



SAGAR POWER LIMITED

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CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Shri O.Swaminatha Reddy Dr.S.Anand Reddy Smt.S.Aruna Shri S.Sreekanth Reddy Shri N.Suresh Reddy Shri M.Mohan Reddy Shri O.Anji Reddy	Chairman (upto 24.06.2020) Director Executive Director Director Director Independent Director Independent Director
COMPANY SECRETARY & CFO	:	Shri V.Gopala Krishna	
AUDITORS	:	T. Mohan & Associates Chartered Accountants FR No.012482S 3-6-237, Flat # 602, 603, Lingapur La Builde Complex, Himayat Nagar, Hyderabad-500 029	
REGISTERED OFFICE	:	Plot No.111, Road No.10, Jubilee Hills, Hyderabad – 500 033 Tel : 91 40 23351571, Fax: 91 40 23356573 Email: splhyd@gmail.com	
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	

SAGAR POWER LIMITED

CIN: U40109TG1994PLC017761

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

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting (AGM) of the Members of the Company will be held on Thursday, the 24th December, 2020 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. To receive, consider and adopt the audited stand-alone and consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Directors and Auditors 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 2020 together with the reports of the Auditors and Directors thereon and the audited Consolidated Financial Statements of the Company for the year ended 31st March 2020 together with the report of the Auditors thereon be and are hereby received, considered, approved and adopted.

2. To re-appoint the retiring Director Shri S.Sreekanth Reddy (DIN: 00123889), who retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an ordinary resolution:

“Resolved that Shri S.Sreekanth Reddy (DIN: 00123889) 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.”

3. 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 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: 7.11.2020

V.Gopala Krishna
Company Secretary & CFO
M.No. 8950

Notes:

1. The details required to be given in respect of re-appointment of directors are given in the 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. Proxies to be effective must be deposited at the registered office of the Company within 48 hours before the commencement of the Meeting.
4. Members are requested to intimate any change in their registered addresses to the Company at its registered office immediately.

5. 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.
6. 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 requesting to make use of this facility.
7. Section 72 of the Companies Act, 2013 provides for Nomination facility for the shareholders and the shareholders are requested to avail the facility.
8. 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.
9. The route map showing directions to reach the venue of the 26th Annual General Meeting is annexed.

By Order of the Board of Directors

Place: Hyderabad
Date: 7.11.2020

V.Gopala Krishna
Company Secretary & CFO
M.No.8950

Registered Office:

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

Annexure 1

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

Name of the Director	Shri S.Sreekanth Reddy	Smt.S.Aruna
Date of birth	27.08.1971	15.07.1968
DIN	00123889	00123878
Experience in specific functional areas	Corporate Executive	Corporate Executive Has been on the Board since 1994 as Director
Qualification	B.E. (I & P) and PG Diploma in cement technology	M.L.
Directorships in other Companies	Sagar Cements Limited Sagarsoft (India) Limited Sree Venkateswara Winery and Distillery Private Limited Jajpur Cements Private Limited Satguru Cement Private Limited Sagar Cements (R) Limited Sagar Priya Housing & Industrial Enterprises Limited Super Hydro Electric Private Limited	Super Hydro Electric Private Limited R V Consulting Services Private Limited
Membership of Audit / Stakeholders' Relationship Committees of other Public Limited Companies	Nil	Nil
No. of shares held in the company	8,33,600	3,62,220
Inter-se relationship with other Directors of the Company	Related to Dr. S.Anand Reddy, Director and Smt. S.Aruna	Related to Dr. S.Anand Reddy, Director and Shri S.Sreekanth Reddy

By Order of the Board of Directors

Place: Hyderabad
Date: 7.11.2020

V.Gopala Krishna
Company Secretary & CFO
M.No.8950

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 26th Annual Report together with the Audited Accounts of your Company for the financial year ended 31st March, 2020.

PERFORMANCE

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

Rs. In lakhs

Particulars	Standalone		Consolidated	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Income				
Sale of Electrical Energy	122.75	259.51	122.75	259.51
Other Income	99.21	2116.25	99.48	2125.41
Net Income	221.96	2375.76	222.23	2384.92
Less: Generation, Distribution, Administration and other Miscellaneous Expenses	152.01	421.84	146.50	433.44
Gross Profit before Depreciation, Financial Charges and Tax	69.95	1953.92	75.73	1951.47
Less: Depreciation	60.32	60.74	66.86	62.46
Financial Charges	12.87	5.57	12.88	5.57
Profit /(Loss) before tax for the year	(3.24)	1887.61	(4.01)	1883.43
Less: Provision for Income-tax	15.37	406.76	15.37	406.75
Add: MAT credit entitlement	0	(326.84)	0	(326.84)
Less: Provision for Deferred Tax Asset / Liability	(13.25)	234.07	(13.25)	234.07
Profit /(Loss) after Tax	(5.36)	1573.63	(6.13)	1569.44

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

Particulars	Wind Power For the Year Ended	
	31.03.2020	31.3.2019
Units Generated	32,35,935	34,13,832
No. of Days	366	365
Average Units Generated per Day	8,841	9,353
Capacity (%)	22.39	23.62

DIVIDEND

Your directors are unable to recommend any dividend for the financial year 2019-20, on both its equity and preference shares on account of inadequate cash flows.

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 Private Limited, Hyderabad are the Registrars and Transfer Agents 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 adequate risk management system commensurate with its size and operations.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Board of Directors are satisfied with the adequacy of the internal control system in force in all its major areas of operations of the Company.

SUBSIDIARY COMPANIES

Super Hydro Electric Private Limited

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 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.

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 during the year under 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 pending disposal of the case filed by a few NGOs 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.

DIRECTORS

Shri O. Swaminatha Reddy, who had associated himself with your company as its Chairman for nearly 25 years resigned from the Board on 24th June 2020. Your Board places on record the contributions made by him to the deliberation of the your Board, which are enormous and praise worthy. Your Board wishes him a healthy and active life in the years to come.

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri S.Sreekanth Reddy and Smt.S.Aruna, will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Accordingly, the resolutions seeking the approval of the members for the said re-appointments have been incorporated in the notice of the annual general meeting of the company.

None of the non-executive directors has had 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.

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 he meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act 2013.

NUMBER OF MEETINGS OF THE BOARD

Four Board Meetings were held during the financial year 2019-20 and the gap between any two consecutive Board Meetings did not exceed one hundred and twenty days. These Meetings were held on 25.06.2019, 26.08.2019, 18.12.2019 and 20.03.2020.

Attendance of directors during the financial year 2019-20:

Name of the Director	Number of board meetings during the year 2019-20	
	Held	Attended
Shri O. Swaminatha Reddy	4	2
Dr.S.Anand Reddy	4	4
Shri S.Sreekanth Reddy	4	3
Mrs.S.Aruna	4	3
Shri N.Suresh Reddy	4	3
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 Audit Committee of the Board, presently consists of the following directors as its members:

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

The Audit Committee which met once during the year 2019-20, held its meeting on 26.08.2019.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board, presently consists of the following directors as its members:

Shri M.Mohan Reddy, Shri O.Anji Reddy, Independent Directors and Shri N.Suresh Reddy, Non-Executive Director The Nomination and Remuneration Committee which met once during the year 2019-20, held its meeting on 25.06.2019.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company. 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 Sec.197 of the Companies Act, 2013.

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

The particulars required under Sec.134 (3) (m) of the Companies Act, 2013 have been provided in the **Annexure-2**, which forms part of the Report.

AUDITORS

M/s.T.Mohan & Associates (formerly M/s.Lakshmi & Associates), Chartered Accountants (FR No.012482S) were appointed as the Statutory Auditors of the company at the 23rd Annual General Meeting held on 22nd September, 2017, and they will be holding their office till the conclusion of the 28th Annual General Meeting.

AUDITORS' REPORT

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

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 Act. Information on transactions with related parties pursuant to Section 134 (3) (h) of the Act 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.

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.

EXTRACT OF ANNUAL RETURN

As provided under Section 92 (3) of the Act, the extract of annual return is given in **Annexure-4** in the prescribed Form MGT-9, which forms part of this report.

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.

