



PATEL SHAH & JOSHI
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Shareholders [Members] of Sunflag Power Limited [CIN – U 31200 UR 2003 PLC 027802]

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Sunflag Power Limited** [CIN – U 31200 UR 2003 PLC 027802], [**'the Company'**] which comprise of the Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows, for the Financial Year 2024-25 ended 31 March 2025, and the Notes to the Standalone Financial Statements, including a Summary of Significant Accounting Policies and other Explanatory Information [hereinafter referred to as **'the Standalone Financial Statements'**].

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 [**'the Act'**] in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed Under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006 [as amended], [**'AS'**] and other Accounting Principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2025, Changes in Equity and its Cash Flows for the Financial Year 2024-25 ended 31 March 2025.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing [SAs] specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Standalone Financial Statements Section of our Report. We are Independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India [**'ICAI'**] together with the ethical requirements that are relevant to our Audit of the Standalone Financial Statements under the provisions of the Act and the Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the Audit Evidence we have obtained is sufficient and appropriate to provide a basis for our Audit Opinion on the Standalone Financial Statements of the Company.

Key Audit Matters [KAM]

Key audit matters are those matters that, in our professional judgement, were of most significance in our Audit of the Standalone Financial Statements of the Financial Year 2024-25 ended 31 March 2025. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information - Board of Directors' Report

The Company's Board of Directors is responsible for the preparation and presentation of its Report [hereinafter called as **'Board's Report'**] which comprises various information required under Section 134(3) of the Companies Act 2013 but does not include the Standalone Financial Statements and our Report thereon.

Our opinion on the Standalone Financial Statements does not cover the Board's Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Board's Report and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our Audit.

Based on the work we have performed, we conclude that, we are nothing to report in this regard.





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Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with AS and other Accounting Principles generally accepted in India. This responsibility also includes maintenance of adequate Accounting Records in accordance with the provisions of the Act for safeguarding of the Assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate Accounting Policies, making judgements 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, the 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.

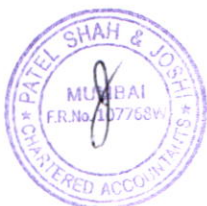
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' 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 judgement and maintain professional scepticism 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 with reference to Standalone Financial Statements 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 the Management and Board of Directors of the Company.
- Conclude on the appropriateness of the 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.





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- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transaction and events in a manner that achieves fair presentation.
- Materiality is a magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of reasonable knowledgeable users of the Standalone Financial Statements may influence, 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 effects 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 the 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 requirement regarding independence, and to communicate with them all relationship 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

1. As required by the Companies (Auditor's Report) Order, 2020 ["the Order"] issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annex A**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. (A) As required by Section 143(3) of the Act, based on our Audit, 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 as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Standalone Balance Sheet, the Standalone Statement of Changes in Equity and the Statement of Cash Flow, dealt with by this Report are in agreement with the relevant Books of Accounts.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the AS specified under Section 133 of the Act read the Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Director/s as on 31 March 2025 taken on record by the Board of the Directors, None of the Director/s is disqualified as on 31 March 2025 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 with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annex B**'. Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Control with reference to the Standalone Financial Statements of the Company.





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- (B) 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 [as amended], In our opinion and to the best of our information and according to the explanations given to us:-
- (a) The Company does not have any pending litigations which would impact its financial position in its Standalone Financial Statements;
 - (b) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and
 - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (d)
 - (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested [either from borrowed funds or share premium or any other sources or kind of funds] by the Company to or in any other person/s or entity/ies, including foreign entities ["Intermediaries"] with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ["Ultimate Beneficiaries"] or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person/s or entity/ies, including foreign entities ["Funding Parties"], with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ["Ultimate Beneficiaries"] or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that caused them to believe that the representations under Sub-Clause (i) and (ii) contain any material mis-statement.
 - (e) The Company has neither declared nor paid any Dividend during the Financial Year 2024-2025 ended 31 March 2025 and also, there is no contravention of the provisions of Section 123 of the Companies Act, 2013.
- (C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the Company has neither paid nor provided any Managerial Remuneration to its Director/s and/or KMP's during the Financial Year 2024-25 ended 31 March 2025.

