent Liability computed on the basis of imputed cost in respect of the above as claimed by APTRANSCO as on March 31st, 2023 was Rs.350.31 lakhs (As on March 31st, 2022 – Rs.350.31 lakhs).
- b) The Government of Andhra Pradesh has issued G.O.No.39, dt.02.04.2002 for payment of Royalty on consumptive use of water. Accordingly, the irrigation and CAD Department issued a notice on 20.05.2005 vide Letter No.F/H/222M claiming an additional amount of Rs.37,45,402/- towards Royalty on usage of water from April, 2002 to December, 2004. The Company has contested the said order before the High Court of Andhra Pradesh. The Contingent Liability pertaining to the period from April, 2002 to December, 2004 on account of the above as claimed by the Government works out to Rs.37,45,402/-. The Contingent Liability for the subsequent period is not ascertainable as the related data regarding gallons of water "Used" is not ascertainable by the Company.
- c) The Company received a demand notice dated 1st February, 2010 from APTRANSCO claiming payment of SLDC operating charges to the extent of Rs.8,14,299/- for GBC Plant and Rs.6,56,994/- for LIS Plant totaling to Rs.14,71,294/-. The aforesaid claim of APTransco was challenged by the Company through a Writ Petition before the Honorable High Court of A.P. vide WP No.6768/2010. The Honorable High Court was pleased to grant an interim stay subject to depositing 50% of the demanded amount within four (4) weeks and directed the Company to pay the SLDC Charges in future after the outcome of the Writ Petition. Accordingly the Company has paid an amount of Rs.7,35,647/- being the 50% part of the demand notice.

Further the Company is paying the SLDC Charges from 1st February, 2010 onwards on a monthly basis. The payment made is not recognized as expenditure but kept under advances. Total payment made upto 31.03.2023 was Rs.26,77,830/- .(Previous Year Rs.26,77,830/-)

The Contingent liability on account of the above as on 31st March, 2023 was Rs.7,35,647/-. (Previous Year Rs.7,35,647/-)

- d) With respect to Super Hydro Electric Private Limited, the company started implementing two hydel projects of a combined capacity of 28.3 MW in uttarakhand. However, the further implementation of these projects is now kept in adeyance pending disposal of the case filed by a few NGOs in supreme Court against the implementation of hydel power projects in the said state. However, the construction of

the projects has been suspended from 8.5.2014 as per the interim order of the Supreme Court passed on a petition filed by NGOs seeking ban on construction of hydel power projects for environmental reasons. The matter is sub-judice. Further progress in the implementation of the project can occur only after the matter is finally decided by the Supreme Court.

2.27 As required by Accounting Standards AS 18, the related parties' disclosure issued by the Institute of Chartered Accountants of India is as follows:

Related Party Disclosures

Names of related parties and description of relationship

Key Management Personnel	1. Dr. S.Anand Reddy, Managing Director 2. Smt. S.Aruna, Executive Director 3. Shri S.Sreekanth Reddy, Director
Enterprise where key managerial personnel along with their relatives exercise significant influence	1. Sagar Cements Limited 2. R V Consulting Services Private Limited 3. Sagar Priya Housing & Industrial Enterprises Limited 4. Sagarsoft (India) Limited 5. Panchavati Polyfibres Limited 6. Smt. S.Vanajatha

As per our report of even date attached

For T MOHAN & ASSOCIATES

Chartered Accountants (FR No.012482S)

Mohan Reddy T

Partner

M.No.239635

Place : Hyderabad

Date: 26th August, 2023

For and on behalf of the Board

Dr.S.Anand Reddy

Director

DIN: 00123870

S.Aruna

Executive Director

DIN:00123878

G.Tejaswini

Company Secretary & CFO

M.No.A65480

SAGAR POWER LIMITED

Registered Office: Plot No.111, Road No.10, Jubilee Hills, Hyderabad-500 033

CIN : U40109TG1994PLC017761

Tel.No.: + 91-40-23351571, Fax No.: + 91-40-23356573, e-mail: splhyd@gmail.com; www.sagarpower.in

ATTENDANCE SLIP

29th ANNUAL GENERAL MEETING ON THURSDAY, THE 28th September, 2023 AT 3.30 P.M.
at the Registered Office of the Company at Plot No.111, Road No.10, Jubilee Hills, Hyderabad-500 033

Folio No.	DP ID No.	Client ID No.
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I/We hereby record my/our present at the Twenty Ninth Annual General Meeting of the Company at the Registered Office of the Company at Plot No.111, Road No.10, Jubilee Hills, Hyderabad-500 033 at 3.00 p.m. on Thursday, the 28th September, 2023.

Name of the Member : _____ Signature : _____

Name of the Proxyholder : _____ Signature : _____

- Notes: 1. Only Member / Proxyholder can attend the Meeting.
 2. Please complete the Folio No./DP ID No., Client ID No. and name of the Member / Proxyholder, sign this Attendance Slip and hand it over, duly signed at the entrance of the Meeting hall.
 3. A Member / Proxyholder attending the meeting should bring his/her copy of the Annual Report for reference at the meeting.