ACKNOWLEDGEMENT

We wish to place on record our appreciation of the valuable guidance and co-operation extended by the bankers to the Company, State and Central Government Authorities. 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: 7.11.2020

S.ARUNA
Executive Director
DIN: 00123878

Dr. S.ANAND REDDY
Director
DIN: 00123870

Annexure 1

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	7391.84
5.	Reserves & surplus	(768.55)
6.	Total assets	7031.17
7.	Total Liabilities	7031.17
8.	Investments	0
9.	Turnover	0
10.	Profit before taxation	(10.71)
11.	Provision for taxation	0
12.	Profit after taxation	(10.71)
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: 7.11.2020

V.Gopala Krishna
Company Secretary & CFO

Annexure - 2

FORM B

[See Rule 2]

[Pursuant to Rule 2 of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988]

Form for disclosure of particulars with respect to Absorption, Research and Development

1. Research and Development	:	Nil
2. Technology absorption, adaptation and Innovation	:	Nil
3. Foreign Exchange Earnings and Outgo		
Earnings	:	Nil
Outgo	:	Nil

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 2019-20.

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 2019-20.

On behalf of the Board of Directors

Place: Hyderabad
Date: 7.11.2020

S.Aruna
Executive Director
DIN: 00123878

Dr.S.Anand Reddy
Director
DIN: 00123870

Form No.MGT-9

Extract of Annual Return
as on the financial year ended on March 31, 2020[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration and other details

i.	CIN	:	U40109TG1994PLC017761
ii.	Registration Date	:	23rd June, 1994
iii.	Name of the Company	:	Sagar Power Limited
iv.	Category / Sub-Category of the Company	:	Company Limited by Shares / Indian Non-Government Company
v.	Address of the Registered Office and contact details	:	Plot No.111, Road No.10 Jubilee Hills, Hyderabad-500 033 Tel : 91 40 23351571, Fax: 91 40 23356573 Email: splhyd@gmail.com
vi.	Whether listed company	:	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	KFin Technologies Private Limited Selenium Tower B, Plot 31 & 32, Financial District, Hyderabad - 500032 Tel : 040-67162222, Fax: 040-23001153 e-mail: einward.ris@kfintech.com Toll Free No: 1800-3454-001 Website: kfintech.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover:

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the company
1	Generation and Transmission of electric energy produced in through wind mills	35106	100

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
01	Super Hydro Electric Private Limited C/o Shri Ganga Palace, Village - Govindghat, Post Office - Pandukeshwar (via Joshimath), District Chamoli Uttarakhand - 246443	U40101UR1994PTC000760	Subsidiary	100%	2(87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

(i) Category-wise Shareholding

Category Code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	Shareholding of Promoter and Promoter Group									
1	Indian									
(a)	Individuals /HUF	6793540	0	6793540	62.55	6794340	0	6794340	62.55	0.01
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	405660	800000	1205660	11.10	405660	800000	1205660	11.10	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1)	7199200	800000	7999200	73.65	7200000	800000	8000000	73.66	0.01
(2)	Foreign									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group A = (A)(1) + (A)(2)	7199200	800000	7999200	73.65	7200000	800000	8000000	73.66	0.01
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds /UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions /Banks	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00

Category Code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares at the end of the year				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	0	0	0	0.00	0	0	0	0.00	0.00
B 2	Non-institutions									
(a)	Bodies Corporate	1000	430300	431300	3.97	1000	430000	431000	3.97	0.00
(b)	Individuals									
I	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	13330	83750	97080	0.89	14130	60200	74330	0.68	-0.21
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	2109700	119500	2229200	20.53	2229200	0	2229200	20.53	0.00
(c)	Others									
	I E P F	16950	0	16950	0.16	39200	0	39200	0.36	0.20
	NON RESIDENT INDIANS	7000	80000	87000	0.80	7000	80000	87000	0.80	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	2147980	713550	2861530	26.35	2290530	570200	2860730	26.35	0.01
	Total B = B(1) + B(2) :	2147980	713550	2861530	26.35	2290530	570200	2860730	26.35	0.01
	Total (A + B) :	9347180	1513550	10860730	100.00	9490530	1370200	10860730	100.00	0.00
(C)	Shares held by custodians, against which Depository Receipts have been issued									
	(1) Promoter and Promoter Group									
	(2) Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A + B + C) :	9347180	1513550	10860730	100.00	9490530	1370200	10860730	100.00	0.00

(ii) Shareholding of promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01-04-2019)			Shareholding at the end of the year (31-03-2020)			% change in share holding during the year
		No. of Shares	% of total shares of the company	% of Shares pledged / encumbered	No. of Shares	% of total shares of the company	% of Shares pledged / encumbered	
1	Late S.Veera Reddy	2208670	20.34	Nil	Nil	Nil	Nil	(20.34)
2	S.Anand Reddy	1550190	14.27	Nil	1550990	14.28	Nil	0.01
3	S.Aruna	362220	3.34	Nil	362220	3.34	Nil	Nil
4	N.Madhavi	163220	1.50	Nil	163220	1.50	Nil	Nil
5	S.Vanajatha	688820	6.34	Nil	688820	6.34	Nil	Nil
6	W.Malathi	236820	2.18	Nil	236820	2.18	Nil	Nil
7	S.Sreekanth Reddy	833600	7.68	Nil	833600	7.68	Nil	Nil
8	S.Rachana	750000	6.90	Nil	750000	6.90	Nil	Nil
9	Sagar Priya Housing and Industrial & Enterprises Limited	740000	6.81	Nil	740000	6.81	Nil	Nil
10	R V Consulting Services Private Limited	405660	3.74	Nil	405660	3.74	Nil	Nil
11	Panchavati Polyfibres Limited	60000	0.55	Nil	60000	0.55	Nil	Nil
12	S.Siddarath	Nil	Nil	Nil	1104335	10.17	Nil	10.17
13	S.Aneesh	Nil	Nil	Nil	1104335	10.17	Nil	10.17
	TOTAL	7999200	73.65		80,00,000	73.66		

(iii) Change in Promoters' Shareholding

Sl. No.	Description	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares total shares	% of the of the Company	No. of shares total shares	% of the of the Company
	At the beginning of the year	7999200	73.65	7999200	73.65
	Acquired during the year				
	Acquired	800	0.01	80,00,000	73.66
	Sold	0	0	0	0.00
	At the end of the year	80,00,000	73.66	80,00,000	73.66

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs.

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2019 *		Shareholding at the end of the year 31-03-2020 **	
		No. of shares	% of the total shares of the Company	No. of shares	% of the total shares of the Company
1	S.Krishna Reddy	2229200	20.52	2229200	20.52
2	Twinvest Financial Services Limited	430000	3.96	430000	3.96
3	George Cherian	30000	0.28	30000	0.28
4	Venkata Rao Emami	30000	0.28	30000	0.28
5	Ramprasad Shetty	20000	0.18	20000	0.18
6	Visala Venkata Gorty	7000	0.06	7000	0.06
7	S.Indu Bala	5000	0.05	5000	0.05
8	Thomas Mathew	4000	0.04	4000	0.04
9	Pushpa J Solanki	2000	0.02	2000	0.02
10	B.Ramakrishna Rao	2000	0.02	2000	0.02

* In the list of top 10 as on 01-04-2019.

** In the list of top 10 as on 31-03-2020.

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For each of the Directors and KMP	Date	Reason	Shareholding at the beginning of the year 01-04-2019 *		Shareholding at the end of the year 31-03-2020 **	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	Directors						
1	Dr.S.Anand Reddy	01.04.19	At the beginning of the year	1550190	14.27		
		31.03.20	At the end of the year			1550990	14.28
2	S.Sreekanth Reddy	01.04.19	At the beginning of the year	833600	7.68		
		31.03.20	Bought during the year			833600	7.68
3	S.Aruna	01.04.19	At the beginning of the year	362220	3.34		
		31.03.20	Bought during the year			362220	3.34
4	N.Suresh Reddy	01.04.19	At the beginning of the year	NIL	--		
		31.03.20	Bought during the year			NIL	--
5	M.Mohan Reddy	01.04.19	At the beginning of the year	NIL	--		
		31.03.20	Bought during the year			NIL	--
6	O.Anji Reddy	01.04.19	At the beginning of the year	NIL	--		
		31.03.20	Bought during the year			NIL	--

V. INDEBTEDNESS

Indebtedness of the company including interest outstanding / accrued but not due for payment - NIL (in Rs.)

