

**Independent Auditor's Report**

**To the Members of Supreme Suyog Funnicular Ropeways Private Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

1. We have audited the accompanying financial statements of Supreme Suyog Funnicular Ropeways Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2021, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing 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 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Related to Going Concern**

4. We draw attention to Note 26 to the standalone financial statement, which indicates that the Company incurred a net loss of Rs.15.16 lakhs during the year ended 31 March 2021 and, as of that date; the Company's current liabilities exceeded its current assets by Rs. 10,694.64 lakhs. These conditions, along with other matters as set forth in the aforesaid note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, based on ongoing discussion with the lenders for restructuring of the loans, further equity infusion by the promoters, and other mitigating factors mentioned in the aforementioned note, management is of the view that going concern basis of accounting is appropriate. Our opinion is not modified in respect of this matter.

**Emphasis of matters:**

5. We draw attention to note 3.1 to the accompanying financial statements with respect to the Company's intangible assets under development as at 31 March 2021 aggregating Rs.14525.10 lakhs, which is being substantially carry forward from earlier years in respect of cost incurred for construction of Funicular Ropeway under the BOT scheme. Based on the valuation report obtained, legal opinion and other matters as set forth in the aforesaid note, the management believes that no adjustment is required to the carrying value of the aforesaid balance. Our opinion is not modified in respect of this matter.



### **Information other than the Financial Statements and Auditor's Report thereon**

6. The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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

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

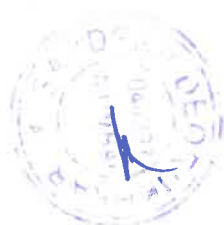
If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

### **Responsibilities of Management for the Financial Statements**

7. 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 financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the 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.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

9. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.
10. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the 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 control 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 explaining 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. 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.


#### **Report on Other Legal and Regulatory Requirements**

12. The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I as statement on the matters specified in paragraphs 3 and 4 of the Order.
14. Further to our comments in Annexure I, 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 purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
  - e) the matters described in paragraph 4 Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Company;
  - f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
  - g) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as at 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 18<sup>th</sup> September 2021 as per Annexure II expressed unmodified; and



- 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 (as amended), 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 as at 31 March 2021;
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021

For **CA Sandesh Deorukhkar**  
Chartered Accountants

  
**CA Sandesh Deorukhkar**  
Proprietor  
Membership No.: 044397  
UDIN : 21044397AAAADN2341



Place: Mumbai  
Date: 18<sup>th</sup> September 2021

**Annexure I to the Independent Auditor's report of even date to the members of Supreme Suyog Funnicular Ropeways Private Limited on the financial statements for the year ended 31 March 2021**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnership ships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Tax Deducted at Source – 194C	19.21	April 2015 to March 2021	Various date	Not yet paid
	Tax Deducted at Source – 194J	18.32	May 2014 to March 2021	Various date	Not yet paid
	Interest on Delayed Payment of Tax Deducted at Source	43.60	March 2015 to March 2021	Various date	Not yet paid

- (b) There are no dues in respect of income-tax, goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.





- (viii) There are no loans or borrowings payable to government and no dues payable to debenture-holders. The Company has defaulted in repayment of following dues representing principal and interest on borrowings to the following banks and financial institutions during the year, which were not paid on or before the balance sheet date.

Banks/Financial institution	Principal amount of default as at 31 March 2021 (Rs. in Lakhs)	Interest amount of default as at 31 March 2021 (Rs. in Lakhs)	Period of default
SBI			0 to 90 days
			91 - 180 days
	5,901.75	2,180.84	more than 181 days
<b>Total</b>	<b>5,901.75</b>	<b>2,180.84</b>	

- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied to the purposes of which the loans were obtained.
- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **CA Sandesh Deorukhkar**  
Chartered Accountants

**CA Sandesh Deorukhkar**  
Proprietor  
Membership No.: 044397  
UDIN : 21044397AAAADN2341



Place: Mumbai  
Date: 18<sup>th</sup> September 2021

## **Annexure – 2 to the Auditors Report**

### **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SUPREME SUYOG FUNICULAR ROPEWAYS PRIVATE LIMITED**

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

To the Members of Supreme Suyog Funicular Ropeways Private Limited

We were engaged to audit the internal financial controls over financial reporting of Supreme Suyog Funicular Ropeways Private Limited ("the Company") as of March 31, 2021, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

#### **Auditor's 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 as specified 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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, 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, 2021, 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 CA Sandesh Deorukhkar  
Chartered Accountants