For Messers Patel Shah & Joshi
Chartered Accountants
ICAI Firm Regn. No. 107768W

CA Jayant I Mehta
Partner
Membership No. 042630
UDIN – 25042630BMKPAG3201



Place: Mumbai
Dated: 26 May 2025



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"ANNEX - A" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the matters specified in Paragraph 3 of the Companies (Auditor's Report) Order, 2020 ["the Order"] issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013 ["the Act"] as referred to in Paragraph 1 of 'Report on Other Legal and Regulatory Requirements' Section.

In terms of the information and explanations sought by us and given by the Company and the Books of Accounts and Records examined by us in the normal course of Audit, and to the best of our knowledge and belief, we report that:-

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company do not have any Intangible Assets. Accordingly, the Para (i)(a)(B) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a program of physical verification on reasonable intervals of Property, Plant and Equipment which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Assets. Moreover, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title in respect of Freehold Land, disclosed in the Financial Statements included under Property, Plant and Equipment are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and Intangible Assets during the year. Accordingly, the Para (i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated during the financial year or are pending against the Company as at 31 March 2025 for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 [45 of 1988] [as amended] read with the Rules made thereunder. Accordingly, the Para (i)(e) of the Order is not applicable to the Company.
- (ii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any Inventories. Accordingly, the Para 3(ii) of the Order is not applicable to the Company.
- (iii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to the Companies, Firms, Limited Liability Partnerships, or any other Parties. Accordingly, the Para 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, made any investments or provided any guarantee or security as specified under Section 185 and 186 of the Act. Accordingly, the Para 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits or amounts which are deemed to be deposits from the Public within the meaning of provisions of Section 73 to 76 or any other relevant provisions of the Act read with the Rules made there under. Accordingly, the Para 3(v) of the Order is not applicable to the Company.





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- (vi) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Central Government has not prescribed the maintenance of Cost Records under Section 148(1) of the Act. Accordingly, the Para 3(vi) of the Order is not applicable to the Company.
- (vii) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company. Further, no undisputed amounts payable in respect thereof were outstanding at the Financial Year end for a period of more than Six [6] Months from the Date they become payable.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues, which have not been deposited on account of any dispute. Accordingly, the Para 3(vii)(b) of the Order is not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as Income in the Books of Accounts, in the tax assessment under the Income Tax Act, 1961 as Income during the Financial Year 2024-25 ended 31 March 2025.
- (ix) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared as a Wilful Defaulter by any Bank, Financial Institution or any Lender, Government or Government Authority. Accordingly, the Para 3(ix)(b) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not obtained any Term Loan/s. Accordingly, the Para 3(ix)(c) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised or obtained any funds on short term basis. Accordingly, the Para 3(ix)(d) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiaries, Joint Ventures or Associate Companies. Accordingly, the Para 3(ix)(e) of the Order is not applicable to the Company.





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- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any loans during the Financial Year 2024-25 ended 31 March 2025 on the pledge of securities held in its Subsidiaries, Joint Ventures or Associate Companies. Accordingly, the Para 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised any moneys by way of Initial Public Offer [IPO] or Further Public Offer [FPO] [including Debt Instruments]. Accordingly, the Para 3(x)(a) of the Order is not applicable to the Company.
- (xi) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no fraud by the Company or any fraud on the Company has been noticed or reported during the Financial Year 2024-25 ended 31 March 2025. Accordingly, the Para 3(xi)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no report under Section 143(12) of the Act has been filed by the Auditors in e-Form No. ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 [as amended] with the Central Government. Accordingly, the Para 3(xi)(b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no Whistle-Blower Complaint/s received by the Company during the Financial Year 2024-25 ended 31 March 2025. Accordingly, the Para 3(xi)(c) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Nidhi Company. Accordingly, the Para 3(xii) of the Order is not applicable to the Company.
- (xiii) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Para 3(xiv)(b) of the Order is not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Director/s or Person/s connected to its Director/s. Accordingly, the Para 3(xv) of the Order is not applicable to the Company.
- (xv) (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the Para 3(xvi)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities with or without a valid Certificate of Registration [CoR] from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the Para 3(xvi)(b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Core Investment Company [CIC] as defined in the regulations made by the Reserve Bank of India. Accordingly, the Para





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3(xvi)(c) of the Order is not applicable to the Company.