Sl. No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1	Indebtedness at the beginning of the year	NIL			
	i Principal Amount				
	ii Interest due but not paid				
	iii Interest accrued but not due				
	Total (i + ii + iii)				
	Change in the indebtedness during the financial year				
	Addition				
	Reduction				
	Net Change				
	Indebtedness at the end of the financial year				
	i Principal Amount				
	ii Interest due but not paid				
	iii Interest accrued but not due				
	Total (i + ii + iii)				

VI. Remuneration of Directors and Key Managerial Personnel
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager Smt.S Aruna, Executive Director	Total
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17 (1) of the Income-Tax Act, 1961	52,50,000	52,50,000
	(b) Value of perquisites u/s.17 (2) of Income-Tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under Section 17 (3) of Income-Tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission	NIL	NIL
	- as % of profit		
5	Others, specify (arrears relating to previous year)	NIL	NIL
	Total (A)	52,50,000	52,50,000
	Ceiling as per the Act (As minimum remuneration)	84,00,000	84,00,000

B. Remuneration to other Directors

(in Rs.)

Sl. No.	Particulars of Remuneration	Name of Director		Total Amount
1	Independent directors	M Mohan Reddy	O.Anji Reddy	
	- Fee for attending board/committee meetings	15,500	15,500	31,000
	- Commission	NIL	NIL	NIL
	- Others, please specify	NIL	NIL	NIL
	Total (1)	15,500	15,500	31,000
2.	Other Non-Executive Directors	O.Swaminatha Reddy	N Suresh Reddy	
	- Fee for attending board/committee meetings	10,500	10,500	21,000
	- Commission	NIL	NIL	NIL
	- Others, please specify	NIL	NIL	NIL
	Total (2)	10,500	10,500	21,000
	Total (B) = (1 + 2)			52,000
	Total Managerial Remuneration			53,02,000

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Shri V.Gopala Krishna, CS & CFO	
1	Gross Salary	4,80,000	4,80,000
	a. Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	NIL	NIL
	b. Value of perquisites u/s.17 (2) of Income-tax Act, 1961	NIL	NIL
	c. Profits in lieu of salary under Section 17 (3) of Income-tax Act, 1961 of Income-tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission		
	As % of profit		
	- Others, specify	NIL	NIL
5	Others (Gratuity and other terminal benefits)	NIL	NIL
	Total	4,80,000	4,80,000

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended March 31, 2020.

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 standalone financial statements of M/s. **Sagar Power Limited** ('the Company'), which comprise the balance sheet as at March 31, 2020, the statement of profit and loss, the statement of cash flows for the year then ended 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 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 31 March, 2020, the loss, and its 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 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 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.

Emphasis of matter

We draw your attention to Note 1.1(l) of the standalone financial statements under the sub-heading dealing with uncertainties thrown up as a consequence of COVID 19 pandemic, management's assessment of impact on financial reporting and future operations of the company and the remedial measure put in place to mitigate adverse effects.

Our opinion is not modified in respect of this matter.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and statement of cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("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 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 accounts 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 Flows dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the 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 as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 A**".
- 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 does not have any pending litigations which would impact its financial position.
 - 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.

For **T MOHAN & ASSOCIATES**
Chartered Accountants
Firm Registration No.0124825

MOHAN REDDY T
Partner

Place: Hyderabad
Date: 7.11.2020

M.No.239635
UDIN: 20239635AAAACI8200

Annexure A 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, 2020 in conjunction with our audit of the standalone 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting.

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

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

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

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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

Place: Hyderabad
Date: 7.11.2020

MOHAN REDDY T
Partner
M.No.239635
UDIN: 20239635AAAACI8200

Annexure B to the Auditors' Report

Annexure referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of the Independent Auditors' Report of even date of M/s. Sagar Power Limited, on the standalone financial statements for the year ended March 31, 2020.

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. Fixed Assets:
 - a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The management has verified fixed assets at regular intervals. There were no material discrepancies were noticed on such verification.
 - c. According to information and explanation given to us, title deeds of immovable Properties are held in the name of the company.
- ii. The Company does not hold any physical inventories. Thus Paragraph 3(ii) of the order is not applicable to the Company.
- iii. The company has granted an interest free loan to a Company (Wholly owned subsidiary) covered in the register maintained under section 189 of the Companies Act, 2013.
 - a. In our opinion, the terms and conditions on which the loan had been granted to the company listed in the register maintained under Section 189 of the act were not, prima facie, prejudicial to the interest of the company.
 - b. In the case of a loan granted to the party listed in the register maintained under section 189 of the Act, the loan is interest free and the principal is repayable on demand and the company has not sought any repayment of the loan during the current year.
 - c. There are no overdue amounts in respect of the loan granted to a party listed in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- 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 Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, hence clause (vi) of paragraph 3 of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.
- vii. Statutory Dues:
 - a. The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, cess and any other statutory dues to the appropriate authorities.
 - b. According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, and other material statutory dues as applicable which have not been deposited on account of any dispute.

- viii. The Company has not accepted any loans or borrowings from the Financial Institutions, Banks, Government or dues to its debenture holders as on the date of Balance Sheet.
- ix. The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the reporting period. The Company has not availed any term loans during the financial year.
- x. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- xi. According to information and explanation given to us, the company has provided managerial remuneration in accordance with Section 197 read with schedule V to the Companies Act, 2013
- 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. According to information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to information and explanation given to us, the company has not entered into non-cash transactions with directors or any persons connected with them. Thus, paragraph 3(xv) of the Order is not applicable to the company.
- xvi. In our opinion, the company is not required to be registered under section 451A of Reserve Bank of India Act 1934. Thus, paragraph 3(xvi) of the Order is not applicable to the company.

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

Place: Hyderabad
Date: 7.11.2020

MOHAN REDDY T
Partner
M.No.239635
UDIN: 20239635AAAACI8200

SAGAR POWER LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2020

In Rs.

Particulars	Notes	As At 31st March, 2020	As At 31st March, 2019
EQUITY AND LIABILITIES			
Shareholders' Funds:			
Share Capital	2.1	19,86,07,300	19,86,07,300
Reserves and Surplus	2.2	28,77,08,423	28,82,44,531
Sub-Total : Shareholders' Funds		48,63,15,723	48,68,51,831
Non-Current Liabilities:			
Deferred Tax Liability	2.3	1,46,47,442	1,59,72,787
Sub-Total : Non Current Liabilities		1,46,47,442	1,59,72,787
Current Liabilities:			
Trade Payables	2.4	4,22,203	3,68,743
Other Current Liabilities	2.5	1,05,10,002	56,25,295
Short - Term Provisions	2.6	15,37,321	4,06,75,820
Sub-Total : Current Liabilities		1,24,69,526	4,66,69,858
TOTAL EQUITY AND LIABILITIES		51,34,32,691	54,94,94,476
ASSETS			
Non-Current Assets:			
Fixed Assets:			
Tangible Assets - Gross	2.7	12,41,89,448	12,41,89,448
Less: Accumulated Depreciation & Adjustment		6,06,50,699	5,46,18,369
Net Tangible Assets		6,35,38,749	6,95,71,079
Non-Current Investments	2.8	25,97,79,587	25,97,79,587
Other Non-Current Assets	2.9	12,87,86,860	13,21,97,438
Sub-Total : Non - Current Assets		45,21,05,196	46,15,48,104
Current Assets:			
Inventories	2.10	0	7,38,085
Trade Receivables	2.11	2,42,11,975	1,49,20,664
Cash and Cash Equivalents	2.12	4,98,121	18,56,721
Short-Term Loans and Advances	2.13	3,61,07,138	6,96,30,508
Other Current Assets	2.14	5,10,260	8,00,393
Sub-Total : Current Assets		6,13,27,495	8,79,46,371
TOTAL ASSETS		51,34,32,691	54,94,94,476
Summary of Significant Accounting Policies	1.00		
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)

T.Mohan Reddy
Partner
M.No.239635
Hyderabad
7.11.2020

For and on behalf of the Board

Dr.S.Anand Reddy
Director
DIN: 00123870

S.Aruna
Executive Director
DIN:00123878

V.Gopala Krishna
Company Secretary & CFO
M.No: 8950

SAGAR POWER LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

In Rs.