CA Sandesh Deorukhkar  
Proprietor  
Membership No.: 044397  
UDIN : 21044397AAAADN2341

Place: Mumbai  
Date: 18<sup>th</sup> September 2021



**AUDITED**  
**BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2021**

**Supreme Suyog Funicular Ropeways Private Limited**

**Supreme Suyog Funicular Ropeways Private Limited**  
**Balance Sheet as at 31 March 2021**

	Note No.	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets under development	3	14,525.10	13,443.83
Financial assets			
Other financial assets	4	31.39	34.93
Other non-current assets	5	6.19	6.19
<b>Total non-current assets</b>		<b>14,562.68</b>	<b>13,484.95</b>
<b>Current assets</b>			
Financial assets			
Cash and cash equivalents	6	0.11	0.34
Other financial assets	4	3.55	3.55
Other current assets	5	0.05	1.81
<b>Total current assets</b>		<b>3.71</b>	<b>5.69</b>
<b>TOTAL ASSETS</b>		<b>14,566.39</b>	<b>13,490.64</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	7	10.00	10.00
Subordinated debt	7	3,900.00	3,900.00
Other equity		(41.96)	(26.80)
<b>Total equity</b>		<b>3,868.04</b>	<b>3,883.20</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	8	-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>-</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade Payable	9	168.83	169.87
Borrowings	8	666.89	666.89
Other financial liabilities	10	9,781.50	8,696.79
Other current liabilities	11	81.14	73.90
<b>Total current liabilities</b>		<b>10,698.35</b>	<b>9,607.45</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>14,566.39</b>	<b>13,490.64</b>

Notes 1 to 25 form an integral part of the financial statements

This is the Balance Sheet referred to in our audit report of even date

**For CA Sandesh Deorukhkar**  
Chartered Accountants

  
**CA Sandesh Deorukhkar**  
Proprietor  
Membership No.: 044397

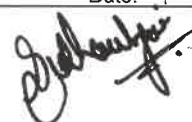
**For and on behalf of the Board of Directors**

  
**Vikram Sharma**  
Director  
DIN: 01249904

  
**Shyam Khandelwal**  
Director  
DIN No.: 08912505

Place: Mumbai  
Date:

Place: Mumbai  
Date:





**Supreme Suyog Funnicular Ropeways Private Limited**  
**Statement of Profit and Loss for the year ended 31 March 2021**

	Note No.	Year ended 31 March 2021 Rs. in lakhs	Year ended 31 March 2020 Rs. in lakhs
<b>Income</b>			
Contract Revenue	12	-	83.66
<b>Total income</b>			<b>83.66</b>
<b>Expenses</b>			
Cost of Construction	13	-	74.70
Employee Benefit Expenses	14	-	5.53
Finance costs	15	10.39	10.17
Other expenses	16	4.77	1.18
<b>Total expenses</b>		<b>15.16</b>	<b>91.58</b>
<b>Profit/(loss) before tax</b>		<b>(15.16)</b>	<b>(7.92)</b>
<b>Tax expense</b>			
Current income tax			-
Deferred income tax / (credit)			
<b>Profit/(loss) for the year (A)</b>		<b>(15.16)</b>	<b>(7.92)</b>
<b>Other comprehensive income</b>			
Items not to be reclassified subsequently to profit or loss			
Items to be reclassified subsequently to profit or loss			
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year, net of tax (A+B)</b>		<b>(15.16)</b>	<b>(7.92)</b>
Earnings/(loss) per equity share of nominal value Rs. 10 each Basic and diluted (in Rs.)	17	(15.16)	(7.92)

Notes 1 to 25 form an integral part of the financial statements

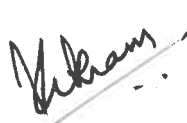
This is the Statement of Profit and Loss referred to in our audit report of even date


**For CA Sandesh Deorukhkar**  
Chartered Accountants

  
  
**CA Sandesh Deorukhkar**  
Proprietor  
Membership No.: 044397

Place: Mumbai  
Date:

**For and on behalf of the Board of Directors**

  
**Vikram Sharma**  
Director  
DIN: 01249904

  
**Shyam Khandelwal**  
Director  
DIN No.: 08912505

Place: Mumbai  
Date:





**Supreme Suyog Funnicular Ropeways Private Limited**  
**Cash Flow Statement for the year ended 31 March 2021**

	Year ended 31 March 2021 Rs. in lakhs	Year ended 31 March 2020 Rs. in lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before tax	(15.16)	(7.92)
Adjustments for:		
Provision		
Finance costs	1,077.00	1,041.07
	<u>1,077.00</u>	<u>1,041.07</u>
<b>Operating profit/(loss) before working capital changes</b>	<b>1,061.85</b>	<b>1033.15</b>
<b>Change in Operating assets and liabilities</b>		
Increase /(decrease) in other financial asset- Non Current	3.55	3.55
Increase / (decrease) in other financial asset- Current		
Increase /(decrease) in other current assets	1.76	146.07
Increase / (decrease) in trade and other payables	6.20	14.90
	<u>11.50</u>	<u>164.51</u>
<b>Cash generated from/(used in) operations</b>	<b>1,073.35</b>	<b>1197.67</b>
Direct taxes paid	-	-
<b>Net cash generated from/(used in) operating activities</b>	<b>1,073.35</b>	<b>1197.67</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to intangible assets under development (including movement of capital advance and payable for capital expenditure)	(1,073.57)	(1,260.60)
<b>Net cash used in investing activities</b>	<b>(1,073.57)</b>	<b>(1,260.60)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Subordinated debt	-	-
Proceeds from long term borrowings	-	(29.97)
Proceeds from short term borrowings	-	-
Interest and other finance charges paid	-	7.65
<b>Net cash generated from financing activities</b>	<b>0</b>	<b>(22.32)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(0.22)</b>	<b>(85.26)</b>
Cash and cash equivalents at the beginning of the year	0.34	85.60
Cash and cash equivalents at the end of the year (Refer note 6)	<u>0.11</u>	<u>0.34</u>
	<u>(0.22)</u>	<u>(85.26)</u>

Notes 1 to 22 form an integral part of the financial statements

This is the Cash Flow Statement referred to in our audit report of even date

For CA Sandesh Deorukhkar  
Chartered Accountants

CA Sandesh Deorukhkar  
Proprietor  
Membership No.: 044397

For and on behalf of the Board of Directors

Vikram Sharma  
Director  
DIN: 01249904

Shyam Khandelwal  
Director  
DIN No.: 08912505

Place: Mumbai  
Date:

Place: Mumbai  
Date:



**Supreme Suyog Funnicular Ropeways Private Limited**  
**Statement of Change in Equity for the year ended 31 March 2021**

**a) Equity share capital**

Particulars	Number	Rs. in lakhs
Equity shares of Rs. 10 each issued, subscribed and paid		
As at 31 March 2019	100,000	10.00
Issue of equity shares	-	-
As at 31 March 2020	100,000	10.00
Issue of equity shares	-	-
As at 31 March 2021	100,000	10.00

**b) Other equity**

Particulars	Capital Contribution from ultimate holding company	Rs. in lakhs	
		Reserves and surplus	Total other equity
		Retained earnings	
As at 31 March 2019	42.81	(61.69)	(18.88)
Profit for the year	-	(7.92)	(7.92)
As at 31 March 2020	42.81	(69.61)	(26.80)
Profit for the year	-	(15.16)	(15.16)
As at 31 March 2021	42.81	(84.77)	(41.96)

**Subordinated debt**

- i) Subordinated debt is the part of Sponsors Equity from the promoters of the Company for the project which is unsecured and interest free as per Common Loan Agreement with the lenders;  
ii) Repayment/redemption/interest servicing will be at the discretion of the borrower.

Notes 1 to 25 form an integral part of the financial statements

This is the Statement of Changes in Equity referred to in our audit report of even date

**For CA Sandesh Deorukhkar**

Chartered Accountants

CA Sandesh Deorukhkar  
Partner  
Membership No.: 044397

Place: Mumbai  
Date:

**For and on behalf of the Board of Directors**

Vikram Sharma  
Director  
DIN No.: 01249904

Place: Mumbai  
Date:

Shyam Khandelwal  
Director  
DIN No.: 08912505





**Supreme Suyog Funnicular Ropeways Private Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

**Note 1 Corporate Information**

Supreme Suyog funnicular Ropeways Private Limited ('the Company') is a private limited company incorporated and domiciled in India on 10th April 2008. The Company has been set up to develop, establish, construct and maintain a project relating to the construction of a Funnicular Ropeway at Hajimalang Gad. The registered office of the Company is located at 8, Bhiwani Services Industrial Estate, 3rd Floor, I.I.T. Main Gate Powai, Mumbai-400076

The financial statements of the Company for the year ended 31 March 2021 were authorised for issue in accordance with resolution of the Board of Directors on 18 September 2021.