- (d) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company or its Group does not have any CIC. Accordingly, the Para 3(xvi)(d) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not incurred any Cash Losses during the Financial Year 2024-25 ended 31 March 2025 and also, during the Previous Financial Year 2023-2024 ended 31 March 2024.
- (xvii) There has not been no resignation of the Statutory Auditors during the Financial Year 2024-25 ended 31 March 2025. Accordingly, the Para 3(xviii) of the Order is not applicable to the Company.
- (xviii) In our opinion and according to the information and explanations given to us, and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and Management, and on the basis of our examination of the records of the Company and evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of One [1] Year from the Balance Sheet Date.





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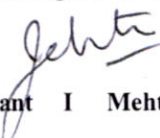
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We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the Audit Report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of One [1] Year from the Balance Sheet Date, will get discharged by the company as and when they fall due.

- (xix) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not an eligible Company in terms of the provisions of Section 135 of the Act read with the Rules made there under. Accordingly, the Para 3(xx) of the Order is not applicable to the Company.
- (xx) The reporting under Para 3(xxi) of the Order is not applicable in respect of Audit of the Standalone Financial Statements of the Company for the Financial Year 2024-25 ended 31 March 2025. Accordingly, no comments has been included in respect of said Para 3(xxi) of the Order under this Report.

**For Messers Patel Shah & Joshi
Chartered Accountants
ICAI Firm Regn. No. 107768W**


**CA Jayant I Mehta
Partner
Membership No. 042630
UDIN-25042630BMKPAG3201**



**Place: Mumbai
Dated: 26 May 2025**



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“ANNEX – B” TO THE INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 [‘the Act’] on the Standalone Financial Statements Dated 26 May 2025 for the Financial Year 2024-25 ended 31 March 2025 as referred to in Paragraph 2(A)(f) of the ‘Report on Other Legal and Regulatory Requirements’ Section

We have audited the Internal Financial Controls over financial reporting of **Sunflag Power Limited** [CIN – U 31200 UR 2003 PLC 027802], [‘the Company’] as of 31 March 2025 in conjunction with our Audit of the Standalone Financial Statements of the Company for the Financial Year 2024-25 ended 31 March 2025.

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 the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

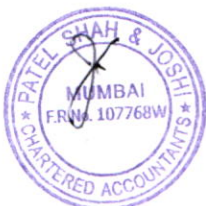
Our responsibility is to express an opinion on the Company’s Internal Financial Controls over financial reporting based on our Audit. We conducted our Audit in accordance with the Guidance Note on Audit of Internal Financial Control over Financial Reporting [‘Guidance Note’] and the Standards on Auditing, 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 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 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

The 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 Standalone Financial Statements for external purposes in accordance with generally accepted Accounting Principles. The Company’s Internal Financial Control over financial reporting includes those policies and procedures that





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- (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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Director/s of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at 31 March 2025, based on the Internal Control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Messers Patel Shah & Joshi
Chartered Accountants
ICAI Firm Regn. No. 107768W**

**CA Jayant I Mehta
Partner
Membership No. 042630
UDIN - 25042630BMKPAG3201**



**Place: Mumbai
Dated: 26 May 2025**

SUNFLAG POWER LIMITED

Registered Office: B-203, MOUNT VIEW APARTMENT, NEAR ANSAL GREEN VALLEY

DEHRADUN — 248001 (UTTARAKHAND)