Particulars	Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
REVENUE			
Revenue from Operations	2.15	1,22,75,267	2,59,51,324
Other Income	2.16	99,21,112	21,16,24,677
Total Revenue		2,21,96,379	23,75,76,001
EXPENSES			
Generation & Distribution Expenses	2.17	9,03,197	47,57,373
Repairs and Maintenance Expenses	2.18	31,99,411	19,38,062
Employee Benefit Expenses	2.19	19,90,749	50,32,982
Administrative and Other Expenses	2.20	83,69,573	2,08,88,400
Increase/Decrease in Stock	2.21	7,38,085	95,67,290
Total		1,52,01,015	4,21,84,107
Earning Before Interest, Tax and Depreciation (EBITD)		69,95,364	19,53,91,894
Finance Costs	2.22	12,87,167	5,56,815
Depreciation	2.23	60,32,329	60,73,663
Profit/(Loss) Before Tax		(3,24,131)	18,87,61,416
Tax Expenses:			
Current Tax		15,37,321	4,06,75,820
MAT Credit Entitlement		0	(3,26,84,153)
Deferred Tax Assets / (Liability)		(13,25,345)	2,34,06,824
Total of Tax Expenses		2,11,975	3,13,98,491
Profit/(Loss) After Tax		(5,36,107)	15,73,62,925
Balance Transferred to Reserves & Surplus Account		(5,36,107)	15,73,62,925
Basic Earnings per share of Rs 10/- each	2.26	(0.05)	14.49
Diluted Earnings per share of Rs.10/- each	2.26	(0.05)	14.49
Summary of Significant Accounting Policies	1 & 2.24 -2.25		
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)

T.Mohan Reddy

Partner

M.No.239635

Hyderabad

7.11.2020

For and on behalf of the Board

Dr.S.Anand Reddy

Director

DIN: 00123870

S.Aruna

Executive Director

DIN:00123878

V.Gopala Krishna

Company Secretary & CFO

M.No: 8950

SAGAR POWER LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A Cash flow from Operating Activities		
Profit Before Tax	(3,24,131)	18,87,61,416
Adjustments for		
Provision for Income Tax	(15,37,321)	(79,91,667)
Depreciation	60,32,329	60,73,663
Profit on Sale of Fixed Asset	0	(19,18,17,198)
Investments Written Off	0	1,00,000
Interest & Finance charges	12,87,167	5,56,815
Cash generated from Operations	54,58,044	(43,16,971)
Net Cash generated from Operations	54,58,044	(43,16,971)
Movement of Working Capital		
Increase/(Decrease) in Long Term Provisions	0	(30,31,248)
Increase/(Decrease) in Trade Payables	53,460	(25,457)
Increase/(Decrease) in Other Current Liabilities	48,84,707	(11,11,15,560)
Increase/(Decrease) in Short Term Provisions	(3,91,38,499)	4,00,73,144
Decrease/(Increase) in Non Current Assets	34,10,578	(8,83,94,608)
Decrease/(Increase) in Inventories	7,38,085	1,31,47,101
Decrease/(Increase) in Trade Receivables	(92,91,311)	(21,84,892)
Decrease/(Increase) in Short Term Loans & Advances	3,35,23,370	(6,60,22,047)
Decrease/(Increase) in Other Current Assets	2,90,133	(5,16,926)
	(55,29,478)	(21,80,70,493)
Net Cash Flow from Operating Activities	(71,434)	(22,23,87,463)
B Cash Flow from Investing Activities		
Sale of Fixed Assets	0	26,66,92,821
Net Cash used in Investing Activities	0	26,66,92,821
C Cash Flow from Financing Activities		
Increase in Short Term Borrowings	0	(4,38,00,000)
Interest & Finance Charges	(12,87,167)	(5,56,815)
Repayment of Term & HP Loans	0	(2,52,352)
Net Cash used in Financing Activities	(12,87,167)	(4,46,09,167)
Net increase in Cash and Cash equivalent	(13,58,601)	(3,03,810)
Cash and Cash equivalent at the beginning of the Year	18,56,721	21,60,531
Cash and Cash equivalent at the end of the Year	4,98,121	18,56,721

As per our report of even date attached

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

T.Mohan Reddy
Partner
M.No.239635
Hyderabad
7.11.2020

For and on behalf of the Board

Dr.S.Anand Reddy
Director
DIN: 00123870

S.Aruna
Executive Director
DIN:00123878

V.Gopala Krishna
Company Secretary & CFO
M.No: 8950

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 up to 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 includes 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 the 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 collectability, 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) Estimation of uncertainties relating to the impact COVID-19 pandemic:

The spread of COVID 19 pandemic across the globe and the consequent remedial measures against the virus taken by the governments of various countries and the Indian Government are having impact on the operations of the various economies, all of which has led to substantial contraction of demand.

In view of the above pandemic, its impact on the company's operations has been considered and a sensitivity analysis based on current estimates in assessing the recoverability of receivables also has been performed. However, the actual impact of COVID-19 on the financial statements may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

(m) 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, 2020

2.1 SHARE CAPITAL

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Authorised:		
1,50,00,000 Equity Shares of Rs.10/- each	15,00,00,000	15,00,00,000
1,00,00,000 Cumulative Redeemable Preference Shares of Rs.10/- each	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid up:		
1,08,60,730 Equity Shares of Rs.10/- each	10,86,07,300	10,86,07,300
90,00,000 8% Cumulative Redeemable Preference Shares of Rs.10/- each	9,00,00,000	9,00,00,000
Total	19,86,07,300	19,86,07,300

Reconciliation of shares outstanding at the beginning and at the end of the reporting Year

Equity Shares	31st March, 2020		31st March, 2019	
	No. of shares	Rs.	No. of shares	Rs.
Shares at the beginning of the year	1,08,60,730	10,86,07,300	1,08,60,730	10,86,07,300
Issued during the year as Bonus Shares	0	0	0	0
Outstanding at the end of the year	1,08,60,730	10,86,07,300	1,08,60,730	10,86,07,300
Cumulative Redeemable Preference Shares	31st March, 2020		31st March, 2019	
	No. of shares	Rs.	No. of shares	Rs.
Shares at the beginning of the year	90,00,000	9,00,00,000	90,00,000	9,00,00,000
Issued during the year as CRP Shares	0	0	0	0
Outstanding at the end of the year	90,00,000	9,00,00,000	90,00,000	9,00,00,000

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 Shareholders 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,2020, no dividend has been proposed on Equity Shares (Previous year Rs.Nil per Equity Share).

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

Name of the Shareholder	31st March, 2020		31st March, 2019	
	No. of shares	% of holding	No. of shares	% of holding
S. Krishna Reddy	22,29,200	20.53	22,29,200	20.53
Late S. Veera Reddy	0	0.00	22,08,670	20.34
S. Anand Reddy	15,50,990	14.28	15,50,190	14.27
S. Siddarth	11,04,335	10.17	0	0.00
S. Aneesh Reddy	11,04,335	10.17	0	0.00
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 & Industrial Enterprises Ltd.	7,40,000	6.81	7,40,000	6.81

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.

2.2 RESERVES AND SURPLUS

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
General Reserve		
Balance as per the last Financial Statement	1,74,22,309	1,74,22,309
Closing Balance - (A)	1,74,22,309	1,74,22,309
Profit & Loss Account		
Balance as per last Financial Statement	27,08,22,221	11,34,59,297
Add: Profit After Tax earned during the Year	(5,36,107)	15,73,62,925
Closing Balance - (B)	27,02,86,114	27,08,22,222
Total - (A + B)	28,77,08,423	28,82,44,531

2.3 DEFERRED TAX LIABILITY

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Asset	1,59,72,787	(74,34,037)
Add: Deferred Tax Asset/Liability	(13,25,345)	2,34,06,824
Total	1,46,47,442	1,59,72,787

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

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Sundry Creditors	4,22,203	3,68,743
Total	4,22,203	3,68,743

2.5 OTHER CURRENT LIABILITIES

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Income Tax Deducted At Source	1,71,534	1,73,201
Salaries Payable	0	1,15,624
Professional Tax	400	800
Unclaimed Dividend	0	66,650
Outstanding Expenses	3,947	96,300
Advance received against Sale of Car	63,84,121	12,22,720
Advance received against Sale of Wind Tower	39,50,000	39,50,000
Total	1,05,10,002	56,25,295

2.6 SHORT TERM PROVISIONS

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Income Tax	15,37,321	4,06,75,820
Total	15,37,321	4,06,75,820

NON CURRENT ASSETS**2.7. FIXED ASSETS (TANGIBLE)**

In Rs.