**Note 2.1 Significant Accounting Policies**

**i Basis of Preparation**

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project including defect liability period and extends up to the payment of liabilities (including retention monies) within the agreed credit period normally applicable to the project.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

**ii Accounting Estimates**

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

**Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Deferred tax assets**

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

**iii Intangible Assets**

Under the Concession Agreements, where the Company has received the right to charge users of the public service, such rights are recognised and classified as "Intangible Assets". Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognised and classified as intangible assets. Intangible asset under development is recognised by the Company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized as Toll Collection Rights (Intangible assets) when the project is complete in all respects and when the companies receives the completion certificate from the authority as specified in the Concession Agreement.



Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired is their fair value at the date of transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2015 of its intangible assets under development and used that carrying value as the deemed cost of the intangible assets under development on the date of transition i.e. 1 April 2015.

**iv Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**a Financial Assets**

**Initial Recognition**

In the case of financial assets not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

**Financial Assets at Amortised Cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit

**Financial Assets Measured at Fair Value**

Financial assets are measured at fair value through other comprehensive income ("OCI") if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

**Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

**De-recognition of Financial Assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

**b Equity Instruments and Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.



**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

**Financial Liabilities**

**Initial Recognition**

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Subsequent Measurement**

The measurement of financial liabilities depends on their classification, as described below

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. However, the company has borrowings at floating rates. Considering that the impact of restatement of effective interest rate, year on year due to reset of interest rate, is not material and hence the company is amortising the transaction cost in straight line basis over the tenure of the loan. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the transaction cost amortisation process. This category generally applies to borrowings.

**Financial liabilities at FVPL**

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

**Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

**De-recognition of Financial Liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**c Offsetting Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

**v Cash and Cash Equivalents**

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short-term deposits with an original maturity of three month or less, which are subject to an insignificant risk of changes in value.

**vi Borrowing Costs**





Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

**a Contract revenue**

Contract revenue associated with the construction of road are recognised as revenue by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed up to the balance sheet date bears to the estimated total contract costs. Margin on contract cost has not been considered since the Company has given back to back the contract to its co-venturer i.e Supreme Infrastructure India Limited.

Contract cost includes costs that relate directly to the specific contract and allocated costs that are attributable to the construction of the project. Cost that cannot be attributed to the contract activity such as general administration costs are expensed as incurred and classified as other expenses.

**c Interest income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rates applicable. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the Statement of Profit and Loss.

**viii Income Tax**

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

**a Current Income Tax**

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**b Deferred Income Tax**

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

**ix Impairment of Non-Financial Assets**

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In case of an individual assets, at the higher of fair value of less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value of less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.



**x Earnings Per Share**

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

**xi Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

**xii Segment Information**

The Company is engaged in "Road Infrastructure Projects" which in the context of Ind AS 108 "Operating Segment" notified under section 133 of the Act is considered as the only segment. The Company's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

**Note 2.2 Recent accounting pronouncements**

**Standard issued but not yet effective**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Company from 1 April 2017.

**Amendment to Ind AS 7:**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

**xiv Segment information**

The Company is engaged in "Road Infrastructure Projects" which in the context of Ind AS 108 "Operating Segment" notified under section 133 of the Act is considered as the only segment. The Company's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

**Note 2.2 Recent accounting pronouncements**

**Standards issued but not yet effective**

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments** : On 30 March 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1 April 2019. The Company will adopt the standard on 1 April 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. 1 April 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the financial statements.

**Ind AS - 116 Leases-**

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.





**Supreme Suyog Funicular Ropeways Private Limited****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
<b>Note 3 Intangible assets under development</b>		
Intangible assets under development	13,443.83	12,321.89
Add: Addition during the year	1,081.27	1,121.93
<b>Total Intangible assets under development</b>	<b>14,525.10</b>	<b>13,443.83</b>
<b>Note 3.1</b>		
Intangible Assets under Development (IAUD) as at 31 March 2021 represents amounts aggregating 14,525.10 lakhs, substantially being carried from earlier years in respect of a project presently under construction. The commercial operation date (COD) of the project was delayed due to various reasons attributable to the client primarily due to nonavailability of right of way, environmental clearances etc. and having regard to the same the Client has already extended the time for completion of project upto 31st December 2018. The Company has now received the requisite right of way, however, considering the substantial delay caused, the Company has applied for further extension of time upto 28 January 2020 for completion of the project, approval for which is presently awaited and the management is confident of getting the same approved from Client. Considering the contractual tenability and independent valuation, management is confident of realization of the carrying value of the costs incurred without any loss to the company and accordingly believes that no adjustments are required to the carrying value of the IAUD as at 31 March 2021.		
<b>Note 4 Other financial assets</b>		
<b>Non-current</b>		
Security and other deposits	22.52	22.52
Financial guarantees	8.87	12.41
<b>Total non-current financial assets</b>	<b>31.39</b>	<b>34.93</b>
<b>Current</b>		
Financial guarantees	3.55	3.55
<b>Total current financial assets</b>	<b>3.55</b>	<b>3.55</b>
<b>Total other financial assets</b>	<b>34.93</b>	<b>38.48</b>
<b>Note 5 Other assets</b>		
<b>Non-current</b>		
Capital advances-		
to related parties	-	-
to others	6.19	6.19
<b>Total other non-current assets</b>	<b>6.19</b>	<b>6.19</b>
<b>Current</b>		
Advance to vendors	0.05	-
Others	-	1.81
<b>Total other current assets</b>	<b>0.05</b>	<b>1.81</b>
<b>Total other assets</b>	<b>6.24</b>	<b>8.00</b>
<b>Note 6 Cash and cash equivalents</b>		
a) Balances with banks	0.11	0.34
b) Cash on hand	-	-
<b>Total cash and cash equivalents</b>	<b>0.11</b>	<b>0.34</b>