SAGAR POWER LIMITED

Registered Office: Plot No.111, Road No.10, Jubilee Hills, Hyderabad-500 033

CIN : U40109TG1994PLC017761

Tel.No.: + 91-40-23351571, Fax No.: + 91-40-23356573, e-mail: splhyd@gmail.com; www.sagarpower.in

PROXY FORM

(Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies
 (Management and Administration) Rules, 2014)

Name of the Member (s) : _____

Registered address : _____

E-mail Id : _____

Folio No. / Client ID No. : _____ DP ID No. _____

I/We, being the member(s) holding _____ shares of Sagar Power Limited, hereby appoint:

1. Name: _____ Email ID: _____

Address: _____

 _____ Signature _____ or failing him;

2. Name: _____ Email ID: _____

Address: _____

 _____ Signature _____ or failing him;

3. Name: _____ Email ID: _____

Address: _____

 _____ Signature _____

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Ninth Annual General Meeting of the Company to be held on Thursday, the **28th September, 2023 at 3.30 p.m.** at the Registered Office of the Company at Plot No.111, Road No.10, Jubilee Hills, Hyderabad-500 033 and at any adjournment thereof in respect of such resolutions as are indicated below:

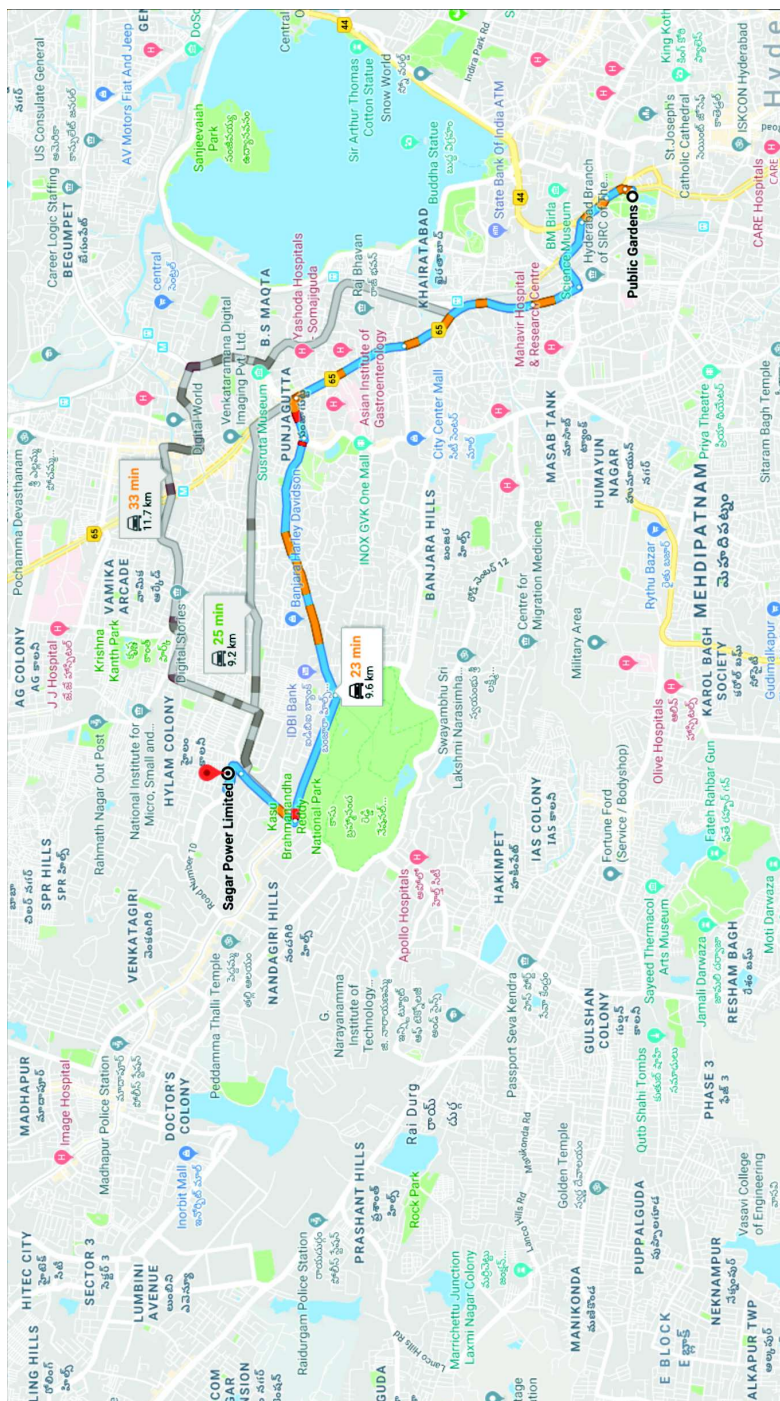
Sl. No.	Description of Resolutions
1	To receive, consider and adopt the audited stand-alone and consolidated Financial Statements of the Company for the financial year ended 31 st March, 2023 together with the Reports of the Directors and Auditors thereon
2.	To re-appoint the retiring Director Smt.S.Aruna (DIN: 00123878), who retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment

Signed this ____ day of _____ 2023

Please
affix
Re. 1/-
Revenue
Stamp

Signature of shareholder _____ Signature of Proxyholder(s) _____

- Note:**
1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at Plot No.111, Road No.10, Jubilee Hills, Hyderabad-500 033, not less than 48 hours before the commencement of the Meeting.
 2. A proxy need not be a member of the Company.
 3. For the Resolutions and Notes, please refer to the Notice of the 29th Annual General Meeting of the Company.





Plot No. 111, Road No. 10, Jubilee Hills, Hyderabad 500 033.