Particulars	Land	Buildings	Plant & Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Total
Cost or Valuation								
At 1st April, 2018	47,62,495	14,51,51,252	34,66,17,099	8,12,787	1,63,25,236	35,89,454	7,46,736	51,80,05,059
Additions	0	0	0	0	0	0	0	0
Disposals	46,75,695	14,51,51,252	23,76,93,899	3,03,031	48,51,143	9,69,233	1,71,358	39,38,15,611
At 31st March, 2019	86,800	0	10,89,23,200	5,09,756	1,14,74,093	26,20,221	5,75,378	12,41,89,448
Additions	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
As at 31st March, 2020	86,800	0	10,89,23,200	5,09,756	1,14,74,093	26,20,221	5,75,378	12,41,89,448
Depreciation								
At 1st April, 2018	0	8,89,32,292	27,05,14,898	7,39,600	35,61,799	29,95,225	7,40,877	36,74,84,691
Charge for the year	0	48,591	45,73,579	149	13,85,147	66,197	0	60,73,663
Disposals	0	8,89,80,883	22,72,39,109	2,29,993	16,03,106	7,18,807	1,68,089	31,89,39,987
At 31st March, 2019	0	0	4,78,49,368	5,09,756	33,43,840	23,42,615	5,72,788	5,46,18,367
Charge for the year	0	0	45,71,966	0	13,95,045	65,318	0	60,32,329
Disposals	0	0	0	0	0	0	0	0
As at 31st March, 2020	0	0	5,24,21,334	5,09,756	47,38,885	24,07,933	5,72,788	6,06,50,696
Net Block								
At 31st March, 2019	86,800	0	6,10,73,832	0	81,30,253	2,77,606	2,590	6,95,71,081
As at 31st March, 2020	86,800	0	5,65,01,866	0	67,35,208	2,12,288	2,590	6,35,38,752

2.8 NON-CURRENT INVESTMENTS

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
1,10,40,000 8% Cumulative Redeemable Preference Shares of Rs.10/- each in Super Hydro Electric Pvt.Ltd.	11,04,00,000	11,04,00,000
2,32,98,351 Equity Shares of Rs.10/- each in Super Hydro Electric Pvt. Ltd.	14,93,79,587	14,93,79,587
Total	25,97,79,587	25,97,79,587

2.9 OTHER NON-CURRENT ASSETS

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deposits	9,00,11,596	9,24,44,608
State Load Despatch Centre (SLDC) Charges paid under Protest	26,77,830	26,77,830
Loan to Super Hydro Electric Pvt. Ltd.	3,60,97,434	3,70,75,000
Total	12,87,86,860	13,21,97,438

CURRENT ASSETS
2.10 INVENTORIES

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Delivered Energy	0	7,38,085
Total	0	7,38,085

2.11 TRADE RECEIVABLES

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Debtors outstanding for a period exceeding Six Months		
Unsecured, considered good	2,27,35,553	1,41,95,849
Total	2,27,35,553	1,41,95,849
Debtors outstanding for a period less than Six Months		
Unsecured, considered good	14,76,422	7,24,815
Total	14,76,422	7,24,815
Total	2,42,11,975	1,49,20,664

2.12 CASH AND CASH EQUIVALENTS

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash in Hand	491	6,235
Cash at Banks in Current Account	4,79,990	17,63,524
Dividend Accounts	17,640	86,962
Total	4,98,121	18,56,721

2.13 SHORT TERM LOANS AND ADVANCES

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advances to Suppliers	5,91,694	5,91,694
Advances to Others	2,00,000	2,00,000
MAT Credit Entitlement Account	3,41,22,699	3,41,22,699
TDS on Fixed Deposit	2,02,146	22,16,115
Balances with Income Tax Authorities-Advance Tax	9,90,598	3,25,00,000
Total	3,61,07,137	6,96,30,508

2.14 OTHER CURRENT ASSETS

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Prepaid Expenses	5,10,260	8,00,393
Total	5,10,260	8,00,393

2.15 REVENUE FROM OPERATIONS

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Sale of Electrical Energy - Hydel	15,46,083	1,44,81,501
- Wind	1,07,29,184	1,14,69,823
Total	1,22,75,267	2,59,51,324

2.16 OTHER INCOME

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on Others	99,21,112	80,58,502
Credit Balances Written Off	0	39,200
Profit on Sale of Fixed Asset	0	20,35,26,975
Total	99,21,112	21,16,24,677

2.17 GENERATION AND DISTRIBUTION EXPENSES

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rebate to Customers and Wheeling Charges	9,03,197	45,59,981
Electricity Charges-Self	0	1,70,848
Electricity Duty	0	26,544
Total	9,03,197	47,57,373

2.18 REPAIRS AND MAINTENANCE EXPENSES

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
R & M - Buildings	0	2,77,015
R & M - Machinery	31,99,411	16,43,260
R & M - Others	0	17,787
Total	31,99,411	19,38,062

2.19 EMPLOYEE BENEFIT EXPENSES

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries, Bonus and Contribution to Funds	19,80,749	49,66,278
Staff Welfare Expenses	10,000	66,704
Total	19,90,749	50,32,982

2.20 ADMINISTRATIVE AND OTHER EXPENSES

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Travelling and Conveyance	12,01,381	7,20,019
Printing and Stationery	1,180	74,402
Communication Expenses	27,500	38,300
Rent	3,54,000	8,87,207
Rates & Taxes	2,09,224	1,65,775
Legal and Consultancy Charges	8,27,240	11,13,603
Insurance	2,62,867	1,93,701
Directors Remuneration	52,50,000	52,50,000
Auditors Remuneration	88,500	88,500
Advertisement	21,097	33,462
Vehicle Running Expenses	22,310	1,67,523
Office Maintenance	0	2,33,054
General Expenses	1,04,274	1,13,077
Loss on Sale of Fixed Assets	0	1,17,09,777
Debit Balances/Investment Written Off	0	1,00,000
Total	83,69,573	2,08,88,400

2.21 INCREASE / DECREASE IN STOCK

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Closing Stock	0	7,38,085
Less: Opening Stock	7,38,085	1,03,05,375
Total	(7,38,085)	(95,67,290)

2.22 FINANCE COST

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
On Term Loans	0	1,02,000
On Hire Purchase Loans and Others	12,81,955	4,49,276
Sub-Total	12,81,955	5,51,276
Bank Charges and Others	5,212	5,539
Total	12,87,167	5,56,815

2.23 DEPRECIATION

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Depreciation on Tangible Assets	60,32,329	60,73,663
Total	60,32,329	60,73,663

2.24 CONTINGENT LIABILITIES

Rs. in Lakhs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Wheeling Charges payable to APTRANSCO	350.31	350.31
SLDC Charges payable to APCPDCL	7.36	7.36

- 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, 2020 was Rs.350.31 lakhs (As on March 31st, 2019 – 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 31.03.2020 was Rs.26,77,830/- .(Previous Year Rs.26,77,830/-)

The Contingent liability on account of the above as on 31st March, 2020 was Rs.7,35,647/-. (Previous Year Rs.7,35,647/-)

2.25 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 Companies	1. M/s. 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. M/s. Sagar Cements Limited 2. M/s. R V Consulting Services Private Limited 3. M/s. Sagar Priya Housing & Industrial Enterprises Limited 4. M/s. Sagarsoft (India) Limited 5. M/s. Panchavati Polyfibres Limited 6. M/s. Sagar Cements (R) Limited 7. Smt. S.Vanajatha

Transactions with related parties for the year ended March 31, 2020

Rs. In lakhs

Description	Key Management Personnel	Enterprise where key managerial personnel along with their relatives exercise significant influence	Balance as on 31.03.2020
Advance received against Supply of Power from Sagar Cements Limited			1.34
Remuneration to Directors - Smt. S. Aruna	52.50		0.00
Rent Payments:			
Smt. S. Vanajatha		3.54	0.00
Investments in Super Hydro Electric Pvt. Limited			2,597.80
Loan to Super Hydro Electric Pvt. Limited		(9.78)	360.97
Loan to Sagar Cements (R) Limited		911.43	911.43

2.26 EARNINGS PER SHARE

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Net Profit / (Loss) for the Year	(5,36,107)	15,73,62,925
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)	0	0
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	(0.05)	14.49
Diluted	(0.05)	14.49

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

T.Mohan Reddy

Partner

M.No.239635

V.Gopala Krishna

Company Secretary & CFO

M.No: 8950

Hyderabad

7.11.2020

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 subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, 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").

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 31 March, 2020, 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 Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

Emphasis of matter

We draw your attention to Note 1.1(l) of the consolidated financial statements under the sub-heading estimation of uncertainties relating to the impact of COVID 19 pandemic, management's assessment of impact on financial reporting and future operations of the company and the remedial measure put in place to mitigate adverse effects.