**Supreme Suyog Funnicular Ropeways Private Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
<b>Note 7 Equity share capital</b>		
<b>Authorised share capital</b>		
500,000 Equity shares of Rs. 10 each	50.00	50.00
(31 March 2020: 500,000 equity shares of Rs. 10 each)		
<b>Total authorised equity share capital</b>	<b>50.00</b>	<b>50.00</b>
<b>Issued, subscribed and paid-up equity share capital:</b>		
100,000 Equity shares of Rs. 10 each fully paid up	10.00	10.00
(31 March 2020: 100,000 equity shares of Rs. 10 each)		
<b>Total issued, subscribed and paid-up equity share capital</b>	<b>10.00</b>	<b>10.00</b>

**a. Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year**

	Number
As at 31 March 2019	100,000
Issued during the year	-
As at 31 March 2020	100,000
Issued during the year	-
As at 31 March 2021	100,000
Issued during the year	-

**b. Terms/rights attached to equity shares:**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, if any.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c. Shares held by holding company**

Equity shares of ₹10 each held by Supreme Infrastructure BOT Private Limited, the Holding Company holds 98,000 equity shares (31 March 2020: 98,000 equity shares) in the Company.

**d. Shareholding of more than 5%:**

	As at 31 March 2021		As at 31 March 2020	
Name of the Shareholder	% held	No. of shares	% held	No. of shares
Supreme Infrastructure BOT Private Limited	98.00%	98,000	98.00%	98,000

**e. Bonus shares/ buy back/shares for consideration other than cash issued during past five years:**

The Company has neither issued any bonus shares, shares issued for consideration other than cash nor has there been any buy back of shares during past 5 years.

**f. Reconciliation of the subordinated debts outstanding at the beginning and at the end of the reporting year**

	Rs. in lakhs
As at 31 March 2019	3,900.00
Issued during the year	-
As at 31 March 2020	3,900.00
Issued during the year	-
As at 31 March 2021	3,900.00

**g. Details of the holding more than 5% sub-ordinated debt in the Company**

	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
Name of the Shareholder		
Supreme Infrastructure BOT Holdings Private Limited	3,900.00	3,900.00

**h. Subordinated debt is the part of Sponsors Equity from the promoters of the Company for the project which is unsecured and interest free as per Common Loan Agreement with the lenders**



**Supreme Suyog Funnicular Ropeways Private Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

Note 8	Borrowings	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
	<b>Secured</b>		
	<b>Non-current portion:</b>		
	Term loan from banks (Refer note 8.1)	-	-
	<b>Total non-current borrowings</b>	-	-
	<b>II. Unsecured</b>		
	Compulsory Convertible Debentures		
	<b>Subtotal</b>		
	<b>Current maturities of long-term borrowings</b>		
	Term loan from banks (Refer note 8.1)	5,901.75	5,901.75
	<b>Total current maturities of long-term borrowings</b>	<b>5,901.75</b>	<b>5,901.75</b>
	<b>Total Long Term Borrowings</b>	<b>5901.75</b>	<b>5901.75</b>
	<b>Current Borrowings</b>		
	<b>I. Unsecured</b>		
	-From related parties	666.89	666.89
	<b>Total current borrowings</b>	<b>666.89</b>	<b>666.89</b>
	<b>Total borrowings</b>	<b>6,568.64</b>	<b>6,568.64</b>

**Note 8.1: Details of security and terms of repayment**

**Repayment**

(a) These Term loans carry interest in the range of Base Rate plus 2.75% and were repayable in 121 to 132 monthly installments commencing from the month ending September 2017.