CIN : U31200UR2003PLC027802

BALANCE SHEET AS AT 31ST MARCH 2025

	PARTICULARS	Note No.	Year Ended	Year Ended
			31.03.2025	31.03.2024
			(Rs)'00	(Rs)'00
(1)	Non - Current Assets			
	(a) Property, Plant and Equipment	<u>3</u>	18,030	18,030
	(b) Capital Work-in-Progress	<u>4</u>	10,32,853	10,26,096
	(c) Financial Assets			
	(i) Investments		-	-
	(ii) Bank Balances		-	-
	(iii) Loans		-	-
	(d) Deferred Tax Assets (net)		-	-
(2)	Current Assets			
	(a) Inventories		-	-
	(b) Financial Assets		-	-
	(ii) Trade Receivables			
	(iii) Cash and Cash Equivalents	<u>5</u>	4,566	11,477
	(v) Bank Balances		-	-
	(vi) Other Financial Assets		-	-
	(c) Current Tax Assets (Net)		-	-
	(d) Other Current Assets		-	-
	Total Assets		10,55,450	10,55,604
	Equity and Liabilities			
(1)	Equity			
	(a) Equity Share Capital	<u>6</u>	5,000	5,000
	(b) Other Equity		-	-
	(c) Money received against share warrents		-	-
(2)	Share application money pending allotment		-	-
(3)	Non - Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings			
	a) Unsecured : Compulsory Convertible Debentures	<u>8 (b)</u>	10,50,000	10,50,000
	(ii) Other Financial Liabilities		-	-
	(b) Deferred Tax Liabilities (Net)		-	-
	(c) Provisions		-	-
	(d) Other Financial Liabilities		-	-
(4)	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(i) Trade Payables		-	-
	(iii) Other Financial Liabilities		-	-
	(b) Other Current Liabilities	<u>7</u>	450	604
	Total Equity & Liabilities		10,55,450	10,55,604
	Material Accounting Policies. The accompanying notes form an integral part of these financial statements	Notes 1 & 2		

As per our report of even date as attached

For Patel Shah & Joshi

Chartered Accountants

Firm Regn. No. 107768W

CA Jayant. Mehta

Partner

Membership No.:42630



Place : Mumbai

Date : May 26, 2025

For & on behalf of the Board of Directors

S. Mahadevan Iyer

(Director)

DIN 03127463

Place : Nagpur

Date : May 26, 2025

Ranjan Chhibba

(Director)

DIN 02596868

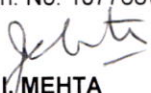


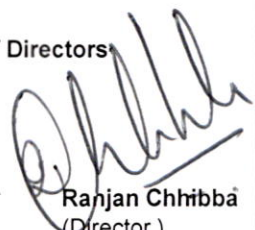
SUNFLAG POWER LIMITED

B-203, MOUNT VIEW APARTMENT, NEAR ANSAL GREEN VALLEY

DEHRADUN — 248001 (UTTARAKHAND)

CIN : U31200UR2003PLC027802

Cash Flow Statement As at 31st March 2025

PARTICULARS	Year Ended 31.03.2025	Year Ended 31.03.2024
	(Rs)'00	(Rs)'00
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/(LOSS) BEFORE TAX & EXTRAORDINARY ITEMS	-	-
ADJUSTMENTS FOR :		
OTHER NON-CASH CHARGES	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	-	-
(INCREASE)/DECREASE IN CURRENT ASSETS	-	-
INCREASE/(DECREASE) IN CURRENT LIABILITIES	(154)	604
INCOME TAX PAID	-	-
NET CASH FLOW FROM ACTIVITIES (A)	(154)	604
B. CASH FLOW FROM INVESTING ACTIVITIES :		
CAPITAL EXPENDITURE ON FIXED ASSETS , INCLUDING CAPITAL ADVANCES	-	-
INCREASE IN WIP	(6,757)	(13,446)
UNAMORTISED EXPENSES	-	-
DEFERRED REVENUE EXPENDITURE	-	-
TOTAL	(6,757)	(13,446)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
PROCEEDS FROM HOLDING COMPANY	-	19,823
SUB TOTAL - C	-	19,823
D		
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(6,911)	6,981
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	11,477	4,496
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	4,566	11,477
As per our report attached		
For PATEL, SHAH & JOSHI Chartered Accountants Firm Regn. No. 107768W  JAYANT J. MEHTA PARTNER Membership No: 42630  Place : Mumbai Date : May 26, 2025	For & on behalf of the Board of Directors  S. Mahadevan Iyer (Director) DIN 03127463 Place : Nagpur Date : May 26, 2025	 Ranjan Chhibba (Director) DIN 02596868

Note

No.

1 **CORPORATE INFORMATION**

Sunflag Power Ltd. (SPL) is a special purpose vehicle promoted by Sunflag Iron & Steel Co. Ltd for setting up of a **60 MW** run-of-river hydropower project in Uttarakhand. Hanol Tiuni hydel scheme is proposed across Tons River, one of the main tributary to the river Yamuna.