Our opinion is not modified in respect of this matter.

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 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.70,31,17,629 /- as at 31st March, 2020, total revenues of Rs.27,074/- and net cash flows amounting to Rs.15,899/- 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.10,71,917/- for the year ended 31st March, 2020. 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 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 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 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2020 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 A".
- 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 does not have any pending litigations which would impact its financial position.
 - 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.

For T MOHAN & ASSOCIATES

Chartered Accountants

Firm Registration No.0124825

MOHAN REDDY T

Partner

M.No.239635

UDIN: 20239635AAAACH8851

Place: Hyderabad

Date: 7.11.2020

Annexure - A 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 Sagar Power Limited ("the Company") as of March 31, 2020 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:

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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

M.No.239635

UDIN: 20239635AAAACH8851

Place: Hyderabad

Date: 7.11.2020

SAGAR POWER LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

In Rs.

Particulars	Notes	As At 31st March, 2020	As At 31st March, 2019
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	59,44,07,300	59,44,07,300
Reserves and Surplus	2.2	29,44,56,490	29,58,30,818
Sub-Total : Shareholders' Funds		88,88,63,790	89,02,38,118
Non-Current Liabilities:			
Long - Term Provisions	2.3	9,16,250	6,91,424
Other long term liabilities	2.4	0	2,87,573
Deferred Tax Liability	2.5	1,46,47,442	1,59,72,787
Sub-Total : Non Current Liabilities		1,55,63,692	1,69,51,784
Current Liabilities:			
Trade Payables	2.6	27,97,000	43,69,449
Other Current Liabilities	2.7	1,19,11,493	71,49,174
Short - Term Provisions	2.8	15,37,321	4,08,56,839
Sub-Total : Current Liabilities		1,62,45,814	5,23,75,462
TOTAL EQUITY AND LIABILITIES		92,06,73,296	95,95,65,364
ASSETS			
Non-current Assets:			
Fixed Assets:			
Tangible Assets - Gross	2.9	15,18,22,319	15,18,22,319
Less: Accumulated Depreciation & Adjustment		6,66,74,587	6,00,08,417
Net Tangible Assets		8,51,47,732	9,18,13,902
Capital work in progress		28,60,85,791	26,87,73,935
Long-Term Loans & Advances	2.10	3,36,81,412	10,77,93,943
Other Non-Current Assets	2.11	45,41,16,612	40,29,91,537
Sub-Total : Non - Current Assets		85,90,31,547	87,13,73,318
Current Assets:			
Inventories	2.12	0	7,38,085
Trade Receivables	2.13	2,42,11,975	1,49,20,664
Cash and Cash Equivalents	2.14	8,12,377	21,55,077
Short-Term Loans and Advances	2.15	3,61,07,137	6,95,77,827
Other Current Assets	2.16	5,10,260	8,00,393
Sub-Total : Current Assets		6,16,41,749	8,81,92,046
TOTAL ASSETS		92,06,73,296	95,95,65,364
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)

T.Mohan Reddy
Partner
M.No.239635
Hyderabad
7.11.2020

For and on behalf of the Board

Dr.S.Anand Reddy
Director
DIN: 00123870

S.Aruna
Executive Director
DIN:00123878

V.Gopala Krishna
Company Secretary & CFO
M.No: 8950

SAGAR POWER LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

In Rs.

Particulars	Notes	For the year ended 31st March, 2020	For the year ended 31st March, 2019
REVENUE			
Revenue from Operations	2.17	1,22,75,267	2,59,51,324
Other Income	2.18	99,48,186	21,25,40,717
Total Revenue		2,22,23,453	23,84,92,041
EXPENSES			
Generation & Distribution Expenses	2.19	9,03,197	47,57,373
Repairs and Maintenance Expenses	2.20	31,99,411	19,38,062
Employee Benefit Expenses	2.21	26,01,932	55,95,135
Administrative and Other Expenses	2.22	86,83,705	2,14,87,112
Increase/Decrease in Stock	2.23	(7,38,085)	95,67,290
Total		1,46,50,160	4,33,44,972
Earning Before Interest, Tax and Depreciation (EBITDA)		75,73,293	19,51,47,069
Finance Costs	2.24	12,88,288	5,57,458
Depreciation	2.25	66,86,690	62,46,217
Profit / (Loss) Before Tax		(4,01,685)	18,83,43,394
Tax Expenses:			
Current Tax		15,37,321	4,06,75,820
MAT credit entitlement		-	(3,26,84,153)
Deferred Tax Asset/Liability		(13,25,345)	2,34,06,824
Total of Tax Expenses		2,11,975	3,13,98,491
Profit / (Loss) After Tax		(6,13,660)	15,69,44,903
Balance Transferred to Reserves & Surplus Account		(6,13,660)	15,69,44,903
Basic Earnings per share of Rs 10/- each	2.28	(0.06)	14.45
Diluted Earnings per share of Rs.10/- each	2.28	(0.06)	14.45
Summary of Significant Accounting Policies	1 & 2.26		
	- 2.27		
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

T.Mohan Reddy
Partner
M.No.239635

V.Gopala Krishna
Company Secretary & CFO
M.No: 8950

Hyderabad
7.11.2020

SAGAR POWER LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

In Rs.

	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A	Cash flow from Operating Activities		
	Profit Before Tax	(16,61,548)	18,83,43,394
	Adjustments for		
	Provision for tax	(15,37,321)	(79,91,667)
	Depreciation	62,04,883	62,46,217
	Profit/Loss on Sale of Fixed Asset	0	(19,18,17,198)
	Interest & Finance charges	12,88,288	5,57,458
	Investments Written Off	1,00,000	
	Sundry expenses write off	(27,074)	(9,16,040)
	Cash generated from Operations	42,67,228	(54,77,836)
	Net Cash generated from Operations	42,67,228	(54,77,836)
	Movement of Working Capital		
	Increase/(Decrease) in Long Term Provisions	0	(28,84,691)
	Increase/(Decrease) in Other Long Term liabilities	(12,65,139)	0
	Increase/(Decrease) in Trade Payables	(15,72,449)	(10,45,769)
	Increase/(Decrease) in Other Current Liabilities	50,27,820	(11,06,05,952)
	Increase/(Decrease) in Short Term Provisions	(3,89,13,673)	4,00,73,144
	Decrease/(Increase) in Long Term Loans & Advances	2,41,77,654	2,65,320
	Decrease/(Increase) in Other Non Current Assets	2,48,641	(8,48,44,608)
	Decrease/(Increase) in Inventories	7,38,085	1,31,47,101
	Decrease/(Increase) in Trade Receivables	(92,91,311)	(21,84,892)
	Decrease/(Increase) in Short Term Loans & Advances	3,35,23,371	(6,60,22,047)
	Decrease/(Increase) in Other Current Assets	(23,05,442)	(35,85,955)
	Net Cash Flow from Operating Activities	1,46,34,784	(22,31,66,185)
B	Cash Flow from Investing Activities		
	Sale of Fixed Assets	(1,47,16,271)	26,66,92,821
	Sundry expenses written off	27,074	9,16,040
	Net Cash used in Investing Activities	(1,46,89,197)	26,76,08,861
C	Cash Flow from Financing Activities		
	Interest & Finance Charges	(12,88,288)	(5,57,458)
	Increase in short term borrowings	0	(4,38,00,000)
	Repayment of Term & HP Loans	0	(2,52,352)
	Net Cash used in Financing Activities	(12,88,288)	(4,46,09,810)
	Net increase in Cash and Cash equivalent	(13,42,700)	(1,67,134)
	Cash and Cash equivalent at the beginning of the Year	21,55,077	23,22,211
	Cash and Cash equivalent at the end of the Year	8,12,377	21,55,077

As per our report of even date attached

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

T.Mohan Reddy
Partner
M.No.239635

Hyderabad, 7th November, 2020

For and on behalf of the Board

Dr.S.Anand Reddy
Director
DIN: 00123870

V.Gopala Krishna
Company Secretary & CFO
M.No: 8950

S.Aruna
Executive Director
DIN:00123878

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

The Consolidated Financial Statements of the Sagar Power Limited, the Holding company and its Wholly Owned company, Super Hydro Electric Private Limited 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 Consolidated Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Consolidated 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 up to 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 includes 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 the 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 collectability 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) Estimation of uncertainties relating to the impact COVID-19 pandemic:

The spread of COVID-19 pandemic across the globe and the consequent remedial measures against the virus taken by the governments of various countries and the Indian Government are having impact on the operations of the various economies, all of which has led to substantial contraction of demand.