**Security**

(a) The whole of the Borrower's movable fixed assets present and future including its movable plant and machinery, equipments, machinery spares, tools and accessories, electrical fittings, furniture and fixtures, information technology systems and installations, vehicle, and other movable assets, both present and future,

b. A first charge on all intangible assets of the Borrower including but not limited to the goodwill, undertaking and uncalled capital of the Borrower, both present and future.

c. A first charge of all the cash flows, revenues and receivables of the Borrower of whatever nature and whosoever arising, both present and future.

d. A first charge on Trust and Retention Account/Escrow Account and other reserves and any other bank accounts required to be maintained / created by the Borrower under any project document or contract and any other bank accounts of the Borrower, wherever mentioned.

e. Assignment or creation of security interest of first ranking in all the rights, title, interest, benefits, claims and demands whatsoever of the company

i) In the project documents (including but not limited to the concession agreement, EPC Contracts etc.);

ii) Permits, approvals and clearances pertaining to the project.

iii) Any Letter of Credit, Guarantees, performance bond provided by any party to the project documents;

iv) All insurance contracts/insurance proceeds pertaining to the project

**Collateral:-**Pledge of 51% share capital of the Borrower till tenure of debt held by M/s Supreme Infrastructure BOT Private Ltd.

**Corporate Guarantee:-** Corporate guarantee is given by Supreme Infrastructure India Limited towards these loans.

**Note 8.2 Default Summary**

**a. Principal amounts :**

Particulars	0-90 days	91-180 days	181 & Above	Total
Secured				
From Banks	-	-	5,901.75	5,901.75
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,901.75</b>	<b>5,901.75</b>

**b. Interest amounts :**

Particulars	0-90 days	91-180 days	181 & Above	Total
Secured				
From Banks	215.77	215.77	672.31	1,103.84
<b>Total</b>	<b>215.77</b>	<b>215.77</b>	<b>672.31</b>	<b>1,103.84</b>



**Supreme Suyog Funnicular Ropeways Private Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

**Note 8.3 Net debt reconciliation**

An analysis of net debt and the movement in net debt for the year ended 31 March 2021 is as follows:

	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
	Amount	Amount
Cash and Cash equivalents	(0.11)	(0.34)
Non-current borrowings (including interest accrued and current maturities of long term borrowings)	8,749.48	7,672.48
<b>Net debt</b>	<b>8,749.37</b>	<b>7,672.15</b>

	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
<b>Note 9 Trade Payable</b>		
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 9.1)		-
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	168.83	169.87
<b>Total Trade Payable</b>	<b>168.83</b>	<b>169.87</b>

**9.1 Details of dues to Micro and Small enterprises as defined under the Micro Small and Medium Enterprises Development Act (MSMED) Act, 2006**

There are no Micro and Small Enterprises, to whom the Company owes dues and which are outstanding as at 31 March 2021. This information as required to be disclosed under the MSMED has been determined to the extent such parties have been identified on the basis of information available with the Company. There is no interest paid or payable during the year.

	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
<b>Note 10 Other current financial liabilities</b>		
Current maturities of long-term borrowings	5,901.75	5,901.75
Interest accrued and due on borrowings	2,180.84	1,103.84
Employee related payable	17.59	17.59
Due for capital expenditure		
- To related parties	1,681.31	1,673.61
- to others		
<b>Total current financial liabilities</b>	<b>9,781.50</b>	<b>8,696.79</b>
Other financial liabilities carried at amortised cost	9,781.50	8,696.79

	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
<b>Note 11 Other current liabilities</b>		
Statutory dues payable	81.14	73.90
<b>Total other current liabilities</b>	<b>81.14</b>	<b>73.90</b>



**Supreme Suyog Funnicular Ropeways Private Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

	Year ended 31 March 2021 Rs. in lakhs	Year ended 31 March 2020 Rs. in lakhs
<b>Note 12 Revenue from operations</b>		
Contract revenue	-	74.70
Parking Fee	-	8.97
<b>Total revenue from operations</b>	<b>-</b>	<b>83.66</b>
<b>Note 13 Cost of construction</b>		
Subcontracting	-	72.17
Site related		
Utility shifting		
Legal and professional	-	2.52
Insurance	-	-
Miscellaneous	-	-
<b>Total cost of construction</b>	<b>-</b>	<b>74.70</b>
<b>Note 14 Employee Cost</b>		
Salaries and Wages	-	5.53
	-	5.53
<b>Note 15 Finance costs</b>		
Interest expense on:		
- Borrowings	1,077.00	1,041.07
- others	6.84	6.63
Other finance cost	3.77	5.43
	1,087.61	1,053.13
Less: Finance costs capitalised into intangible asset under development (Refer note 3)	(1,077.23)	(1,042.95)
<b>Total finance costs</b>	<b>10.39</b>	<b>10.17</b>