2 **MATERIAL ACCOUNTING POLICIES :**

2.1 **Basis of Preparation of Accounts :**

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable Accounting Standards issued under Section 133 of the Companies Act, 2013, and as per Schedule III division I issued under section 129(1) of the companies Act, 2013

2.2 **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.

2.3 **Capital work-in-progress:**

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.4 **Depreciation**

No depreciation is charged on freehold land, incase of other assets depreciation is provided based on usefull life as defined Schedule II of the companies, 2013

2.5 **Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.6 **Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.



Note – 3 : FIXED ASSETS TANGIBLE AND INTANGIBLE

FY 2024-25

FIXED ASSETS							Amount in Rs.'00			
Sl. No.	Particulars	Rate of Depreciation (S.L.M)	GROSS BLOCK AT COST		ACCUMULATED DEPRECIATION		NET BLOCK			
			AS ON 01.04.2024	ADDITIONS DURING YEAR	TOTAL AS AT 31.03.2025	AS ON 01.04.2024	DEPRICIATION CHARGE FOR THE YEAR	BALANCE AS AT 31.03.2025	W.D.V. AS AT 31.03.2025	W.D.V. AS AT 31.03.2024
1	Freehold Land	-	16,800		16,800	-	-	16,800	16,800	
2	Light Vehilces		24,609	0	24,609	23,378	-	1,230	1,230	
	Total		41,409	0	41,409	23,378	-	18,030	18,030	
Previous Year			41,409		41,409	23,378	-	18,030	18,030	



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Note - 4 : Unamortised Expenses to the extent not written off relating to preliminary expenses

Note – 5 : CASH AND CASH EQUIVALENT

Amount in Rs.'00

Particulars	As at	As at
	31.03.2025	31.03.2024
Cash in hand	-	-
Cash at Bank		
In SBI Tuini	190	7,101
In HDFC Nagpur	4,376	4,376
Total	4,566	11,477

Note – 6 : SHARE CAPITAL

Particulars	As at	31.03.2025	As at	31.03.2024
	Number	Amount in Rs.'00	Number	Amount in Rs.'00
Authorised Share Capital				
100,00,000 Equity Shares of Rs.10 each	1,00,00,000	10,00,000	1,00,00,000	10,00,000
Issued, Subscribed and Paid-up Share Capital				
50,00,000 Equity Shares of Rs.10 each	50,000	5,000	50,000	5,000
Total	50,000	5,000	50,000	5,000

i) There are no different rights, preferences and restrictions attached to any shares.

ii) Details of Shareholders holding more than 5% shares

Name of Share Holder	As at	As at
	31.03.2025	31.03.2024
Sunflag Iron & Steel Company. Limited		
No. of Shares Held	49940	49940
% of Holding	99.88%	99.88%

Note – 7 : OTHER CURRENT LIABILITIES

Amount in Rs.'00

Particulars	As at	As at
	31.03.2025	31.03.2024
TDS payable	-	29
CGST payable	-	63
SGST payable	-	63
Other payables	450	450
Total	450	604



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Note – 08 : Related Party Disclosure

	Relationship
Sunflag Iron & Steel Company. Limited	Ultimate Holding Company
A. Mr Ravi Bhushan Bhardwaj	Directors and Key managerial Personnel
B. Mr Pranav Bhardwaj	
C. Mr S.Mahadevan Iyer	
D. Mr Ranjan Chhibba	

- a) Details of related party transactions during the period ended 31st Mar 2025 and balances outstanding as at 31st Mar 2025

Particulars	Amount in Rs.'00	
	As on	As on
	31.03.2025	31.03.2024
Oustanding as at the end of year	-	-

- b) Borrowings

Particulars	Amount in Rs.'00	
	As on	As on
	31.03.2025	31.03.2024
Unsecured loan		
Debentures:		
Zero Coupon Compulsory Convertible	10,50,000	10,50,000
Total	10,50,000	10,50,000

For Patel Shah & Joshi
Chartered Accountants
Firm Regn. No. 107768W

CA Jayant. Mehta
Partner
Membership No.:42630

Place : Mumbai
Date : May 26, 2025



For & on behalf of the Board of Directors

S.Mahadevan Iyer
(Director)
DIN 03127463

Place : Nagpur
Date : May 26, 2025

Ranjan Chhibba
(Director)
DIN 02596868