In view of the above pandemic, its impact on the company's operations has been considered and a sensitivity analysis based on current estimates in assessing the recoverability of receivables also has been performed. However, the actual impact of COVID-19 on the financial statements may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

(m) 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, 2020

2.1 SHARE CAPITAL

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Authorised:		
1,50,00,000 Equity Shares of Rs.10/- each	15,00,00,000	15,00,00,000
7,10,00,000 Cumulative Redeemable Preference Shares of Rs.10/- each	71,00,00,000	71,00,00,000
Issued, Subscribed and Paid up:		
1,08,60,730 Equity Shares of Rs.10/- each	10,86,07,300	10,86,07,300
4,85,80,000 8% Cumulative Redeemable Preference Shares of Rs.10/- each	48,58,00,000	48,58,00,000
Total	59,44,07,300	59,44,07,300

Reconciliation of shares outstanding at the beginning and at the end of the reporting Year

Equity Shares	As at 31st March, 2020	
	Rs.	Rs.
Shares at the beginning of the year	10,86,07,300	10,86,07,300
Issued during the year as Bonus Shares	0	0
Outstanding at the end of the year	10,86,07,300	10,86,07,300
Cumulative Redeemable Preference Shares	As At 31st March, 2020	
	Rs.	Rs.
Shares at the beginning of the year	48,58,00,000	48,58,00,000
Issued during the year as CRP Shares	0	0
Outstanding at the end of the year	48,58,00,000	48,58,00,000

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 Shareholders 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,2020, no dividend has been proposed on Equity Shares (Previous year Rs.Nil per Equity Share).

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

Name of the Shareholder	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
S. Krishna Reddy	22,29,200	20.53	22,29,200	20.53
Late S. Veera Reddy	0	0.00	22,08,670	20.34
S. Anand Reddy	15,50,990	14.28	15,50,990	14.27
S. Siddarth	11,04,335	10.17	0	0.00
S. Aneesh Reddy	11,04,335	10.17	0	0.00
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	6,88,200	6.34
Sagar Priya Housing & Industrial Enterprises Ltd.	7,40,000	6.81	7,40,000	6.81

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.

2.2. RESERVES AND SURPLUS

In Rs.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital Reserve	3,27,28,485	3,27,28,485
General Reserve		
Balance as per the last Financial Statement	1,74,22,309	1,74,22,309
Closing Balance - (A)	5,01,50,794	5,01,50,794
Profit & Loss Account		
Balance as per last Financial Statement	24,59,13,720	8,89,68,821
Add: Profit After Tax earned during the Year	(16,08,024)	15,67,11,204
Closing Balance - (B)	24,43,05,696	24,56,80,024
Total - (A + B)	29,44,56,490	29,58,30,818

NON-CURRENT LIABILITIES

2.3. LONG TERM PROVISIONS

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Gratuity	5,81,646	4,34,702
Leave Encashment	3,34,604	2,56,722
Total	9,16,250	6,91,424

2.4. OTHER LONG TERM LIABILITIES

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Security Deposit - Civil Works & Plant & Machinery	0	2,87,573
Total	0	2,87,573

2.5. DEFERRED TAX LIABILITY

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Deferred Tax Asset	1,59,72,787	(74,34,037)
Less: Deferred Tax Liability	(13,25,345)	2,34,06,824
Total	1,46,47,441	1,59,72,787

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

2.6. TRADE PAYABLES

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Sundry Creditors - Stores and Spares	27,97,000	43,69,449
Total	27,97,000	43,69,449

2.7. OTHER CURRENT LIABILITIES

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Income Tax Deducted At Source	1,85,800	2,07,791
Salaries Payable	0	3,02,507
Contribution to Provident Fund	29,726	25,906
Professional Tax	400	800
Unclaimed Dividend	0	66,650
Outstanding Expenses	13,61,447	13,72,800
Advance received	63,84,120	12,22,720
Advance received against Sale of Wind Tower	39,50,000	39,50,000
Total	1,19,11,493	71,49,174

2.8. SHORT TERM PROVISIONS

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Provision for Income Tax	15,37,321	4,08,56,839
Total	15,37,321	4,08,56,839

NON CURRENT ASSETS**2.9. FIXED ASSETS (TANGIBLE)**

In Rs.

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2019	Additions	Deletions	As at 31.03.2020	As at 01.04.2019	For the Year	Depreciation Adjustment	As at 31.03.2020	As at 31.03.2020	
Tangible Assets										
Plant and Machinery	11,29,84,825	0	0	11,29,84,825	4,85,37,406	46,65,336	0	5,32,02,742	5,97,82,083	
Office Equipment	32,24,050	0	0	32,24,050	29,17,961	65,318	0	29,83,279	2,40,771	
Computers	9,23,774	0	0	9,23,774	9,03,763	0	0	9,03,763	20,011	
Furniture and fixtures	7,39,561	0	0	7,39,561	6,41,004	19,785	0	6,60,789	78,772	
Vehicles	1,51,37,297	0	0	1,51,37,297	54,03,719	17,43,171	0	71,46,890	79,90,407	
Leasehold Land - BG	56,83,517	0	0	56,83,517	16,04,570	1,72,554	0	17,77,124	39,06,393	
Freehold Land - BG	1,31,29,295	0	0	1,31,29,295	0	0	0	0	1,31,29,295	
Total	15,18,22,319	0	0	15,18,22,319	6,00,08,423	66,66,164	0	6,66,74,587	8,51,47,732	

2.10. LONG-TERM LOANS AND ADVANCES

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Capital Advances	3,36,81,412	10,77,93,943
Total	3,36,81,412	10,77,93,943

2.11. OTHER NON-CURRENT ASSETS

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Loans & Advances	14,19,12,903	9,44,11,038
State Load Despatch Centre (SLDC) Charges paid under Protest	26,77,830	26,77,830
Pre operative expenses	30,95,25,879	30,59,02,669
Total	45,41,16,612	40,29,91,537

CURRENT ASSETS
2.12. INVENTORIES

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Delivered Energy	0	7,38,085
Total	0	7,38,085

2.13. TRADE RECEIVABLES

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Debtors outstanding for a period exceeding Six Months		
Unsecured, considered good	2,27,35,553	1,41,95,849
	2,27,35,553	1,41,95,849
Debtors outstanding for a period less than Six Months		
Unsecured, considered good	14,76,422	7,24,815
	14,76,422	7,24,815
Total	2,42,11,975	1,49,20,664

2.14. CASH & CASH EQUIVALENTS

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Cash in Hand	702	6,446
Cash at Banks	7,94,034	20,61,669
On Dividend Accounts	17,640	86,962
Total	8,12,377	21,55,077

2.15. SHORT TERM LOANS & ADVANCES

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Advances to Suppliers	5,91,694	5,91,694
Advances to Others	2,00,000	2,00,000
MAT Credit entitlement account	3,41,22,699	3,40,70,018
TDS on fixed deposit	2,02,146	22,16,115
Balance with income tax authorities	9,90,598	3,25,00,000
Total	3,61,07,137	6,95,77,827

2.16. OTHER CURRENT ASSETS

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Prepaid Expenses	5,10,260	8,00,393
Total	5,10,260	8,00,393

2.17. REVENUE FROM OPERATIONS

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Sale of Electrical Energy - Hydel	15,46,083	1,44,81,501
- Wind	1,07,29,184	1,14,69,823
Total	1,22,75,267	2,59,51,324

2.18. OTHER INCOME

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest income	99,48,186	80,58,502
Credit balances written off	0	9,55,240
Profit on Sale of Fixed Assets	0	20,35,26,975
Total	99,48,186	21,25,40,717

2.19. GENERATION & DISTRIBUTION EXPENSES

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Wheeling Charges		
Rebate to Customers	9,03,197	45,59,981
Electricity Charges-Self	0	1,70,848
Electricity Duty	0	26,544
Total	9,03,197	47,57,373

2.20. REPAIRS & MAINTENANCE EXPENSES

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
R & M - Buildings	0	2,77,015
R & M - Machinery	31,99,411	16,43,260
R & M - Others	0	17,787
Total	31,99,411	19,38,062

2.21. EMPLOYEE BENEFIT EXPENSES

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries, Bonus and Contribution to Funds	25,39,967	54,88,207
Staff Welfare Expenses	61,965	1,06,929
Total	26,01,932	55,95,135

2.22. ADMINISTRATIVE AND OTHER EXPENSES

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Travelling and Conveyance	12,58,057	7,63,560
Printing and Stationery	2,672	74,402
Communication Expenses	27,500	38,971
Rent	3,99,700	9,43,887
Rates & Taxes	2,09,224	1,65,775
Legal and Consultancy Charges	8,73,850	11,60,213
Insurance	2,82,985	1,93,701
Directors Remuneration	52,50,000	52,50,000
Auditors Remuneration	1,77,000	4,42,500
Advertisement	21,097	33,462
Vehicle Running Expenses	22,310	1,67,523
Office Maintenance	0	2,33,054
General Expenses	1,59,311	2,09,687
Loss on Sale of Fixed Assets	0	1,17,09,777
Repairs and others Maintenance	0	600
Debit Balances/Investments Written Off	0	1,00,000
Total	86,83,705	2,14,87,112

2.23. INCREASE (DECREASE) IN STOCK

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Closing Stock	0	7,38,085
Less: Opening Stock	7,38,085	1,03,05,375
Total	(7,38,085)	(95,67,290)

2.24. FINANCE COST

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest		
On Term Loans	0	1,02,000
On Hire Purchase Loans and Others	12,81,955	4,49,276
Sub-Total	0	5,51,276
Bank Charges and Others	6,333	6,182
Total	12,88,288	5,57,458

2.25. DEPRECIATION

In Rs.

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Depreciation on Tangible Assets	66,86,690	62,46,217
Total	66,86,690	62,46,217

2.26. CONTINGENT LIABILITIES

Rs. in Lakhs

Particulars	As At 31st March, 2020	As At 31st March, 2019
Wheeling Charges payable to APTRANSCO	350.31	350.31
SLDC Charges payable to APCPDCL	7.36	7.36

- 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, 2020 was Rs.350.31 lakhs (As on March 31st, 2019 – 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 31.03.2020 was Rs.26,77,830/- .(Previous Year Rs.26,77,830/-)

The Contingent liability on account of the above as on 31st March, 2020 was Rs.7,35,647/- .(Previous Year Rs.7,35,647/-)

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

Related Party Disclosures

Names of related parties and description of relationship

Key Management Personnel	1. Dr. S.Anand Reddy, 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. M/s. Sagar Cements Limited 2. M/s. R V Consulting Services Private Limited 3. M/s. Sagar Priya Housing & Industrial Enterprises Limited 4. M/s. Sagarsoft (India) Limited 5. M/s. Panchavati Polyfibres Limited 6. M/s. Sagar Cements (R) Limited 7. Smt. S.Vanajatha

Transactions with related parties for the year ended March 31, 2020

Rs. in Lakhs

Description	Key Management Personnel	Enterprise where key managerial personnel along with their relatives exercise significant influence	Balance as on 31.03.2020
Advance received against Supply of Power from Sagar Cements Limited			1.34
Remuneration to Directors - Smt. S. Aruna	52.50		0.00
Rent Payments:			
Smt. S. Vanajatha		3.54	0.00
Loan to Sagar Cements (R) Limited		911.43	911.43

2.28. EARNINGS PER SHARE

In Rs.

Particulars	As At 31st March, 2020	As At 31st March, 2019
Net Profit / (Loss) for the Year	(6,13,660)	15,69,44,903
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)	0	0
Outstanding Shares at the end of the Year	1,08,60,730	1,08,60,730
Weighted Average Number of equity shares for earnings per share Computation	1,08,60,730	1,08,60,730
Earnings Per Share - Rs.		
Basic	(0.06)	14.45
Diluted	(0.06)	14.45

As per our report of even date attached

For T MOHAN & ASSOCIATES

Chartered Accountants (FR No.012482S)

T.Mohan Reddy

Partner

M.No.239635

Hyderabad

7.11.2020

For and on behalf of the Board

Dr.S.Anand Reddy

Director

DIN: 00123870

S.Aruna

Executive Director

DIN:00123878

V.Gopala Krishna

Company Secretary & CFO

M.No: 8950

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SAGAR POWER LIMITED

Regd. 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

ATTENDANCE SLIP

26th ANNUAL GENERAL MEETING ON THURSDAY, THE 24th DECEMBER, 2020 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 Sixth 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 3.30 p.m. on Thursday, the 24th December, 2020.

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

Regd. 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

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 Sixth Annual General Meeting of the Company to be held on **Thursday, the 24th December, 2020 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 Resolution
1	To receive, consider and adopt the audited stand-alone and consolidated Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of the Directors and Auditors thereon
2	To re-appoint the retiring Director Shri S.Sreekanth Reddy (DIN: 00123889), who retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment
3	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

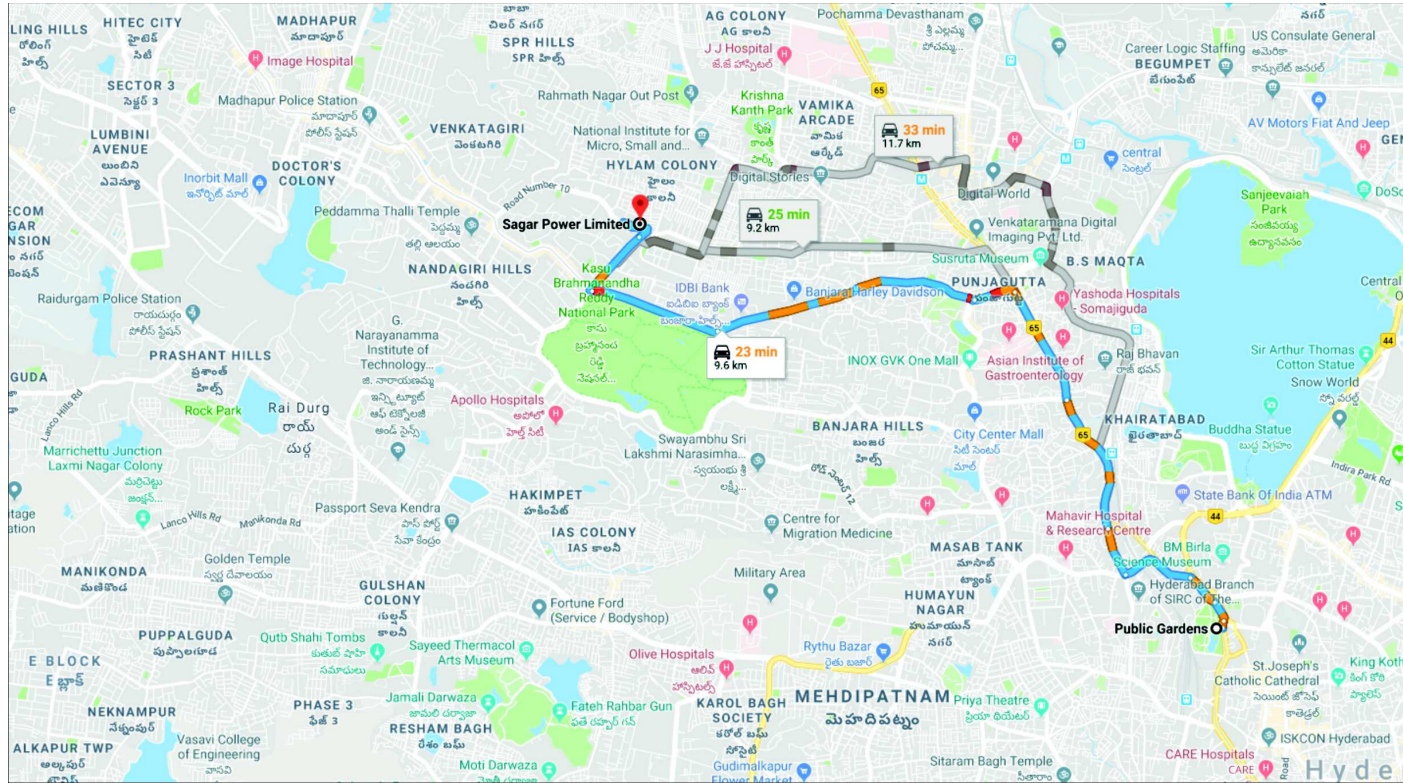
Signed this ____ day of _____ 2020

Signature of shareholder _____ Signature of Proxyholder(s) _____

Please
affix
Re. 1/-
Revenue
Stamp

- 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, Explanatory Statement and Notes, please refer to the Notice of the 26th Annual General Meeting of the Company.

ROUTE MAP FOR AGM





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