<b>Note 16 Other expenses</b>		
Auditors' remuneration (including goods and service tax)	4.72	1.18
Other Expenses	0.05	-
<b>Total other expenses</b>	<b>4.77</b>	<b>1.18</b>

**Note Auditor's Remuneration**

Particulars	Year ended 31 March 2021 Rs. in lakhs	Year ended 31 March 2020 Rs. in lakhs
Audit Fees	4.00	1.00
For other Matters	-	-
Total	4.00	1.00
Goods and Service Tax	0.72	0.18
Grand Total	4.72	1.18

**Note 17 Earnings per share (EPS)**  
**Basic and diluted EPS**

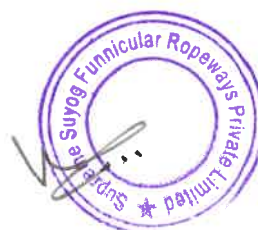
A. Profit computation for basic earnings per share of Rs. 10 each

Net profit as per the Statement of Profit and Loss available for equity shareholders

B. Weighted average number of equity shares for EPS computation

C. EPS - Basic and Diluted EPS

(Rs. in lakhs)	(15.16)	(7.92)
(Nos.)	100,000	100,000
(Rs. in lakhs)	(15.16)	(7.92)





**Supreme Suyog Funnicular Ropeways Private Limited**  
**Notes to the Financial Statements for the year ended 31st March 2021**

**Note 18 Related party disclosures :**

**(a) Names of related parties and description of relationship**

- (i) **Ultimate Holding Company**  
Supreme Infrastructure India Limited
- (ii) **Holding Company**  
Supreme Infrastructure BOT Private Limited
- (iii) **Fellow Subsidiaries**  
Supreme Infraprojects Pvt Ltd  
Supreme Vasai Bhiwandi Tollways Private Limited  
Kotkapura Mukstar Tollways Private Limited  
Kopargaon Ahmednagar Phase-1 Tollways Private Limited  
Mohol Kurul Kamati Mandrup Tollways Private Limited  
Supreme Manor Wada Bhiwandi Tollways Private Limited
- (iv) **Key Management Personnel:**  
Mr. Vikram Bhavanishankar Sharma  
Mr. Vikas Bhawani Sharma
- (v) **Common Director**  
BVR Infracorp Private Limited  
VSB Infracorp Private Limited

**(b) The transactions with related parties for the year are as follows:**

Nature of Transaction	31 March 2021	31 March 2020
<b>Capital Expenditure Incurred</b>		
Supreme Infrastructure India Limited	-	72.17
<b>Loan Taken</b>		
Supreme Infrastructure India Limited	-	71.21
Supreme Infrastructure BOT Private Limited	7.70	3.23
<b>Loan Repaid</b>		
Supreme Infrastructure India Limited	-	213.11

**(c) Balances at the year end :**

Particulars	31 March 2021	31 March 2020
<b>Corporate Guarantee for Loan taken by Company</b>		
Supreme Infrastructure India Limited	6,000.00	6,000.00
<b>Compulsorily Convertible Debentures (CCD)</b>		
Supreme Infrastructure BOT Private Limited	3,900.00	3,900.00
<b>Due for Capital Expenditure</b>		
Supreme Infrastructure India Limited	523.45	523.45
<b>Loan</b>		
Supreme Infrastructure India Limited	338.49	338.49
Supreme Infrastructure BOT Private Limited	861.26	853.56
BVR Infracorp Private Limited	245.00	245.00
VSB Infracorp Private Limited	340.00	340.00
Supreme Bungalows Pvt. Ltd.	40.00	40.00



#### Note 19 Financial instruments

The fair value of the financial assets are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

(a) Fair value of cash, short term receivables, trade payables, other current financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments

(b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

#### A Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2021 were as follows:

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at		Financial assets/ liabilities at		Total carrying value	Rs. in lakhs
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		Total fair value
<b>Assets:</b>								
Others financial assets	4	34.93	-	-	-	-	34.93	34.93
Cash and cash equivalents	6	0.11	-	-	-	-	0.11	0.11
<b>Liabilities:</b>								
Borrowings (non-current)	8	6,568.64	-	-	-	-	6,568.64	6,568.64
Other financial liabilities	10	3,879.75	-	-	-	-	3,879.75	3,879.75

The carrying value and fair value of financial instruments by categories as at 31 March 2020 were as follows:

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at		Financial assets/ liabilities at		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>								
Others financial assets	4	38.48	-	-	-	-	38.48	38.48
Cash and cash equivalents	6	0.34	-	-	-	-	0.34	0.34
<b>Liabilities:</b>								
Borrowings (non-current)	8	6,568.64	-	-	-	-	6,568.64	6,568.64
Other financial liabilities	10	2,795.04	-	-	-	-	2,795.04	2,795.04

#### B Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)



**Supreme Suyog Funicular Ropeways Private Limited**  
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

**Note 20 Financial risk management objectives and policies**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**i Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk majorly includes interest rate risk. Major financial instruments affected by market risk includes loans and borrowings bearing floating interest rate.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

	Year ended 31 March 2021 Rs. in lakhs	Year ended 31 March 2020 Rs. in lakhs
Increase in interest rate by	1%	1%
Effect on profit before tax	(65.69)	(65.69)
Decrease in interest rate by	1%	1%
Effect on profit before tax	65.69	65.69

**ii Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt from lenders at an optimised cost.

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	Less than 1 year	1 - 5 years	More than 5 years	Rs. in lakhs Total
<b>As at 31 March 2021</b>				
Borrowings	6,568.64	-	-	6,568.64
Other financial liabilities	3,879.75	-	-	3,879.75
<b>Total</b>	<b>10,448.39</b>	<b>-</b>	<b>-</b>	<b>10,448.39</b>
<b>As at 31 March 2020</b>				
Borrowings	6,568.64	-	-	6,568.64
Other financial liabilities	2,795.04	-	-	2,795.04
<b>Total</b>	<b>9,363.68</b>	<b>-</b>	<b>-</b>	<b>9,363.68</b>

At present, the Company does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.



**Supreme Suyog Funicular Ropeways Private Limited****Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021****Note 21 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total equity plus total debt.

	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
Total debt	6,568.64	6,568.64
Total equity	3,868	3,883
Total debt to total equity plus total debt (Gearing ratio %)	63%	63%

In the long run, the Company's strategy is to keep optimum gearing ratio i.e. between 60% to 95%.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. Subsequent to assignment of borrowings as stated in note 10, there have been no communications from the lenders in this regard which might have a negative impact on the gearing ratio.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

**Note 22 Income tax****Current tax**

No provision for current tax has been made as there is no taxable income/book profit for the year under the provisions of the Income-tax Act, 1961.

**Deferred tax**

The Company has not recognised deferred tax assets on timing differences, unabsorbed depreciation and carry forward of tax losses as at 31 March 2021, and 31 March 2020 in the absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

	As at 31 March 2020 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
<b>Note 23 Capital Commitments</b>		
Estimate amount of Contract remaining to be executed on capital account	1,746.18	1,746.18

**Note 24**

Particulars	As at 31 March 2021 Rs. in lakhs	As at 31 March 2020 Rs. in lakhs
Claims not acknowledged as debts :		
- Default in TDS return late filing, short payment of TDS, interest on late filing and short payment till date. The mentioned amount is subject to change due to corrections, tagging of unused balances in challans and additional filing in due course.	41.60	41.60

**Note 25**

The Company has incurred net loss of Rs. 15.16 lakhs during the year ended 31 March 2021 and has also suffered losses from operations during the preceding financial years and as of that date, its current liabilities exceeded its current assets by Rs.10,694.21 lakhs. The Company also has external borrowings from banks and financial institutions, principal and interest repayment of which has been delayed/ deviated from the provisions of the financing/ security documents. In comparison to the projected revenue, during the year there is reduction in toll collection due to reduction in traffic and growth of traffic due to economic slowdown, has resulted into the reduction in toll revenue consequentially. Considering the pending tolling tail period, Company's management is in the process of formulating a resolution plan along with the lenders, basis this, the management has prepared the financial statements on a "Going Concern basis".

This is a summary of significant accounting policies and other explanatory information referred to in our report of even date

For CA Sandesh Deorukhkar  
Chartered Accountants

CA Sandesh Deorukhkar  
Proprietor  
Membership No.: 044397

For and on behalf of the Board of Directors

  
Vikram Sharma  
Director  
DIN No.: 01249904

  
Shyam Khandelwal  
Director  
DIN No.: 08912505

Place: Mumbai  
Date:

Place: Mumbai  
Date:

