SUPREME
THE POWER OF EXCELLENCE

30th October, 2017

To,
The General Manager,
Department of Corporate Services
BSE Limited
1st Floor, P. J. towers,
Dalal Street, Mumbai - 400 001

To,
The Manager,
Listing Department,
National Stock Exchange of India Ltd.
Bandra- Kurla Complex,
Mumbai – 400 051

Dear Sir,

Sub: Submission of Annual Report 2016-17

Scrip Code: 532904/ SUPREMEINFRA

Pursuant to the Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we enclose herewith the Annual Report 2016-17 approved and adopted at the 34th Annual General Meeting of the Company, held on October 30, 2017 at 11.30 a.m.at Athena Banquet Hall, 8th Floor, B-Wing, Supreme Business Park, Hiranandani, Powai, Mumbai – 400 076.

We request you to take the same on record and oblige.

Thanking you,

Yours faithfully,
FOR SUPREME INFRASTRUCTURE INDIA LIMITED

(VIJAY JOSHI)
COMPANY SECRETARY

Supreme Infrastructure India Ltd. Mumbai

Encl. as above

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended 31 March 2017 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Amount in ₹ lakhs)

I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	112,378.64	112,378.64
	2	Total Expenditure	132,704.12	Not Ascertainable[Refer II (e) (ii) below]
	3	Net Profit/(Loss)	(20,325.48)	Not Ascertainable [Refer II (e) (ii) below]
	4	Earnings/ (Loss) Per Share	(79.19)	Not Ascertainable [Refer II (e) (ii) below]
	5	Total Assets	340,049.48	Not Ascertainable [Refer II (e) (ii) below]
	6	Total Liabilities	275,661.36	275,661.36
	7	Net Worth	64,388.12	Not Ascertainable [Refer II (e) (ii) below]

II Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

(i) Auditor's Qualification on the financial results (standalone)

(a) As stated in Note 5 (a) to the standalone financial results, the Company's trade receivables and unbilled work (other current financial assets) as at 31 March 2017 include amounts aggregating ₹ 6,616.13 lakhs and ₹ 3,074.86 lakhs respectively, in respect of projects which were closed/ terminated by the clients and where the matters are currently under negotiations/ litigation, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying standalone financial results that may arise on settlement of the aforesaid matters. Our audit opinion on the standalone financial results for the year ended 31 March 2016 was also qualified in repect of these matters.

(b) As stated in Note 5 (b) to the standalone financial results, the Company's trade receivables as at 31 March 2017 include amounts aggregating ₹ 23,507.17 lakhs in respect of projects which were closed and where the receivables remain outstanding for a substantial period, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying standalone financial results that may arise on settlement of the aforesaid matters.Our audit opinion on the standalone financial results for the year ended 31 March 2016 was also qualified in repect of these matters.

(ii) Auditor's Qualification on the Internal Financial Controls relating to above matters:

In our opinion, according to the information and explanations given to us and based on our audit procedures performed, the following material weakness has been identified in the operating effectiveness of the Company's Internal Financial Controls over Financial Reporting as at 31 March 2017:

Supreme Infrastructure India Ltd. Mumbai

WALKER CHANDIOK & Co LLP * CHARTERED ACCOUNTANTS * MUMBAI

SHAH & KATHARIYA * Chartered Accountants * Mumbai FRN No. 119171W

		The Company's internal financial controls in respect of supervisory and review controls over process of determining impairment allowance for trade receivables which are doubtful of recovery and assessment of recoverability of unbilled work, were not operating effectively. Absence of detailed assessment conducted by the management for determining the recoverability of trade receivables and unbilled work that remain long outstanding, in our opinion, could result in a potential material misstatement to the carrying value of trade receivables and unbilled work and consequently, could also impact the loss (financial performance including comprehensive income) after tax. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual financial statements or interim financial statements will not be prevented or detected on a timely basis. We have considered the material weekness identified and reported above in determing the nature,timing and extent of audit tests applied in our audit for the 31 March 2017 standalone financial statements of the Company and the material weekness has effected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.
	b. Type of Audit Qualification :	Qualified Opinion
	c. Frequency of qualification:	**Qualifications:** Qualification II (a) (i) (a) and (b) have been appearing from the year ended 31 March 2015; and Qualification II (a) (ii) have been included from the previous year ended 31 March 2016.
	d. For Audit Qualifications where the impact is quantified by the auditor, Management's Views:	Not applicable
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:	Nil. II (a) (i) (a) Trade receivable and unbilled work (other current financial assets) as at 31 March 2017 include ₹ 6,616.13 lakhs and ₹ 3,074.86 lakhs, respectively, relating to contracts which the clients terminated (including two during earlier years) and recovered the advances given against bank guarantees. The clients (government authorities) have not disputed payment of certified bills included under trade receivables. Dispute Resolution Committee has referred the matter to arbitrator and arbitration proceedings have been initiated (under the new ordinance of the arbitration rules) during the year, in respect of a party where net claims lodged by the Company by far exceed the amounts recoverable. II (a) (i) (b) Trade receivables as at 31 March 2017 include ₹ 23,507.17 lakhs, in respect of projects which were closed and which are overdue for a substantial period of time. The Company formed a senior management team comprising personnel from contract and legal department to rigorously follow up including negotiate / initiate legal action, where necessary. Based on the contract terms and these on-going recovery / arbitration procedures (which are at various stages) and an arbitration award received in favour of the Company during the previous quarters, the management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable. Thus, management believes that Company's internal financial controls in respect of assessment of the recoverability of trade receivables and unbilled work were operating effectively and there is no material weakness in such controls and procedures.
	(ii) If management is unable to estimate the impact, reasons for the same: (iii) Auditors' Comments on (i) or (ii) above:	Not applicable Included in details of auditor's qualifications

Supreme Infrastructure India Ltd. Mumbai

WALKER CHANDIOK & Co LLP * CHARTERED ACCOUNTANTS * MUMBAI

SHAH & KAPTHARIYA * Chartered Accountants * Mumbai FRN No. 119171W

III Signatories:

Supreme Infrastructure India Limited

Mr. Vikram Sharma	**Mr. Vikas Sharma**	**Mr. V.P. Singh**
Managing Director	Wholetime Director & CFO	Audit Committee Chairman
DIN No: 01249904	**DIN No:** 01344759	**DIN No:** 00015784
Place: Mumbai	**Place:** New Delhi	**Place :** Mumbai
Date: 30 May 2017	**Date:** 30 May 2017	**Date:** 30 May 2017

Supreme Infrastructure India Ltd. Mumbai

Joint Statutory Auditors

For Walker Chandiok & Co LLP	**For Shah & Kathariya**
Chartered Accountants	Chartered Accountants
Firm Registration No: 001076N / N500(	Firm Registration No: 115171W
Adi P Sethna	**P.M. Kathariya**
Partner	Partner
Membership No: 108840	Membership No: 031315
Place: Mumbai	Place: Mumbai
Date: 30 May 2017	Date: 30 May 2017

WALKER CHANDIOK & Co LLP * CHARTERED ACCOUNTANTS * MUMBAI

SHAH & KATHARIYA * Chartered Accountants * Mumbai FRN No 115171W

Registered Office :
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Tel.:+91 22 61289700 Telefax: +91 22 61289711

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Unit No. 510, 5th Floor, ABW Tower, IFFCO Chowk,
M.G. Road, Gurgaon, Haryana-122001
Telephone : 0124-4727400, Fax : 0124-4727499
E-mail: frontdesk@supremeinfra.com
CIN No - L74999MH1983PLC029752

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended 31 March 2017 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Amount in ₹ lakhs)

I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	117,073.30	117,073.30
	2	Total Expenditure	152,601.70	Not Ascertainable [Refer II (e) (ii) below]
	3	Net Profit/(Loss)	(35,528.40)	Not Ascertainable [Refer II (e) (ii) below]
	4	Earnings/ (Loss) Per Share	(132.46)	Not Ascertainable [Refer II (e) (ii) below]
	5	Total Assets	504,760.55	Not Ascertainable [Refer II (e) (ii) below]
	6	Total Liabilities	485,603.11	485,603.11
	7	Net Worth	19,157.44	Not Ascertainable [Refer II (e) (ii) below]

II Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

(i) Auditor's Qualification on the financial results (consolidated)

(a) As stated in Note 3 (a) to the consolidated financial results, the Company's trade receivables and unbilled work (other current financial assets) as at 31 March 2017 include amounts aggregating ₹ 6,616.13 lakhs and ₹ 3,074.86 lakhs respectively, in respect of projects which were closed / terminated by the clients and where the matters are currently under negotiations / litigation, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying consolidated financial results that may arise on settlement of the aforesaid matters. Our audit opinion on the consolidated financial results for the year ended 31 March 2016 was also qualified in respect of these matters.

(b) As stated in Note 3 (b) to the consolidated financial results, the Company's trade receivables as at 31 March 2017 include amounts aggregating ₹ 23,507.17 lakhs in respect of projects which were closed and where the receivables remain outstanding for a substantial period, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying consolidated financial results that may arise on settlement of the aforesaid matters. Our audit opinion on the standalone financial results for the year ended 31 March 2016 was also qualified in respect of these matters.

Supreme Infrastructure India Ltd. Mumbai

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS MUMBAI

SHAH & KATTIARI Chartered Accountants Mumbai FRN No 1151/W

		(ii) Auditor's Qualification on the Internal Financial Controls relating to above matters: 8. In our opinion, according to the information and explanations given to us and based on our audit procedures performed, the following material weakness has been identified in the operating effectiveness of the Company's IFCoFR as at 31 March 2017: The Company's internal financial controls in respect of supervisory and review controls over process of determining impairment allowance for trade receivables which are doubtful of recovery and assessment of recoverability of unbilled work were not operating effectively. Absence of detailed assessment conducted by the management for determining the recoverability of trade receivables and unbilled work that remain long outstanding, in our opinion, could result in a potential material misstatement to the carrying value of trade receivables and unbilled work, and consequently, could also impact the loss (financial performance including comprehensive income) after tax. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements or interim financial statements will not be prevented or detected on a timely basis. We have considered the material weakness identified and reported above in determing the nature, timing and extent of audit tests applied in our audit of the consolidated financial statements for the year ended 31 March 2017, and the material weakness has effected our opinion on the consolidated financial statements of the Company and we have issued a qualified opinion on the consolidated financial statements.
	b. Type of Audit Qualification :	Qualified Opinion
	c. Frequency of qualification:	**Qualifications:** Qualification II (a) (i) (a) and (b) have been appearing from the year ended 31 March 2015; and Qualification II (a) (ii) have been included from the previous year ended 31 March 2016.
	d. For Audit Qualifications where the impact is quantified by the auditor, Management's Views:	Not applicable
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:	Nil. II (a) (i) (a) Trade receivable and unbilled work (other current financial assets) as at 31 March 2017 include ₹ 6,616.13 lakhs and ₹ 3,074.86 lakhs, respectively, relating to contracts which the clients terminated (including two during earlier years) and recovered the advances given against bank guarantees. The clients (government authorities) have not disputed payment of certified bills included under trade receivables. Dispute Resolution Committee has referred the matter to arbitrator and arbitration proceedings have been initiated (under the new ordinance of the arbitration rules) during the year, in respect of a party where net claims lodged by the Company by far exceed the amounts recoverable. II (a) (i) (b) Trade receivables as at 31 March 2017 include ₹ 23,507.17 lakhs, in respect of projects which were closed and which are overdue for a substantial period of time. The Company formed a senior management team comprising personnel from contract and legal department to rigorously follow up including negotiate / initiate legal action, where necessary. Based on the contract terms and these on-going recovery / arbitration procedures (which are at various stages) and an arbitration award received in favour of the Company during the previous quarters, the management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable. Thus, management believes that Company's internal financial controls in respect of assessment of the recoverability of trade receivables and unbilled work were operating effectively and there is no material weakness in such controls and procedures.
	(ii) If management is unable to estimate the impact, reasons for the same: (iii) Auditors' Comments on (i) or (ii) above:	Not applicable Included in details of auditor's qualifications

Supreme Infrastructure India Ltd. Mumbai

WALKER CHANDIOK & Co LLP MUMBAI

SHAH & KATTARIA Chartered Accountants Mumbai FRN No. 1151/W

III Signatories:

Supreme Infrastructure India Limited

Mr. Vikram Sharma
Managing Director
DIN No: 01249904
Place: Mumbai
Date: 30 May 2017

Mr. Vikas Sharma
Wholetime Director & CFO
DIN No: 01344759
Place: New Delhi
Date: 30 May 2017

Mr. V.P. Singh
Audit Committee Chairman
DIN No: 00015784
Place : Mumbai
Date: 30 May 2017

Supreme Infrastructure India Ltd. Mumbai

Joint Statutory Auditors

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N / N500013

Adi P Sethna
Partner
Membership No: 108840
Place: Mumbai
Date: 30 May 2017

WALKER CHANDIOK & CO LLP MUMBAI CHARTERED ACCOUNTANTS

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

11 May 2017

P.M. Kathariya
Partner
Membership No: 031315
Place: Mumbai
Date: 30 May 2017

SHAH & KATHARIYA Mumbai FRN No. 115171W Chartered Accountants

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SUPREME INFRASTRUCTURE INDIA LTD.

ANNUAL REPORT 2016-2017







Light at the end of the Tunnel.....



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LIGHT AT THE end OF THE TUNNEL.....

The infrastructure sector in India has witnessed significant recovery during the year. The Cabinet Committee on Economic Affairs, The Ministry of Road Transport and Highways, The Central Government have taken several initiatives to boost the overall Indian economy especially the infrastructure sector. The Central Government allocated a sum of INR 3,96,000 crores for catalysing infrastructural development in India.

Make in India, Smart Cities, Namami Gange, Pradhan Mantri Gram Sinchai Yojana, Atal Mission for Rejuvenation and Urban Transformation (AMRUT) are few of the major initiatives announced by the Government to give a new lease of life to the ailing infrastructure sector as well as the economy. Demonetization and GST are some of the path breaking reforms initiated by the Government to give a new fillip to the economy. We believe, in the long run these initiatives will be extremely beneficial to the economy at large and your company.

Your company has faced major headwinds in the past but now we believe that light at the end of the tunnel is slowly being seen. The Company has closely worked with all stakeholders on restructuring the debt profile and we will eventually come out better and stronger. The company my opt to monetise some of its assets in order to leverage debt and tap newer market opportunities to reduce concentration risks. The Company has forged a unique business model characterised by backward integration of EPC operations and a cluster-based execution strategy which gives us the confidence that we will see better days going forward. The company is blessed with a healthy pipeline of projects and we have prioritised our projects, rescheduled our activities and optimized the delivery schedules. Even in turbulent times like last few years and with limited financing avenues, your company has managed to get new orders, execute existing ones and build a healthy and diversified order book portfolio. The management is confident that once the financial restructuring is completed very soon this year, the company would be back on its feet with improved revenues and profitability returning back to the company.

AT A GLANCE

We are an integrated infrastructure player with a presence across multiple EPC segments and a current portfolio of 11 BOT projects. Our diverse execution capabilities have enabled us to build a diversified presence in 6 segments –Roads, Bridges, Buildings, Railways, Power and Water Infrastructure. We are fully integrated in terms of raw material availability through the ownership of quarries, crusher plants, ready-mix concrete and wet mix plants. We also have a diversified presence in 13 states across India and cater to variety of clientele across the Government and the private sector.Our unique business model is characterised by backward integration of EPC operations and a cluster based execution strategy. This has enabled a smooth transition in the asset development space and allowed us to build robust portfolio of road BOT projects



63
EPC Segments we are present in

13
No of States where we are present

11
Current BOT Projects

04
Operational BOT Projects

03
Under Construction BOT Projects

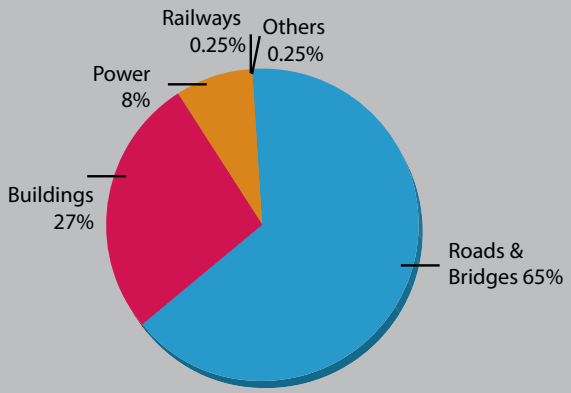
02
C.O.D Achieved

02
N.H.A.I Takenover

₹ 3067.92
Crores Current Order Book
(as of March 31, 2017)

BUSINESS VERTICALS

	Current Order Book As of March 31, 2017 (₹ In Crores)	Contribution to Total Order Book (%)
Roads & Bridges	1,992.46	65%
Buildings	818.43	26.5%
Power	241.97	8%
Railways	7.72	0.25%
Others	7.34	0.25%
TOTAL	3,067.92	100%



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. B. H. Sharma
Executive Chairman

Mr. Vikram Sharma
Managing Director

Mr. Vikas Sharma
Whole Time Director & Chief Financial Officer

Mr. V. P. Singh
Independent Director

Mr. Vinod Agarwala
Independent Director

Mr. S.K.Mishra
Independent Director

Mrs. Nilima Mansukhani
Independent Director

Mr. Dakshendra Agarwal
Non-Executive Director

COMPANY SECRETARY

Mr. Vijay Joshi

STATUTORY AUDITORS

Walker Chandiok & Co LLP
Chartered Accountants

Shah & Kathariya
Chartered Accountants

BANKERS & INSTITUTIONS

State Bank of India
State Bank of Patiala
Union Bank of India
Punjab National Bank
Bank of India
Central Bank of India
Canara Bank
Syndicate Bank
ICICI Bank Ltd.
Axis Bank Ltd.
SREI Infrastructure Finance Ltd.

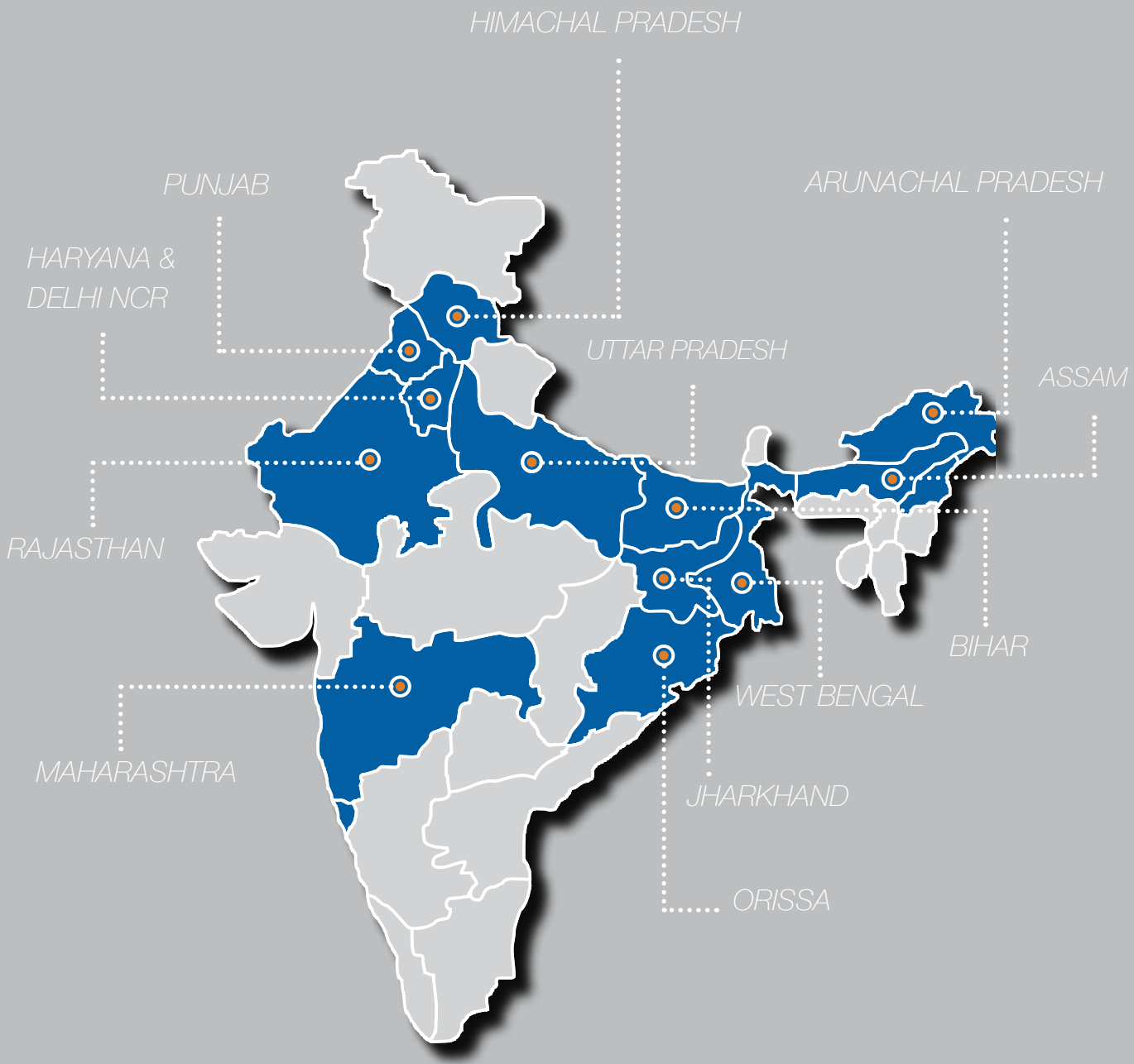
REGISTERED OFFICE

Supreme House,
Plot No. 94/C Pratap Gad,
Opp. I.I.T Main Gate, Powai,
Mumbai – 400 076
Tel: +91 22 6128 9700
Fax: +91 22 6128 9711
CIN No.: L74999MH1983PLC029752

REGISTRAR AND TRANSFER AGENTS

BIG SHARE SERVICES PVT. LTD.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis Apartments,
MaroL, Maroshi Road, Andheri East,
Mumbai 400059
Tel: +91 22 6263 8200

PAN INDIA PRESENCE



OUR OPERATIONAL BOT ASSETS



- MANOR WADA BHIWANDI, Maharashtra
- 5,540 Million Project Cost
- 49% Supreme Stake
- 4,132 Million Sanctioned Debt
- 70.9 Kms Road Length



- KOPARGAON AHMEDNAGAR TOLLWAYS PVT. LTD
- 2,340 Million Project Cost
- 51% Supreme Stake
- 1,490 Million Sanctioned Debt
- 55 Kms Road Length



- PATIALA NABHA MALERKOTLA, Punjab
- 930 Million Project Cost
- 100% Supreme Stake
- 650 Million Sanctioned Debt
- 55.7 Kms Road Length



- VASAI BHIWANDI, Maharashtra
- 2,140 Million Project Cost
- 100% Supreme Stake
- 1,890 Million Sanctioned Debt
- 26 Kms Road length

Projects Completed during the year

Roads & Bridges



Nagar Phase I Project

Roads & Bridges



Kotkapura Muktasar site

Water Infrastructure



Chetla Booster Pumping Station, Kolkata inaugurated by Ms. Mamta Banerjee, CM West Bengal

Water Infrastructure



Design and Construction of Combined (1.56ML*2) R.C.C Elevated Service Reserviour at Anandpur, ward no-108 on Turn key basis under JnNURM

Water Infrastructure



Design and Construction of 0.5 Mg Semi underground Reservoir Cum Pumping station and Ancillary Building and combined (2.74 ML+ 2.206 ML) R.C.C Elevated service reservoir at Mukundpur in ward No - 109 on Turnkey Basis under JnNurm

Buildings



Construction work of Rehab Building No 2 & 3 on the plot of land bearing CTS No 49 (pt) of village pahadi Goregaon, Yashwant Nagar, Goregaon (West), Mumbai- 400090

Projects Completed during the year

Roads & Bridges



Four laning of Sangli Shiroli Road Project

Building



Construction of MICM at Tamando, Bhubaneswar

Building



Construction of 7400 (G+4) Nos Five storeyed EWS house under JNNURM. (DUSIB)

Roads & Bridge



Construction of Flyover at Rajnoli junction (Km. 549/200) and at Mankoli Junction (Km. 554/750) on NH3, Thane- Nashik Road, One Flyover at Mankoli (RHS) Handedover to MMRDA.

Water Infrastructure



Resurfacing and strengthening of Bituminous roads in Majiwada – Manpada ward Committee.

Project Inauguration Ceremony

Mankoli Flyover



Shri Devendra Fadnavis, Hon. CM Maharashtra

Chetla Booster Pumping Station



Ms. Mamta Banerjee, Hon. CM West Bengal

Prafulla Park



Mr. Bobby Hakim, Hon.Minister of Urban Development, West Bengal

MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY OVERVIEW

The global economy is in the midst of a decade-long slow growth environment characterized by an imminent productivity growth crisis. The looming labour shortage in mature economies and skill deficiencies in emerging markets will add further challenges to global economic prospect. Global financial markets continue to face elevated levels of uncertainty notwithstanding the resilience to the outcomes of BREXIT referendum and the US election. Goldman Sachs expects global growth for 2017 to be 3.5%. The US has led this improvement by growing at 2-3% growth. Fiscal easing is also likely under the Trump administration, Europe's growth forecast is 1.5% which is consistent with the gradual labour market improvement, and Japan's growth rate is in the range of 1% due to weakness in the demographics and decline in the working age population. China is expected to grow by 6.5%; however, long- term concerns remain due to the continued rapid debt growth, which has a potential to cause financial weakness. Growth is projected to pick up from 2017 onwards, almost entirely on account of developments in emerging market and developing economies. This reflects primarily two factors: the gradual normalization of macroeconomic conditions in several countries experiencing deep recessions and the increasing weight of the fast-growing countries in this group, in the world economy.

INDIAN ECONOMY OVERVIEW

India's economy is slowly gaining momentum, with an expected GDP growth of 7.5% in 2017. Despite some delays in domestic policy reforms and enduring fragilities in the banking system, investment demand is supported by the monetary easing cycle, rising FDI, and government efforts towards infrastructure investments and public-private partnerships. Economic activity is beginning to firm up after demonetization shocked the economy, resulting in massive cash shortages and economic disruptions through the economy at the end of last year; growth is expected to have slowed to a multi-year low in Q3 FY 2016. The manufacturing PMI crossed into expansionary territory in January 2017 and imports rebounded. Despite the backdrop of more moderate growth, the Government stuck to a market-friendly budget for FY 2017. The budget pursued growth-supportive policies while targeting a narrower deficit of 3.2% of GDP, and was met with a positive market reaction.

INDUSTRY OVERVIEW

Infrastructure sector is a major driver for the Indian economy. India's overall development would not be possible without propelling the infrastructure sector. The sector is of the utmost importance by initiating policies which would ensure time-bound creation of world class infrastructure in the country.

In the Union Budget 2017-18, the Government of India has taken the following measures for the development of infrastructure.

- Increased total infrastructure outlay and defence capital expenditure by 10 per cent and 20.6 per cent to Rs 396,135 crore (US$ 59.18 billion) and Rs 86,488 crore (US$ 13.1 billion) respectively, over FY17 revised estimate.
- Railway expenditure allocation has increased by 8 per cent to Rs 131,000 crore (US$ 19.58 billion) for laying down 3,500 km of railway lines in 2017-18.
- Affordable housing has been given infrastructure status.
- Lock-in period for long-term capital gains on land and buildings has been reduced from three to two years.

1. Roads

The Indian Government plans to develop a total of 66,117 kms of roads under different programmes such as the National Highways Development Project, Special Accelerated Road Development Programme in North East and Left Wing Extremism. The Indian Government has identified the development of 2,000 kms of coastal roads to improve connectivity between ports and remote villages. The Ministry has targeted awarding of 25,000 km and constructing 15,000 km of national highways during 2017-18 that translates into 41 km of road construction daily which stood at 18.5 km per day until recently. Further, NHAI has taken a policy decision not to award any project unless it acquires 90% of required land. Investments in roads will be funded through budgetary support, market borrowings by NHAI and through private and overseas investors

2. Power

During FY 2017, the Indian power sector achieved a total capacity addition of 24.8 GW. The renewable energy sector capacity addition of 14.4 GW in fiscal 2017 surpassed the capacity addition in all other sectors put together. In the last fiscal, thermal power capacity addition was 7.7 GW, hydro capacity addition was 1.7 GW and nuclear capacity addition was 1 GW. According to the Ministry of New & Renewable Energy (MNRE), this record capacity addition in renewable space was led by wind and solar power capacity additions at 5.4 GW and 5.5 GW respectively reflecting the focus and policy push of the government as well as the competitive keenness of the industry players. Despite the high growth of renewables, India's energy mix is expected to predominantly remain skewed towards thermal sources. The overall deficit in fulfilling the energy requirement of the country has declined from 11.5% in FY97 to 2.1% in FY16. The energy requirement is estimated to increase at a CAGR of 7% from 1,354,874 million units in FY17 to 1,904,862 million units in FY22. Hence, it is expected that the production would keep pace with demand.

3. Real Estate

The real estate sector has been witnessing a paradigm shift during recent years through steady transformation to become a structured sector from an unorganized sector. The shift is attributable to increased participation from private equity players and effective legislation.

The increased confidence in the sector is a perfect parameter to anticipate revival of the sector and the growth prospects of the sector. The current regime has also introduced and formalized various initiatives like the REITs Regulations, Smart Cities, the Real Estate (Regulation and Development) Act, 2016. Such initiatives can prove to be a solid foundation for fostering growth in the long-term. The Central Bank continues to take measures to soften the interest rates and enhance liquidity. It has also been pushing the banks to pass on the benefit of lower interest rates to the customers. Once these benefits are passed to the customers, the sector will witness enhanced demand flowing in. The Central and State Governments have granted infrastructure status to affordable housing for urban and rural housing projects. The Central Government is targeting Housing for All by

2022 under Pradhan MantriAwaasYojana (PMAY). Policies like GST and RERA will ease tax-related complexities and ensure more accountability and transparency regarding the project completion time and its cost.

4. Water Infrastructure

The Make in India Initiatives, Swachh Bharat Abhiyan and the NamamiGange projects are expected to create significant opportunities in this segment. The National Mission for Clean Ganga (NMCG) has approved 26 projects worth INR 2,154.28 crore under the Centre's 'Namami Gange' programme. These are specifically aimed to clean the contaminated waters and make it at least fit for bathing

5. Railways

The Government of India is aiming to target higher investments by prioritizing the decongestion of heavy haul routes and speeding up trains. The Railway Ministry has earmarked an investment of USD 133.5 billion towards the development of railways sector over the next five years ending 2019 (Source: KPMG). Pace of building new railway lines is set to almost double from 7 km/day during FY17 to 13 km/day in FY18. Source: KPMG

BUSINESS OVERVIEW

Supreme Infrastructure India Limited (SIIL) is a well-diversified and multifaceted company with a strong base in infrastructure related activities. The Company provides construction services as an EPC contractor and , principal contractor and sub-contractor across various states in India and also undertakes road projects on a BOT basis. It has a strong presence across several states in India, with multi-state execution capabilities in six EPC segments: Roads, Bridges, Buildings, Railways, Power and Water Infrastructure.

Financial Overview - Standalone

Total Revenues from Operations decreased by 13% to Rs. 10,501 mn. on a YoY basis as compared to Rs. 12,097 mn in FY2016.

- EBIDTA decreased by 27% to Rs. 1,414 mn on a YoY basis as compared to Rs. 1,938 mn in FY 2016. (Excluding Other Income and Exceptional Items).
- EBIDTA Margins declined to 13.47% as compared to 16.02% in FY2016.
- PAT decreased to Rs.(2,035) mn from Rs.(52) mn in FY2016.

Opportunities & Concerns

Funding:

Infrastructure space in India is witnessing a lot of interest from international investors. According to the Department of Industrial Policy and Promotion (DIPP)Foreign Direct Investment (FDI) received in Construction Development sector (townships, housing, built up infrastructure and construction development projects) from April 2000 to March 2017 stood at US$ 24.3 billion. India witnessed 33 deals in FY 2016-17 involving US$ 3.49 billion as against US$ 2.98 billion raised across 31 deals in FY 2015-16, with the majority of deals led by the power, roads and renewable sectors. In the past two and a half years the Road Transport & Highways Ministry has invested around Rs. 3.17 trillion (US$ 47.7 billion), while the Shipping Ministry has invested around Rs. 80,000 crores (US$ 12.0 billion) for building world class highways and shipping infrastructure in the country. Prior to the general elections in 2019 it is expected that the Government of India will invest heavily in the infrastructure sector, mainly highways, renewable energy and urban transport. The first overseas issue of Masala Bond was launched at the London Stock Exchange in May 2017 by The National Highways Authority of India (NHAI) with aim of raising capital for funding the infrastructure projects in India, attracting bids worth over Rs 3,000 crore (US$ 465 million).

Government Policies:

Land Acquisition Bill: Until 90% of the land is in possession for the EPC (engineering, procurement and construction) projects, the Government has decided that no projects should be awarded. This initiative will increase the efficiency of the project execution and will improve the ability of the contractor to complete the project on time.

Traffic volume risk:

Reduction in traffic volumes on roads for various unforeseen reasons can affect the profitability of the Company. As the Company is executing projects on roads that are in high growth regions or with high existing traffic this seems highly unlikely

Regulatory risk:

As the company has significant exposure to the BOT sector.Aany changes in terms of administrative approvals, state policies ,arbitrations and fiscal regulations can affect the operations of the Company.
Financing/Leverage risk:
The Central Bank continues to take measures to soften the interest rates and enhance liquidity. It has also been pushing



the banks to pass on the benefit of lower interest rates to the customers.An inability to repay debts can reduce the profitability of the Company.

Execution risk:

If the Company is not able to execute projects on time it would impact the financials and reputation of the company.

External Macro Conditions:
The Infrastructure industry, like any other sector, is exposed and vulnerable to the risk of any adverse changes in the overall macroeconomic situation. The Company may be affected in case of prolonged recessionary conditions leading to a slowdown in economic growth.

Outlook

In order to revive the investment cycle, boost tax revenues through widening of the tax base, strengthen indigenous manufacturing and bring about infrastructure development in rural and urban areas, the Government is committed to introduce structural reforms. By inducting large parts of the informal economy into the formal system, implementation of GST is expected to have far reaching effects and it will ultimately lead to increased tax revenues. On the back of structural reforms and supportive monetary policy, the domestic economy is expected to steadily improve in the current year. Transportation, augmentation of water resources, power, affordable housing and smart cities are some of the areas where the Government has reiterated its emphasis on infrastructure build-out.

Risk Management

The Company identifies that evaluation and effective management of their risks is crucial for keeping its performance steady and delivering adequate value to its shareholders. The Company keeps assessing risks at regular intervals and takes measures to mitigate the same.

Internal Controls :

The Company has sufficient and commensurate internal control systems to match the size and the sector it is in. The Company has well-defined and clearly laid out policies, processes and systems. These are strictly and regularly monitored by the top management and any digression or discrepancy is immediately flagged off and corrected. All requisite regulations, rules and laws of the land are strictly followed. The Company has a sound system for financial reporting and well-defined management reporting systems. These are supported by Management Information System (MIS) that regularly checks, monitors and controls all operational expenditure against budgeted allocations. The Company also has a regular internal audit process that is monitored and reviewed by the Audit Committee.

Human Resources :

The Company believes that satisfied, highly-motivated and loyal employees are the base of any competitive and growing organization. Therefore, it strives to build a highly skilled and qualified workforce, supported by a safe and healthy work atmosphere. The Company has built a work culture based on sincerity, hard work and a pursuit for perfection. It holds regular training sessions to upgrade the skills and the knowledge base of its employees. Moreover, the company ensures that it recognizes and rewards exceptional performance by its employees' time and again. As on 31st March 2017, the Company had over 785 employees.

Cautionary Statement:

This document contains statements about expected future events, financial and operating results of Supreme Infrastructure India Limited, which are forward-looking. By their nature, forward looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirely by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Supreme Infrastructure India Limited Annual Report, 2016-17.



Our BOT Portfolio

PROJECT	STATUS	LOCATION
Manor Wada Bhiwandi	Operational	Maharashtra
Patiala-Malerkotla	Operational	Punjab
Ahmednagar Kopergaon	Operational	Maharashtra
Vasai Bhiwandi	Operational	Maharashtra
Haji Malang Ropeway	Under Construction	Maharashtra
Jaipur Ring Road	NHAI Taken Over	Rajasthan
Ahmednagar Karmala Tembhurni	Under Construction	Maharashtra
Panvel Indapur	Under Construction	Maharashtra
Sangli Shiroli	NHAI Taken Over	Maharashtra
Kotkapura Muktsar	Under Construction	Punjab
Kopergaon Phase 1	Under Construction	Maharashtra

Our EPC Portfolio

PROJECT	LOCATION	SEGMENT
Mahanadi Institute of Coal Management	Bhubaneshwar, Orissa	Buildings
IIT Mandi Project	Mandi. Himachal Pradesh	Buildings
Krishnanagar IT park	Krishnanagar, West Bengal	Buildings
DSIIDC Building Project	Tikri, Delhi	Buildings
ESIC Building Project	Mumbai, Maharashtra	Buildings
Hex City	Navi Mumbai, Maharashtra	Buildings
Southern Ludhiana Bypass	Ludhiana, Punjab	Roads
Bankot Creek Bridge	Bankot, Maharashtra	Roads & Bridges
Rajnoli Mankoli Flyover	Thane, Maharashtra	Roads & Bridges
Kalyan Power project	Kalyan, Maharashtra	Power
Panvel Power Project	Panvel, Maharashtra	Power
MRVC KALWA Bridge	Maharashtra	Railways
Digha Drainage Project	Kolkata	Water Infrastructure
Coca-Cola Pipe Line	Maharashtra	Water Infrastructure

DIRECTORS' REPORT

To
The Members of
SUPREME INFRASTRUCTURE INDIA LIMITED

Your Directors have pleasure in presenting their 33rd Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2017.

1. HIGHLIGHTS/ PERFORMANCE OF THE COMPANY

₹ in Crores

Sr. No.	Particulars	As at 31 March 2017	As at 31 March 2016
1	**Income from operation**	**1050.12**	**1209.70**
	Other income	**73.67**	**50.66**
	Total Income	**1123.79**	**1260.36**
2	**Profit before Interest, Depreciation & Tax**	**215.04**	**244.47**
	Less: Interest/ Finance Charges	280.68	251.58
	Depreciation	24.72	30.60
3	**Profit / (Loss) before Exceptional Item and Tax**	**(90.36)**	**(37.72)**
	Exceptional Item	128.27	41.01
	Less: Provision for Tax		
	Current Tax	0	0
	Deferred Tax	0	8.54
	Tax adjustment for earlier years	(15.13)	0
4	**Profit After Tax**	**(203.50)**	**(5.24)**
	Add: Profit at the beginning of the year	821.44	825.38
5	**Profit available for appropriation**	**618.18**	**821.44**
	Appropriations	NIL	NIL
6	**Balance carried to Balance Sheet (attributable to equity holders)**	**618.18**	**821.44**

OPERATION AND PERFORMANCE REVIEW

During the year under review, the Company's income from operations and margins were under stress as compared to the previous year. Total Income during the year was 1050.12 Crores as compared to ₹ 1209.70 Crores in the previous year. The Net loss after Tax was 203.50 Crores as compared to ₹ 5.24 Crores in the previous year.

2. DIVIDEND

In view of the losses incurred and stressed financial resources, your Directors do not recommend any dividend on Equity Shares and Preference Shares for the year under review. Consequently, no amount is transferred to reserves for the year ended 31st March, 2017.

3. TRANSFER OF UNPAID / UNCLAIMED AMOUNTS TO INVESTOR EDUCATION PROECTION FUND (IEPF)

During the year under review, the Company has credited 0.87 Lakhs to the Investor Education and Protection Fund (IEPF) pursuant to Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (awareness and protection of investors) Amendment Rules, 2014. The cumulative amount transferred to IEPF up to 31st March, 2017 is 4.17 Lakhs.

4. FINANCE

During the year under review, the Company's Financials were under severe stress on account of several factors like delay in execution of projects, delay in land acquisition in BOT Projects, cost over runs on delayed projects, high interest cost vis-a – vis volume of the Company's operation, stressed working capital finance and similar factors peculiar to the infrastructure sector.

S4A SCHEME

In accordance with the Reserve Bank of India's JLF Framework, the JLF restructured and rescheduled the outstanding amount of their respective share of facilities. The Company entered into Master Joint Lender Forum Agreement (JLF Agreement) with majority of the lenders of the Company in March 2015. Post implementation of restructuring scheme of March 2015, the JLF reviewed the progress of the Company and was of the opinion that the Company was not able to achieve the viability milestones/ projected financials as envisaged under the restructuring scheme due to several factors. Therefore, the JLF at their meeting held on December 29, 2016 discussed on various resolution options to address the liquidity stress on the Company and recommended the Scheme for Sustainable Structuring of Stressed Assets ("S4A Scheme") in terms of the Reserve Bank of India ("RBI") circular dated June 13, 2016 and further circulars issued from time to

time in this regard, with reference date as December 29, 2016. The S4A Scheme resolution plan' proposal was submitted to Overseeing Committee ("OC") formed under the aegis of RBI guidelines. The S4A Scheme for Company was reviewed and recommended for implementation by OC. The broad highlights of the S4A Scheme are stated hereunder:

a. Out of the total debt of ~ Rs. 2359.04 cr. considered under the S4A Scheme, the sustainable debt (Part A) is considered at ~ Rs. 1258.34 Cr. being ~ 53.34 % of the total debt. Balance debt of ~ Rs. 1100.70 Cr. being ~ 46.66% of the total debt is considered as unsustainable debt (Part B).

b. Out of the present holding of the promoters, ~ 45,01,513 (Forty Five Lakhs One Thousand Five Hundred & Thirteen) Equity Shares constituting 17.52% of the existing paid up equity share capital to be transferred to lenders by invocation of existing pledged shares/ sale of promoter shares.

c. The balance portion of Prat B debt of Rs. 1096.20 Cr. would be converted into Optionally Convertible Debentures (OCDs) for the tenor of 14 years 6 Months. The lenders will have the right to convert OCDs into equity shares of the Company in case of any event of default as specified in the S4A Agreements.

d. Repayment of OCDs to be made in seven equal instalments, commencing at the end of 9th financial year to 15th financial year i.e. FY 2026 onwards from the date of issuance.

e. Promoters of the Company to have a right of first refusal (ROFR) to buy OCDs shares (including equity shares upfront allotted and equity shares acquired pursuant to conversion of OCDs in case the lenders decide to sell the OCDS/ equity shares). Further, the same shall be as per the extant guidelines of SEBI.

f. Company to raise funds up to Rs. 250 crores through issuance of securities by permitted mode including infusion of funds through equity issue by promoters to the extent of Rs. 100 crores.

The above figures and percentage may undergo some change at the time of final implementation of the scheme.

5. CREDIT RATING

Your Company has been assigned "IND D" by India Ratings & Research Pvt. Ltd. for the long term facilities, cash credit facilities and non fund based limits of the Company.

6. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 and implementation requirements of Indian Accounting Standards ('IND-AS') Rules on Accounting and disclosure requirements, which is applicable from current year, and as prescribed by Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") the audited Consolidated Financial Statements are provided in this Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of each of the subsidiary and joint venture in the prescribed form AOC-1 is annexed to this annual report.

Pursuant to Section 136 of the Companies Act, 2013 the financial statements of the subsidiaries are kept for inspection by the shareholders at the Registered Office of the Company. The said financial statements of the subsidiaries are also available on the website of the Company www.supremeinfra.com under the Investors Section.

7. DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATES COMPANIES

As on 31st March, 2017, the Company had Fourteen Subsidiaries (Direct & Indirect) of which thirteen are incorporated and based in India & one Overseas. The Company also had Two Associate Companies as on 31st March, 2017. Some Joint Venture Projects have become non operative on account of the completion of the projects.

The Company has adopted a policy for determining material subsidiaries in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. The said policy is available on the Company's website. A statement containing the salient features of the financial statements of the subsidiary companies is attached to the financial statements in Form AOC-1.

SUBSIDIARY COMPANIES

The Company has been over the years slowly strengthening its BOT portfolio. The Company's two Subsidiary Companies viz. Supreme Infrastructure BOT Private Limited and Supreme Infrastructure BOT Holdings Private Limited undertake various BOT projects along with its holding Company. The BOT projects are housed in the Special Purpose Vehicle Company ('SPV Company') incorporated for the purpose.

1. SUPREME INFRASTRUCTURE BOT PRIVATE LIMITED (SIBPL)

As per the Audited financials for year ended 31st March, 2017, SIBPL registered a total income of Rs. 77.91 Lakhs as against 53.10 lakhs in the previous year. SIBPL has the following operative subsidiary companies having the BOT projects:

i. Supreme Manor Wada Bhiwandi Infrastructure Private Limited (SMBIPL)

Incorporated as SPV Company for execution of the Project of 'widening of Manor- Wada (24.25 Kms) and Wada Bhiwandi Road (40.07 Kms) on SH-34 and SH-35 respectively in the State of Maharashtra and to convert it into a 4 lane highway on BOT basis'. The total length of the project aggregates to 64.32 Kms. The Concession period of the project is 28 years and 6 months from the date of work order. EPC work is executed by the Supreme Infrastructure India Ltd. The Company commenced tolling operations for this project on 4th March, 2013. The Company is also in the process of executing additional bypass road from SH-35 at Vishwabharati Phata-Bhinar-Vadpa Junction (KM

0/000 to 7/900 (Total Length - 7.90 km) Dist. Thane, Maharashtra on BOT (Toll) basis. Once completed, the by pass road would attract more road traffic for the main road project. Income from toll collection for the year ended 31st March, 2017 was Rs. 4826.05 Lakhs as compared to Rs. 3239.00 Lakhs in the previous year.

Subsequent to year ended 31 March 2017, the lenders of SMBIPL have invoked Strategic Debt Restructuring (SDR) with reference date of 24 November 2016. The joint lender's forum (JLF) of SMBIPL in its meeting held on 25 April 2017 agreed to proceed with the implementation of SDR scheme by invoking pledged equity shares of the promoters in their favour. Pursuant to the invocation of SDR, the lenders have invoked 5,100 equity shares of Rs. 10 each held by its Promotors at par aggregating to Rs. 0.51 lakhs on 16 May 2017 representing 51% of the paid up equity share capital of SMBIPL by conversion of outstanding borrowings of an equivalent amount.

ii. Patiala Nabha Infra Projects Private Limited (Formerly known as Supreme Infra Projects Private Limited')

Incorporated as SPV Company for execution of 'Patiala Nabha Malerkotla (PNM) Road Project'. This partially completed project was awarded by Punjab Industrial Development Board (PIDB), taken over from the earlier owner. The Company commenced tolling operations on 24th June, 2012. The concession period is 13 years. The total length of the road is approximately 56 kms. Income from toll collection for the year ended 31st March, 2017 was Rs. 1047.57 Lakhs as compared to Rs. 1043.17 Lakhs in the previous year.

iii. Supreme Suyog Funicular Ropeways Private Limited

Incorporated as SPV Company for execution of the Project for construction of funicular railway system at Haji Malang Gad, Ambarnath in Thane District, Maharashtra on Built, Operate and Transfer (BOT) basis. SIBPL is the majority stakeholder in the SPV Company. The project envisages a funicular trolley system for transporting devotees and luggage from the foot of the hill to Haji Malang Durgah and return. The total cost of the project is Rs. 997.30 Million. The concession period is 24 years and 5 months including construction period.

iv. Supreme Vasai Bhiwandi Tollways Private Limited (SVBTPL)

SVBTPL was incorporated as SPV Company for execution of 4 laning of Chinchoti-Kaman-Anjurphata to Mankoli road (Major SH No. 4) section from km 00.00 to km 26.425 of the existing road in the state of Maharashtra on Build-Operate-Transfer (BOT) basis. This partially completed project with existing tolling operations was awarded by PWD, Maharashtra, taken over from the earlier owner. The total length of the stretch is 26.425 kms. SIBPL is the majority stakeholder in the SPV Company. The total concession period is 24.3 years. Income from toll collection for the year ended 31st March, 2017 was Rs. 3187.43 Lakhs as compared to Rs. 2571.96 Lakhs in the previous year.

v. KOPARGAON AHMEDNAGAR TOLLWAYS (PHASE I) PRIVATE LIMITED

Public Works Department had awarded the work of construction of four (4) lane of BOT project viz. "Four Lanning of Kopargaon Ahemdnagar Road SH 10 km 78/200 to 120/000(42.60 Kms) and construction of Two Lane Shirdi- Rahata Bypass (23.30 Kms) (Project I). Project cost is estimated at Rs. 2880 Million. Phase I consist of widening of existing two lane state highways from Km. 78/200 to Km. 120/000 (42.60 Kms) to four lane width and 50% Work-Construction of Two Lane Shirdi - Rahata Bypass (23.30 Km).

vi. Kotkapura Muktsar Tollways Private Limited(KMTPL)

KMTPL incorporated for execution of "Two laning From km 0+000 to km 29+996 (approximately 30.000 km) on the Kotkapura — Muktsar Road of State Highway No.16 (hereinafter called the "SH -16") in the State of Punjab" on design, build, finance, operate and transfer ("DBFOT") basis. SIBPL is the majority stakeholder in the SPV Company. The concession period is 18 years including construction period. The starting point of the project corridor is Kotkapura. The total cost of the project has been estimated at Rs. 117 crores.

2. SUPREME INFRASTRUCTURE BOT HOLDINGS PRIVATE LIMITED (SIBHPL)

SIBHPL was incorporated in the F.Y. 2011-12 and is the subsidiary of Supreme Infrastructure India Ltd. 3i India Infrastructure Fund, an investment fund established by international investor 3i Group plc, has through its affiliates viz. Strategic Road Investments Limited, invested Rs. 2000 Million in SIBHPL. As per the Audited financials of the Company for year ended 31st March, 2017, SIBHPL registered a total income of Rs. 68.78 Lakhs as against 75.40 Lakhs in the previous year. SIBHPL has three road BOT portfolio housed in the following three subsidiaries companies:

i. Supreme Kopargaon Ahmednagar Tollways Private Limited.

This partially completed project was awarded by Maharashtra PWD, taken over from the earlier owner. The Company commenced tolling operations for this project on September 26, 2011. The concession period of the project is up to May 2019. EPC work is executed by Supreme Infrastructure India Ltd. This was the first road BOT project of the Company where toll operations were commenced. Income from toll collection for the year ended 31st March, 2017 was Rs. 4619.78 Lakhs as compared to Rs. 3730.55 Lakhs in the previous year.

ii. Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Pvt. Ltd.

Incorporated as SPV Company for execution of the project of 'construction, operation, maintenance and augmentation of widening of 2-lane undivided carriage way to 4 lanes between Shiroli and Baswankhind, Ankali to Miraj Phata on SH - 3, Miraj Phata to Sangli on SH -75 and strengthening of existing 2 lanes between Baswankhind and Ankali one way via Jainapur and the other way via Jaisingpur (SH -3) on Design, Build, Finance, Operate and Transfer (DBFOT) toll basis' in the State of Maharashtra. The estimated cost of project is Rs. 3840 Million. Total envisaged length for 4 laning is 25.66 Kms. & 2 laning is 26.95 Kms. The concession period of the project is 22 years and 9 months including construction period.

iii. Supreme Ahmednagar Karmala Tembhurni Tollways Pvt. Ltd. (SAKTTPL)

Incorporated as SPV Company for execution of the project of '"Construction of Four Laning of 61.71 kms. of roads at Ahmednagar-Karmala-Tembhurni ch.80/600 to ch.140/080 in the State of Maharashtra on Build, Operate and Transfer (BOT) basis. The cost of the project is Rs. 6382 Million. The concession period of the project is 22 years and 9 months including construction period. The project is under implementation.

Subsequent to year ended 31 March 2017, the lenders of SAKTTPL have invoked SDR with reference date of 24 October 2016. The JLF of SAKTTPL in its meeting held on 11 May 2017 agreed to proceed with the implementation of SDR scheme. Pursuant to the invocation of SDR scheme, the lenders have been allotted 291,429 equity shares of Rs. 10/- each at par aggregating Rs. 29.14 lakhs on 22 May 2017 representing 51% of the equity share capital of SAKTTPL by conversion of outstanding borrowings of an equivalent amount.

3. SUPREME PANVEL INDAPUR TOLLWAYS PRIVATE LIMITED (SPITPL)

Incorporated as SPV Company for execution of the Project of 'Panvel - Indapur section of NH-17 from Km.0.00 to Km.84.00' in the State of Maharashtra by widening the existing 2-lane dual carriageway to a 4-lane dual carriageway on BOT basis at an estimated cost of project of Rs. 12060 Million. Supreme Infrastructure India Limited (SIIL) holds 26% and its subsidiary SIBPL holds 38% Equity in the SPITPL. The Company has achieved the desired milestone of NHAI being completion of fifty percent of the EPC work as per the independent engineer of NHAI. The balance EPC work would be loan financed by NHAI for which all the required formalities in this regard is completed. The total concession period is 24 years including additional extension in the concession period of three years. The project is under implementation.

4. SUPREME MEGA STRUCTURES PRIVATE LIMITED (SMSPL)

Supreme Infrastructure India Limited holds 60% Equity in SMSPL. SMSPL is carrying out the business of Rentals of staging, scaffolding, shuttering steel pipes and structural fabrication, steel fabrication work & job work. Substantial part of the Company's shuttering and fabrication job is undertaken by Supreme Mega Structures Private Limited. Income from operation for the year ended 31st March, 2017 was Rs. 570.53 Lakhs as compared to Rs. 697.23 Lakhs in the previous year.

5. SUPREME INFRASTRUCTURE OVERSEAS LLC

With a view to tap the potential of overseas opportunities, Supreme Infrastructure India Limited incorporated a subsidiary Company viz. Supreme Infrastructure Overseas LLC in Sultanate of Oman by investing Rs. 21.2 Million for a 60% Equity stake in the said Company. The rest 40% Equity is held by Ajit Khimji Group LLC & AL Barami Investment LLC. Through this subsidiary, the Company intends to make a foray into the Middle East region.

ASSOCIATE COMPANIES

A. ASSOCIATES

1. Rudranee Infrastructure Limited(RIL)

RIL is Aurangabad based Construction & Infrastructure Company. RIL has wide experience in executing various infrastructure projects having specialization in pipeline and power transmission segment.

2. SANJOSE SUPREME TOLLWAYS DEVELOPMENT PRIVATE LIMITED (SSTDPL)

SSTDPL is incorporated for execution of the project of "Development, Maintenance and Management of "Six Laning of Jaipur Ring Road from Ajmer Road to Agra Road section at Jaipur in the State of Rajasthan on DBFOT (Toll) basis". The Project Ring Road developed by the Government of Rajasthan has been undertaken by Jaipur Development Authority (JDA). Settlement Committee under chairmanship of a retired High Court Judge has been formed by the Government of Rajasthan for arriving at the settlement. SSTDPL has entered into an agreement with the Jaipur Development Authority for amicable settlement of all pending disputes so as to foreclose the concession agreement. Subsequent to the amicable settlement & foreclosure of the concession agreement, the project would be transferred to NHAI for further development on EPC mode.

8. DEPOSITS

During the year under review, your Company has not accepted any deposit from the public or its employees during the year under review. As such, no amount of Principal or Interest is outstanding as on the Balance Sheet date.

9. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Detailed information on CSR Policy developed and

implemented by the Company and CSR initiatives taken during the year pursuant to Sections 134 & 135 of the Companies Act, 2013 is given in the 'Annexure-I' as CSR Report.

10. ENVIRONMENT & SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all applicable compliances of environmental regulations and preservation of natural resources.

Your Directors further state that during the year under review, no complaints were reported to the Board as required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tasted and no reportable material weakness in the operations were observed.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company Mr. Vikram Sharma, (DIN 01249904) and Mr. Dakshendra Agrawal, (DIN 01010363) retires by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for reappointment.

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that there is no change in their status of Independence.

KEY MANAGERIAL PERSONNEL

The Company has designated Mr. Bhawanishankar Sharma, Executive Chairman, Mr. Vikram Sharma, Managing Director, Mr. Vikas Sharma, Whole-Time Director & CFO and Mr. Vijay Joshi, Company Secretary as Key 'Managerial Personnel' of the Company in terms Section 203 of the Companies Act, 2013 read with Section 2(51) of the said Act.

A. BOARD EVALUATION

Pursuant to the provisions of Section 134(3)(p), 149(8) and Schedule IV of the Companies Act, 2013 and Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annual performance evaluation of the Directors as well as that of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee has been carried out. The performance evaluation of the Independent Directors was carried out by the entire Board and the performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

B. REMUNERATION POLICY

The Company has adopted a remuneration policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The remuneration policy is annexed as Annexure II to this Report.

C. MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Six Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

13. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013 that the Board of Directors have:

a. in the preparations of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. selected such accounting policies as mentioned in the annual accounts and applied them consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the loss of the Company for the year ended on that date;

c. taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. prepared the annual accounts on a going concern basis;

e. laid down internal financial controls to be followed by the Company and that such financial controls are adequate and were operating effectively; and devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

f. devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013

Details of loans, guarantees and investments covered under the provisions of Sections 186 of the Companies Act, 2013 are given in notes to the financial statements.

15. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. During the year, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materially of related party transactions. Thus, the disclosure in 'Form AOC-2' is not applicable.

All Related Party Transactions are placed before the Audit Committee as also the Board of Directors for approval. Prior omnibus approval of Audit Committee and the Board of Directors is obtained on an annual basis for the transactions which are foreseen and of repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

The Company has a Related Party Transactions Policy duly approved by the Board and the same is uploaded on the Company's website. The details of Related Party Transactions are given in the notes to the financial statements.

16. AUDITORS

A. STATUTORY AUDITORS AND THEIR REPORT

M/s. Walker Chandiok & Co LLP, Chartered Accountants and M/s. Shah & Kathariya, Chartered Accountants, holds office upto the date of ensuing Annual General Meeting. M/s. Shah & Kathariya, Chartered Accountants would be completing their maximum term permitted and hence they would not be reappointed as Auditors at the ensuing AGM. M/s. Walker Chandiok & Co LLP, Chartered Accountants would need to be reappointed at the ensuing AGM of the company to hold office till the conclusion of the Annual General Meeting of the Company to be held in the year 2019 (subject to ratification of appointment at every AGM). The Company has received letter from M/s. Walker Chandiok & Co. LLP to the effect that their appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013. It is proposed to appoint M/s. Ramanand & Associate, Chartered Accountants as Joint Auditors to hold office from the conclusion of ensuing AGM subject to approval by the shareholders. Members are requested to reappoint Auditors and to authorize the Board of Directors to fix their remuneration.

B. EXPLANATION TO THE QUALIFICATION IN AUDITORS' REPORT

The Directors submit their explanation to the qualifications made by the Auditors in their report for the year 2016-17. The relevant Para nos. of the report and reply are as under:

Qualification and Management's Reply for Standalone Audit Report:

a) As stated in Note 11 (b) to the standalone financial statements, the Company's trade receivables and unbilled work (other current financial assets) as at 31 March 2017 include amounts aggregating ₹ 6,616.13 lakhs and ₹ 3,074.86 lakhs respectively, in respect of projects which were closed / terminated by the clients and where the matters are currently under negotiations / litigation, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying standalone financial statements that may arise on settlement of the aforesaid matters. Our Opinion on the standalone financial statements for the year ended 31 March 2016 was also qualified in respect of these matters.

b) As stated in Note 11 (c) to the standalone financial statements, the Company's trade receivables as at 31 March 2017 include amounts aggregating ₹23,507.17 lakhs in respect of projects which were closed and where the receivables remain outstanding for a substantial period, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying standalone financial statements that may arise on settlement of the aforesaid matters. Our Opinion on the standalone financial statements for the year ended 31 March 2016 was also qualified in respect of these matters.

Management Reply

(a) Trade receivable and unbilled work (other current financial assets) as at 31 March 2017 include ₹ 6,616.13 lakhs and ₹3,074.86 lakhs, respectively, relating to three contracts which the clients have terminated and recovered the advances given against bank guarantees. The parties have not disputed payment of certified bills included under trade receivables. Dispute Resolution Committee has referred the matter to Arbitrator and arbitration proceedings have been initiated in respect of a party where net claims lodged by the Company by far exceed the amounts recoverable.

(b) Trade receivables as at 31 March 2017 include ₹ 23,507.17 lakhs, in respect of projects which were closed and which are overdue for a substantial period of time. The Company formed a senior management team comprising personnel from contract and legal department to rigorously follow up including negotiate / initiate legal action, where necessary. Based on the contract terms

and these on-going recovery / arbitration procedures (which are at various stages) and an arbitration award received in favour of the Company during the year, the management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable.

Qualification and Management's Reply for Consolidated Audit Report:

a) As stated in Note 13 (b) to the consolidated financial statements, the Company's trade receivables and unbilled work (other current financial assets) as at 31 March 2017 include amounts aggregating ₹ 6,616.13 lakhs and ₹ 3,074.86 lakhs respectively, in respect of projects which were closed / terminated by the clients and where the matters are currently under negotiations / litigation, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying consolidated financial statements that may arise on settlement of the aforesaid matters. Our Opinion on the consolidated financial statements for the year ended 31 March 2016 was also qualified in respect of these matters.

b) As stated in Note 13 (c) to the consolidated financial statements, the Company's trade receivables as at 31 March 2017 include amounts aggregating ₹ 23,507.17 lakhs in respect of projects which were closed and where the receivables remain outstanding for a substantial period, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying consolidated financial statements that may arise on settlement of the aforesaid matters. Our Opinion on the consolidated financial statements for the year ended 31 March 2016 was also qualified in respect of these matters.

Management Reply

(a) Trade receivable and unbilled work (other current financial assets) as at 31 March 2017 include ₹ 6,616.13 lakhs and ₹3,074.86 lakhs, respectively, relating to three contracts which the clients have terminated and recovered the advances given against bank guarantees. The parties have not disputed payment of certified bills included under trade receivables. Dispute Resolution Committee has referred the matter to Arbitrator and arbitration proceedings have been initiated in respect of a party where net claims lodged by the Company by far exceed the amounts recoverable.

(b) Trade receivables as at 31 March 2017 include ₹ 23,507.17 lakhs, in respect of projects which were closed and which are overdue for a substantial period of time. The Company formed a senior management team comprising personnel from contract and legal department to rigorously follow up including negotiate / initiate legal action, where necessary. Based on the contract terms and these on-going recovery / arbitration procedures (which are at various stages) and an arbitration award received in favour of the Company during the year, the management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverab le.

Further, the observations made by the Auditors in their report are self-explanatory and do not call for any further comment. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

C. COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Infrastructure activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s. Shashi Ranjan & Associates to audit the cost accounts of the Company for the financial year 2016-17 on a remuneration of Rs. 60,000/- plus service tax subject to ratification by the members at the AGM. Accordingly, a Resolution seeking Member's ratification for the appointment and remuneration payable to M/s. Shashi Ranjan & Associates, Cost Auditors is included at the Notice convening the Annual General Meeting.

D. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Pritika Surana & Associates, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2016-17 is annexed herewith as 'Annexure III'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

17. Board Committees

The Board of Directors of your Company had already constituted various Committees in compliance with the provisions of the Companies Act, 2013 / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee.

CSR Committee

The CSR Committee comprises three directors viz. Mr. Vikram Sharma, Chairman, Mr. Dakshendra Agarwal and Mrs. Nilima Mamsukhani.

Audit Committee

All the recommendations made by the Audit Committee

were accepted by the Board.

Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided in the Corporate Governance Section of the Annual Report.

18. Vigil Mechanism

The Vigil Mechanism of the Company, also incorporates a whistle blower policy in terms of the Listing Regulations. Protected disclosures can be made by a whistle blower through an e-mail, or a letter to the Ombudsperson Task Force or to the Chairman of the Audit Committee.

19. CORPORATE GOVERNANCE

As per Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Practicing Company Secretary confirming compliance forms an integral part of this Report.

20. MANAGEMENT DISCUSSION AND ANALYSYS

A detailed review of the operations, performance and future outlook of the Company and its business is given in the Management Discussion and Analysis appearing as Annexure to this Report.

21. LISTING

Equity Shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has paid listing fees for the year 2017-2018.

22. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is given hereunder:

A. CONSERVATION OF ENERGY

The Company's main activity is of construction which does not require any utilities. However, Power is required for (a) running the crushing unit, (b) operating the ready mix concrete plant (c) operating the asphalt plant and (d) at the various project sites for operating the machinery/ equipment and lighting. The power requirement of manufacturing units are met from local distribution sources and from generator sets. The power required at the project sites for operating the machinery/equipment and lighting are met from the regular distribution sources and are arranged by the clients who award the contracts. At the project sites where the power supply cannot be arranged, diesel generator sets are used to meet the requirement of power.

The conservation of energy in all possible areas is undertaken as an important means of achieving cost reduction. Savings in electricity, fuel and power consumption receive due attention of the management on a continuous basis.

B. TECHNOLOGY ABSORPTION, ADAPTATION, RESEARCH & DEVELOPMENT AND INNOVATION

The Company has not acquired any technology for its manufacturing division. However, the technology adopted and applied is the latest technology available in the Industry and main thrust has always been put to adapt the latest technology.

In terms of Research and Development, it is the Company's constant endeavor to be more efficient and effective in planning of construction activities for achieving and maintaining the highest standard of quality.

In view of the above, the rules regarding conservation of Energy and Technology Absorption are not applicable to the Company.

C. FOREIGN EXCHANGE EARNINGS AND OUT GO

During the year under review, there was foreign exchange outgo of Rs. 0.45 Million. There were no foreign exchange earnings by the Company during the year under review.

23. PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION

The information required under Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached herewith as 'Annexure IV'. The Information as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request by any member of the Company. In terms of Section 136 (1) of the Companies Act, 2013, the Report and the Accounts are being sent to the members excluding the aforesaid Annexure. Any member interested in obtaining copy of the same may write to the Company Secretary at the Registered Office of the Company.

24. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as 'Annexure V'.

25. EMPLOYEE STOCK OPTION SCHEME

With an objective of participation by the employees in the ownership of the Company through share based compensation scheme/ plan, your company has implemented ESOS Scheme after having obtained the approval of the shareholders at the Annual General Meeting of the Company held on 30th September, 2015. However, no ESOS have been granted during the year under review..

26. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

a. Details relating to deposits covered under chapter V of

the Act.

b. Neither the Managing Director nor the Whole-time Director of the Company receives any remuneration or commission from any of its subsidiaries.

c. No significant or material orders in view of the management were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

27. ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for their continued support and co-operation by financial institutions, banks, government authorities and other stakeholders. Your Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-
(B.H.SHARMA)
EXECUTIVE CHAIRMAN

Place: Mumbai
Date: August 26, 2017

Registered Office:
Supreme House, Plot.No.94/C,
Opp. I.I.T. Main Gate, Pratap Gad, Powai,
Mumbai- 400 076

ANNEXURE I TO DIRECTORS' REPORT

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken:

Supreme Infrastructure India Limited aims to undertake initiatives that create sustainable growth and empower underprivileged sections of society.

OBJECTIVES OF CSR COMMITTEE:

1. To pursue a corporate strategy that enables realisation of the twin goals of shareholder value enhancement and societal value creation in a mutually reinforcing and synergistic manner.

2. To align and integrate Social Investments / CSR programmes with the business value chains of the Company and make them outcome oriented.

3. To implement Social Investments / CSR programmes primarily in the economic vicinity of the Company's operations with a view to ensuring the long term sustainability of such interventions.

4. To contribute to sustainable development in areas of strategic interest through initiatives designed in a manner that addresses the challenges faced by the Indian society especially in rural India.

5. To collaborate with communities and institutions to contribute to the national mission of eradicating poverty and hunger, especially in rural areas.

6. To encourage the development of human capital of the Nation by expanding human capabilities through skills development, vocational training etc. and by promoting excellence in identified cultural fields.

SCOPE OF THE CSR COMMITTEE:

To incur expenditure on the projects or programmes covering the following CSR activities pursuant to schedule VII of the Companies Act, 2013.

a. Eradicating extreme hunger and poverty.

b. Promotion of education.

c. Promoting gender equality and empowering women.

d. Reducing child mortality and improving maternal health.

e. Combating human immune-deficiency virus, acquired immune-deficiency syndrome, malaria and other diseases.

f. Ensuring environmental sustainability.

g. Employment enhancing vocational skills.

h. Social business projects and

i. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the central Government or the state Government for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the scheduled Tribes, other backward classes, minorities and women.

2. The Composition of the CSR Committee

The committee of the Directors, titled 'Corporate Social Responsibility Committee', was originally constituted by the Board on 29th May, 2014 and reconstituted on 31.03.2016 with the following members:
Mr. Vikram Sharma, Chairman
Mr. Dakshendra Agarwal, Member
Mrs. Nilima Mansukhani, Member

3. Average net Profit of the Company for last three financial years prior to 2016-17:
₹ 67,49,32,201

4. Prescribed CSR Expenditure (2% of the Amount as in item no. 3 above):

₹ 1,34,98,644

5. Details of CSR Spent during the financial year:

(a) Total Amount spent for the financial year: Nil
Amount unspent: ₹ 1,34,98,644

(b) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs	Amount outlay (budget) project of program wise	Amount spent on projects or programs	Cumulative expenditure upto the reporting period
Nil	Nil	Nil	Nil	Nil	Nil	Nil

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount shall be stated in the Board report:

The adverse scenario in the infrastructure sector alsoaffected the Company and put severe stress on its financials and cash liquidity. Hence, considering the present financial condition, the company has rolled over the expenditure to be incurred in FY 2016-17 and earlier years to next year(s) when the financial position strengthens and stress on liquidity eases.

7. Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company

The Company confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Mr. Vikram Sharma (Managing Director) **Mr. Dakshendra Agarwal** (Member) **Mrs. Nilima Mansukhani** (Member)

ANNEXURE II TO DIRECTORS' REPORT

REMUNERATION POLICY OF THE COMPANY

The philosophy for remuneration of directors, Key ManagerialPersonnel ("KMP") and all other employees of Supreme Infrastructure IndiaLimited ("Company") is based on the commitment offostering a culture of leadership with trust. The remunerationpolicy is aligned to this philosophy.

This remuneration policy has been prepared pursuant tothe provisions of Section 178(3) of the Companies Act, 2013("Act") and Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of any inconsistency betweenthe provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shalla bide by the applicable law. While formulating this policy,the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of theAct, which are as under:

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

➢ **Remuneration for independent directors and non-independent non- executive directors**

- Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the Company and its future growth imperatives).
- Overall remuneration should be reflective of size of the company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration.
- Overall remuneration practices should be consistent with recognised best practices.
- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings and general meetings.

➢ **Remuneration for managing director ("MD")/ executive directors ("ED")/ KMP/ rest of theEmployees**

The extent of overall remuneration should be sufficientto attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be-

- Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
- Driven by the role played by the individual
- Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay
- Consistent with recognised best practices and
- Aligned to any regulatory requirements.

In terms of remuneration mix or composition,

- The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic/ fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimisation, where possible.
- The Company provides retirement benefits as applicable.

Policy implementation

The NRC is responsible for recommending theremuneration policy to the Board. The Boardis responsible for approving and overseeingimplementation of the remuneration policy.

Chairman

ANNEXURE III DIRECTORS' REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Supreme Infrastructure India Limited
Supreme House, Plot No.94/C,
Opp. I.I.T, Powai,
Mumbai – 400076

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Supreme Infrastructure India Limited(hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided to me, a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 ('Audit Period'), has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines, to the extent applicable, prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) the Uniform Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the period under review, provisions of the following regulations were not applicable to the Company:

(i) The Secretarial and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2009;

(ii) The Secretarial and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;

(iii) The Secretarial and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Regulation 18(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that Two-third of the members of Audit Committee shall be independent directors. The Audit Committee of the Company consists of five members of which three membersare Independent Directors. Two third of the strength of Audit Committee works out to 3.33 which rounding off to the nearest figure is three. The criteria of rounding off to the next figure for audit committee is not being clarified in computing the strength of Independent Directors in Audit Committee in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In absence of such clarification, I believe that the rounding off to the nearest figure may be used in ascertaining the strength of Independent Directors in Audit Committee. Further, I have been informed that the Management is in process of evaluating various options in this regard.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

ANNEXURE III DIRECTORS' REPORT

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes, wherever necessary.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period,the Shareholders of the Company at their meeting held on 27thMarch, 2017 approved the resolutions for Issue of Equity Shares on Preferential Basis, Issuance of Equity Shares/ Eligible Securities through a Qualified Institutions Placement ("Qualified Institutional Placement" or "QIP") to Qualified Institutional Buyers and Re-Classification of the Authorised Share Capital of the Company. The Company has applied to the Stock Exchanges and Regulatory Authority for Preferential Issue upto 22,40,000 (Twenty Two Lakhs Forty Thousand) Equity shares to Supreme Innovative Building Projects Private Limited, the company belonging to promoter group and the Company's application is under consideration with the above referred authorities .

For Pritika Surana & Associates
Practicing Company Secretary

Pritika Surana
Membership No.: ACS 38316

Place: Mumbai
Dated: 30th May, 2017

ANNEXURE IV DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL)RULES, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year

   *Bhawanishankar Sharma – NA
   *Vikram Sharma – NA
   *Vikas Sharma – NA

   *Considering the present severe stress on the Company's financials, Mr. Bhawanishankar Sharma, Executive Chairman, Mr. Vikram Sharma, Managing Director and Mr. Vikas Sharma, Whole-time Director& CFO gave their consent to waive the fixed managerial remuneration earned by them for the year 2016-17 i.e. from April, 2016 to March, 2017 aggregating to Rs. 96,00,000/- each. Hence, no remuneration was paid to the them for the year 2016-17.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

   Managing Director & Whole-time Directors

   *Bhawanishankar Sharma – (-100%)
   *Vikram Sharma – (-100%)
   *Vikas Sharma – (-100%)

   Note:

   * Considering the present severe stress on the Company's financials, Mr. Bhawanishankar Sharma, Executive Chairman, Mr. Vikram Sharma, Managing Director and Mr. Vikas Sharma, Whole-time Director & CFO gave their consent to waive the fixed managerial remuneration earned by them for the year 2016-17 i.e. from April, 2016 to March, 2017 aggregating to Rs. 96,00,000/- each. Hence, no remuneration was paid to the them for the year 2016-17. Consequently, the percentage increase in managerial remuneration is in negative.

   Key Managerial Personnel:

   a) Mr. Vijay Joshi – Company Secretary : 7%.

3. The percentage increase in the median remuneration of employees in the financial year.

   Percentage Increase : 7%

4. The number of permanent employees on rolls of the company.

   785 Employees

5. The explanation on the relationship between average increase in remuneration and company performance

   The alignment between the performance of the Company and employee relation is built into the design of compensation and reward policy. The salary increases are function of market competitiveness in the relevant sector and affordability. The average increase of 7% in remuneration was to partially offset the average inflation of the year 2015-16. The macro level reduction in infrastructure activity also adversely affected the company's performance.

6. Comparison of the remuneration of key Managerial Personnel against the performance of the company

Aggregate remuneration of key Managerial Personnel (KMP) in FY 2016-17 (₹ Lakhs)	₹ 20.55 Lakhs
Revenue (₹ Lakhs)	₹ 112378.64 Lakhs
Remuneration of KMPs (as % of revenue)	0.018%
Profit before Tax (PBT) (₹ in lakhs)	(21863.28) Lakhs
Remuneration of KMP (as % of PBT)	(0.093%)

7. Variation in the market capitalization of the Company,price earnings ratio as at the closing date of the current financial year and previous financial year andpercentage increase over decrease in the marketquotations of the shares of the company in comparisonto the rate at which the company came out with thelast public offer in case listed companies.

a) Variation in the market capitalization of the Company

   The Market capitalization as on March 31, 2017 was Rs. 223.06 Crore (Rs. 250.43 Crore as on March 31, 2016)

b) Price Earning Ratio of the Company was negative 0.91as at March 31, 2017 and negative 6.13 as at March 31, 2016

c) percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case listed companies

   The Company had come out with initial public offer (IPO) in 2007 at an issue price of Rs. 108 per share including premium of Rs. 98 per share. An amount of Rs. 10,800 invested in the said IPO would be worth of Rs. 8,680 as on March 31, 2017 indicating negative Annual Growth Rate of 1.96%. This is excluding the dividend accrued thereon.

8. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

   Average salary Increase for KMPs (other than CMD & WTD): 7%

   Average salary Increase for non-KMPs :7%

9. The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year

   Not Applicable

10. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.

    Same response as in point 6 above.

11. The key parameters for any variable component of remuneration availed by the Directors

    No Director has received any variable component of remuneration.

12. Affirmation that the remuneration is as per the Remuneration policy of the Company.

    The remuneration paid to employees is as per the remuneration policy of the Company.

ANNEXURE V DIRECTORS' REPORT

EXTRACT OF THE ANNUAL RETURN

As on the financial year ended 31.03.2017
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]
Form No. MGT 9

Registration and other details

CIN	L74999MH1983PLC029752
Registration Date	8th April, 1983
Name of the Company	SUPREME INFRASTRUCTURE INDIA LIMITED
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered office and contact details	Supreme House, Pratap Gad, Plot No. 94/C, Opp. IIT, Powai, Mumbai – 400076 Tel: + 91 22 6128 9700 Fax: + 91 22 6128 9711 Website: www.supremeinfra.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra. Tel.: + 91-22-6263 8200 Fax : +91-22-6263 8299 Website:www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Constructions, Civil engineering works, Bridges, elevated highways and tunnels	99531,99532, 995322	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES AS ON 31ST MARCH, 2017

Sr. N0	NAME OF THE COMPANY	ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held*	Applicable Section
1	Supreme Infrastructure BOT Private Limited	8, Bhawani Services Industrial Estate, 3rd Floor, I. I. T Main Gate Powai, Mumbai – 400076	U45202MH2009PTC191231	Subsidiary	100%	2(87)(ii)
2	Supreme Infrastructure BOT Holdings Private Limited	Supreme House, Pratap Gadh, Plot No. 94/C, Opp. IIT, Powai , Mumbai - 400076	U45400MH2011PTC225144	Subsidiary	51%	2(87)(ii)
3	Supreme Panvel Indapur Tollways Private Limited	510, 5th Floor, ABW Tower, IFFCO Chock MG Road, Gurgaon – 122002, Haryana	U45400HR2010PTC043915	Subsidiary	64%	2(87)(ii)
4	Supreme Mega Structures Private Limited	Supreme City, Hiranandani Complex, Powai, Mumbai - 400076	U28112MH2010PTC208094	Subsidiary	60%	2(87)(ii)
5	Supreme Manor Wada Bhiwandi Infrastructure Private Limited	Supreme House, Pratap Gadh, Plot No. 94/C, Opp. IIT, Powai , Mumbai - 400076	U45202MH2010PTC198376	Subsidiary	49%	2(87)(i)

ANNEXURE V DIRECTORS' REPORT

Sr. N0	NAME OF THE COMPANY	ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held*	Applicable Section
6	Patiala Nabha Infra Projects Private Limited (Formerly known as Supreme Infra Projects Private Limited)	8, Bhawani Services Industrial Estate, 3rd Floor, I. I. T Main Gate Powai, Mumbai - 400076	U70102MH2009PTC190483	Subsidiary	100%	2(87)(ii)
7	Supreme Best Value Kolhapur(Shiroli) Sangli Tollways Private Limited	Supreme City, Hiranandani Complex, Powai, Mumbai - 400076	U45400MH2010PTC210311	Subsidiary	90%	2(87)(ii)
8	Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	510, 5th Floor, ABW Tower, IFFCO Chock MG Road, Gurgaon – 122002, Haryana	U45203HR2010PTC045531	Subsidiary	100%	2(87)(ii)
9	Supreme Kopargaon Ahmednagar Tollways Private Limited	Supreme House, Pratap Gadh, Plot No. 94/C, Opp. IIT, Powai , Mumbai - 400076	U45400MH2011PTC216901	Subsidiary	100%	2(87)(ii)
10	Supreme Suyog Funicular Ropeways Private Limited	8, Bhawani Services Industrial Estate, 3rd Floor, I. I. T Main Gate Powai, Mumbai - 400076	U45202MH2008PTC181032	Subsidiary	98%	2(87)(ii)
11	Mohol Kurul Kamati Mandrup Tollways Private Limited	510, 5th Floor, ABW Tower, IFFCO Chock MG Road, Gurgaon – 122002, Haryana	U45400HR2012PTC046851	Subsidiary	49%	2(87)(i)
12	Kotkapura Muktsar Tollways Private Limited	510, 5th Floor, ABW Tower, IFFCO Chock MG Road, Gurgaon – 122002, Haryana	U45200HR2012PTC047076	Subsidiary	74%	2(87)(ii)
13	Kopargaon Ahmednagar Tollways (Phase I) Private Limited	510, 5th Floor, ABW Tower, IFFCO Chock MG Road, Gurgaon – 122002, Haryana	U45203HR2012PTC047422	Subsidiary	100%	2(87)(ii)
14	Supreme Vasai Bhiwandi Tollways Private Limited	510, 5th Floor, ABW Tower, IFFCO Chock MG Road, Gurgaon – 122002, Haryana	U45200HR2013PTC048979	Subsidiary	100%	2(87)(ii)
15	Supreme Infrastructure Overseas LLC	(CR No. 1159663), P.O. Box. 1075, PC 131, Al-Hamriya, Sultanate of Oman.	1159663	Subsidiary	60%	2(87)(ii)
16	Sanjose Supreme Tollways Development Pvt. Ltd.	Chhattarpur Enclave, 100 Feet Road, New Delhi - 110074, Delhi	U70109DL2011PTC220682	Associate	96.10%	2(6)
17	Rudranee Infrastructure Limited	10/11, Phuwari apartments, Sahu College Road, Pune – 411009	U45209PN2006PLC128709	Associate	49%	2(6)
18	Sohar Stones LLC	PO Box 793, PC 112 Sultanate of Oman	1046736	Associate	30%	2(6)

* Representing aggregate % of shares held by the Company and/or its subsidiaries.

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2016)				No. of Shares held at the end of the year (as on 31.03.2017)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) INDIAN									
a) Individual/HUF	9672903	-	9672903	37.64	6359861	-	6359861	24.75	-12.89
b) Central Govt.		-	-	-		-	-	-	
C) State Govt(s)	-	-	-	-		-	-	-	
d) Bodies Corporate	3350000	-	3350000	13.04	3350000	-	3350000	13.04	0.00
e) Banks/ FT		-	-	-		-	-	-	
f) Any other		-	-	-		-	-	-	
SUB TOTAL (A)(1) :	13022903	-	13022903	50.68	9709861	-	9709861	37.78	-12.90
2. FOREIGN	-	-	-	-		-	-	-	
a) NRI – Individuals	-	-	-	-		-	-	-	
b) Other – Individuals	-	-	-	-		-	-	-	
c) Bodies Corporate	-	-	-	-		-	-	-	
d) Banks/ FT	-	-	-	-		-	-	-	
e) Any other	-	-	-	-		-	-	-	
SUB TOTAL (A)(2) :	-	-	-	-		-	-	-	
Total holding for Promoters and Promoter group (A)=(A)(1) + (A)(2)	13022903	-	13022903	50.68	9709861	-	9709861	37.78	-12.90
(B) Public shareholding									
1. Institutions									
a) Mutual Funds/ UTI	1656081	-	1656081	6.44	1478168	-	1478168	5.75	-0.69
b) Banks/FI	8000	-	8000	0.03	2016074	-	2016074	7.85	7.82
c) Central Govt.	-	-	-	-		-	-	-	
d) State Govt.(s)	-	-	-	-		-	-	-	
e) Venture Capital Funds	-	-	-	-		-	-	-	
f) Insurance Companies	-	-	-	-		-	-	-	
g) FIIs/Foreign Portfolio Investors	4149039	-	4149039	16.15	4348953	-	4348953	16.92	0.77
h) Foreign Venture Capital Funds	-	-	-	-		-	-	-	
i) Others(Specify)	-	-	-	-		-	-	-	
SUB TOTAL (B)(1) :	5813120	-	5813120	22.62	7843195	-	7843195	30.52	7.90
B 2. Non-institutions									
a) Bodies Corporate									
i) Indian	2524587	-	2524587	9.82	2426529		2426529	9.44	-0.38
ii) Overseas	-	-	-	-		-	-	-	
b) Individuals									
i)Individual shareholders holding nominal share capital upto ₹ 2 lakh	2278346	11	2278357	8.87	2616908	11	2616919	10.18	1.31
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	875718	-	875718	3.41	1514920	-	1514920	5.90	2.49
c) Others (specify)									
Trusts	-	-	-	-	5359	-	5359	0.02	0.02
Clearing Member	158076	-	158076	0.62	112897	-	112897	0.44	-0.18
Directors Relatives	5	-	5	0.00	-	-	-	0.00	0.00
Non Resident Indians (NRI)	1025606	-	1025606	3.99	1465692	-	1465692	5.70	1.71
NBFCs Registered with RBI	-	-	-	-	3000	-	3000	0.01	0.01
Sub-total (B)(2):-	6862338	11	6862349	26.70	8145305	11	8145316	31.70	5.00

ANNEXURE V DIRECTORS' REPORT

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2016)				No. of Shares held at the end of the year (as on 31.03.2017)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	12675458	11	12675469	49.32	15988500	11	15988511	62.22	12.90
C. Shares held by Custodian for GDRs & ADRs		0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**25698361**	**11**	**25698372**	**100.00**	**25698361**	**11**	**25698372**	**100.00**	

(ii) Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Bhawanishankar H Sharma	3946708	15.36	15.36	1684755	6.56	6.56	-8.80
2	Vikram Bhavanishankar Sharma	3037942	11.82	11.52	2374724	9.24	8.94	-2.58
3	Vikas Bhawanishankar Sharma	1758753	6.84	6.84	1758753	6.84	6.84	0.00
4	Rita B Sharma	427000	1.66	0.00	427000	1.66	0.00	0.00
5	Barkha Vikram Sharma	207500	0.81	0.78	7500	0.03	0.00	-0.78
6	Shweta V Sharma	205000	0.80	0.78	17129	0.07	0.05	-0.73
7	Phool Kanwar H Sharma	90000	0.35	0.00	90000	0.35	0.00	0.00
8	BHS Housing Private Limited	3350000	13.04	10.97	3350000	13.04	10.97	0.00
	Total	13022903	50.68	46.26	9709861	37.79	33.36	-12.89

(iii) Change in Promoters' Shareholding (Please specify if there is no change)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	13022903	50.68		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	#			
	At the End of the year	9709861	37.78		

#

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
		No. of Shares at the beginning (01/04/2016)/ end of the year (31/03/2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Bhawanishankar H Sharma	3946708	15.36	24/08/2016	(870000)	Invocation of Pledged shares	30,76,708	11.97
		30,76,708	11.97	17/12/2016	(1391953)	Invocation of Pledged shares	16,84,755	6.56
				31/03/2017			16,84,755	6.56
2	Vikram Sharma	30,37,942	11.82	17/12/2016	(563218)	Invocation of Pledged shares by lender	24,74,724	9.63
		24,74,724	9.63	23/02/2017	(7,940)	Invocation of Pledged shares by lender	24,66,784	9.60
		24,66,784	9.60	27/02/2017	(11,550)	Invocation of Pledged shares by lender	24,55,234	9.55
		24,55,234	9.55	28/02/2017	(13,000)	Invocation of Pledged shares by lender	24,42,234	9.50
		24,42,234	9.50	01/03/2017	(9,000)	Invocation of Pledged shares by lender	24,33,234	9.47
		24,33,234	9.47	02/03/2017	(14,607)	Invocation of Pledged shares by lender	24,18,627	9.41
		24,18,627	9.41	03/03/2017	(8,045)	Invocation of Pledged shares by lender	24,10,582	9.38
		24,10,582	9.38	06/03/2017	(5,896)	Invocation of Pledged shares by lender	24,04,686	9.36
		24,04,686	9.36	07/03/2017	(15,000)	Invocation of Pledged shares by lender	2389686	9.30
		2389686	9.30	27/03/2017	(5989)	Invocation of Pledged shares by lender	2383697	9.28
		2383697	9.28	28/03/2017	(8973)	Invocation of Pledged shares by lender	23,74,724	9.24
				31/03/2017			23,74,724	9.24
3	Barkha Sharma	207500	0.81	31/05/2016	(64677)	Invocation of Pledged shares by lender	142823	0.55

		142823	0.55	01/06/2016	(64702)	Invocation of Pledged shares by lender	78121	0.30
		78121	0.30	25/08/2016	(5,693)	Invocation of Pledged shares by lender	72,428	0.28
		72,428	0.28	29/08/2016	(20,000)	Invocation of Pledged shares by lender	52,428	0.20
		52,428	0.20	30/08/2016	(10,000)	Invocation of Pledged shares by lender	42,428	0.17
		42,428	0.17	01/09/2016	(10,000)	Invocation of Pledged shares by lender	32,428	0.13
		32,428	0.13	02/09/2016	(10,200)	Invocation of Pledged shares by lender	22,228	0.09
		22,228	0.09	28/03/2017	(14,728)	Invocation of Pledged shares by lender	7,500	0.03
				31/03/2017			7,500	0.03
4	Shweta Sharma	205000	0.80	08/09/2016	(55000)	Invocation of Pledged shares by lender	150000	0.59
		150000	0.59	09/09/2016	(22000)	Invocation of Pledged shares by lender	128000	0.50
		128000	0.50	04/10/2016	(17000)	Invocation of Pledged shares by lender	111000	0.43
		111000	0.43	05/10/2016	(11,000)	Invocation of Pledged shares by lender	1,00,000	0.39
		1,00,000	0.39	06/10/2016	(16,724)	Invocation of Pledged shares by lender	83,276	0.32
		83,276	0.32	10/10/2016	(2,000)	Invocation of Pledged shares by lender	81,276	0.31
		81,276	0.31	13/10/2016	(13,684)	Invocation of Pledged shares by lender	67,592	0.26
		67,592	0.26	14/10/2016	(3,000)	Invocation of Pledged shares by lender	64,592	0.25
		64,592	0.25	28/03/2017	(7952)	Invocation of Pledged shares by lender	56,640	0.22
		56,640	0.22	29/03/2017	(11,461)	Invocation of Pledged shares by lender	45,179	0.18
		45,179	0.18	30/03/2017	(28,050)	Invocation of Pledged shares by lender	17,129	0.07
				31/03/2017			17,129	0.07

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	Shareholding at the beginning of the year (01/04/2016)		Date	Increase/ ecrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
	For Each of the Top 10 Shareholders	No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company (As on 31/03/2017)
1	Kitara PIIN 1101	16,50,000	6.42	01/04/2016				
				30/12/2016	714344	Transfer	23,64,344	9.20
				31/03/2017			23,64,344	9.20
#2	ICICI BANK LIMITED	0	0	01/04/2016				
				06/05/2016	897	Transfer	897	0.00
		897	0.00	13/05/2016	1271	Transfer	2168	0.01
		2168	0.01	20/05/2016	-55	Transfer	2,113	0.01
		2,113	0.01	27/05/2016	-775	Transfer	1,338	0.01
		1,338	0.01	10/06/2016	-349	Transfer	989	0.00
		989	0.00	17/06/2016	-3	Transfer	986	0.00
		986	0.00	24/06/2016	-10	Transfer	976	0.00
		976	0.00	08/07/2016	-250	Transfer	726	0.00
		726	0.00	15/07/2016	293	Transfer	1,019	0.00
		1,019	0.00	22/07/2016	3663	Transfer	4,682	0.02
		4,682	0.02	29/07/2016	-514	Transfer	4,168	0.02
		4,168	0.02	05/08/2016	-400	Transfer	3,768	0.01
		3,768	0.01	12/08/2016	-46	Transfer	3,722	0.01
		3,722	0.01	26/08/2016	869231	Transfer	872,953	3.40
		872,953	3.40	02/09/2016	-15000	Transfer	857,953	3.34
		857,953	3.34	09/09/2016	-243926	Transfer	614,027	2.39
		614,027	2.39	16/09/2016	-69150	Transfer	544,877	2.12
		544,877	2.12	23/09/2016	-30370	Transfer	514,507	2.00
		514,507	2.00	30/09/2016	-28143	Transfer	486,364	1.89
		486,364	1.89	07/10/2016	-56969	Transfer	429,395	1.67
		429,395	1.67	14/10/2016	-11361	Transfer	418,034	1.63
		418,034	1.63	21/10/2016	-29525	Transfer	388,509	1.51
		388,509	1.51	28/10/2016	-62776	Transfer	325,733	1.27
		325,733	1.27	04/11/2016	-9338	Transfer	316,395	1.23
		316,395	1.23	11/11/2016	-11935	Transfer	304,460	1.18
		304,460	1.18	18/11/2016	-14153	Transfer	290,307	1.13
		290,307	1.13	25/11/2016	-23571	Transfer	266,736	1.04

Sr. No.	Name	Shareholding at the beginning of the year (01/04/2016)		Date	Increase/ ecrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
	For Each of the Top 10 Shareholders	No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company (As on 31/03/2017)
		266,736	1.04	02/12/2016	-261621	Transfer	5,115	0.02
		5115	0.02	09/12/2016	20	Transfer	5,135	0.02
		5135	0.02	16/12/2016	2000	Transfer	7,135	0.02
		7,135	0.03	23/12/2016	1955176	Transfer	1,962,311	0.02
		1,962,311	7.64	30/12/2016	-125	Transfer	1,962,186	7.64
		1,962,186	7.64	06/01/2017	19923	Transfer	1,982,109	7.71
		1,982,109	7.71	13/01/2017	-22291	Transfer	1,959,818	7.63
		1,959,818	7.63	20/01/2017	3568	Transfer	1,963,386	7.64
		1,963,386	7.64	27/01/2017	-4006	Transfer	1,959,380	7.62
		1,959,380	7.62	03/02/2017	1219	Transfer	1,960,599	7.63
		1,960,599	7.63	17/02/2017	7	Transfer	1,960,606	7.63
		1,960,606	7.63	24/02/2017	-1319	Transfer	1,959,287	7.62
		1,959,287	7.62	03/03/2017	-100	Transfer	1,959,187	7.62
		1,959,187	7.62	10/03/2017	-896	Transfer	1,958,291	7.62
		1,958,291	7.62	17/03/2017	-120	Transfer	1,958,171	7.62
		1,958,171	7.62	24/03/2017	2330	Transfer	1,960,501	7.63
		1,960,501	7.63	27/03/2017	69025	Transfer	2,029,526	7.90
		2,029,526	7.90	31/03/2017	-59522	Transfer	1,970,004	7.67
				31/03/2017			1,970,004	7.67
3	ICICI Prudential Child Care Plan - Gift Plan	12,60,000	4.90	01/04/2016		Nil Movement During the year		
				31/03/2017			1260000	4.90
4	Gagandeep Credit Capital Pvt Ltd	830000	3.23	01/04/2016				
				06/01/2017	-150000	Transfer	680000	2.65
				31/03/2017			680000	2.65
5	Eastspring Investments India Infrastructure Equity Open Limited	7,57,056	2.95	01/04/2016		Nil Movement During the year		
				31/03/2017			7,57,056	2.95
6	Kotak Mahindra (International) Limited	714344	2.78					
		714344	2.78	30/12/2016	-714344	Transfer	0	0.00
				31/03/2017			0	0.00

ANNEXURE V DIRECTORS' REPORT

Sr. No.	Name	Shareholding at the beginning of the year (01/04/2016)		Date	Increase/ ecrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
	For Each of the Top 10 Shareholders	No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company (As on 31/03/2017)
7	PREMIER INVESTMENT FUND LIMITED	441,630	1.72	01/04/2016				
		441,630	1.72	6-May-16	3000	Transfer	444,630	1.73
		444,630	1.73	3-Jun-16	25000	Transfer	469,630	1.83
		469,630	1.83	27-Jan-17	-20000	Transfer	449,630	1.75
		449,630	1.75	10-Feb-17	10938	Transfer	460,568	1.79
		460,568	1.79	17-Feb-17	11062	Transfer	471,630	1.84
		471,630	1.84	31-Mar-17	16000	Transfer	487,630	1.90
				31-Mar-17			487,630	1.90
8	Freny Firoze Irani	324,011	1.26	01/04/2016		Nil Movement During the year		
				31/03/2017			324011	1.26
9	SAMEER MAHENDRA SAMPAT	313235	1.22	01/04/2016		Nil Movement During the year		
				31/03/2017			313235	1.22
#10	TRISHAKTI POWER HOLDINGS PRIVATE LIMITED	0	0.00	01/04/2016				
				20/03/2017	210026	Transfer	210026	0.82
		210026	0.82	24/03/2017	100000	Transfer	310026	1.21
				31/03/2017			310026	1.21
#11	DHANESH SUMATILAL SHAH	0	0.00	01/04/2016				
				06/01/2017	160000	Transfer	160000	0.62
		160000	0.62	13/01/2017	150000	Transfer	310000	1.21
				31/03/2017			310000	1.21
*12	NATIONAL WESTMINSTER BANK PLC AS TRUSTEE OF THE JUPITER INDIA FUND	300000	1.17	01/04/2016				
		300000	1.17	20/03/2017	-1733	Transfer	298267	1.16
		298267	1.16	24/03/2017	-53473	Transfer	244,794	0.95
		244,794	0.95	27/03/2017	-4971	Transfer	239,823	0.93
				31/03/2017			239,823	0.93
*13	GYANMAY INVESTMENT ADVISORS LLP	285000	1.11	01/04/2016				
				26/08/2016	-11846	Transfer	273,154	1.06
				31/03/2017			273,154	1.06

* Ceased to be in the list of Top 10 shareholders as on 31-03-2017. The same is reflected above since the shareholder was one of the top 10 shareholders as on 01-04-2016

Not in the list of top 10 Shareholders as on 01-04-2016. The same has been reflected above since the shareholder was one of the top 10 shareholders as on 31-03-2017.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
A.	Directors & Key Managerial Personnel	No. of Shares at the beginning (01/04/2016)	% of total shares of the Company				No. of Shares	% of total shares of the Company (as on 31/03/2017)
1	Bhawanishankar H Sharma	39,46,708	15.36	24/08/2016	(870000)	Invocation of Pledged shares by lender	30,76,708	11.97
		30,76,708	11.97	17/12/2016	(1391953)	Invocation of Pledged shares by lender	16,84,755	6.56
				31/03/2017			16,84,755	6.56
2	Mr. Vikram Sharma	30,37,942	11.82	17/12/2016	(563218)	Invocation of Pledged shares by lender	24,74,724	9.63
		24,74,724	9.63	23/02/2017	(7,940)	Invocation of Pledged shares by lender	24,66,784	9.60
		24,66,784	9.60	27/02/2017	(11,550)	Invocation of Pledged shares by lender	24,55,234	9.55
		24,55,234	9.55	28/02/2017	(13,000)	Invocation of Pledged shares by lender	24,42,234	9.50
		24,42,234	9.50	01/03/2017	(9,000)	Invocation of Pledged shares by lender	24,33,234	9.47
		24,33,234	9.47	02/03/2017	(14,607)	Invocation of Pledged shares by lender	24,18,627	9.41
		24,18,627	9.41	03/03/2017	(8,045)	Invocation of Pledged shares by lender	24,10,582	9.38
		24,10,582	9.38	06/03/2017	(5,896)	Invocation of Pledged shares by lender	24,04,686	9.36
		24,04,686	9.36	07/03/2017	(15,000)	Invocation of Pledged shares by lender	2389686	9.30
		23,89,686	9.30	27/03/2017	(5989)	Invocation of Pledged shares by lender	2383697	9.28
		23,83,697	9.28	28/03/2017	(8973)	Invocation of Pledged shares by lender	23,74,724	9.24
				31/03/2017			23,74,724	9.24
3	Mr. Vikas Sharma (Whole Time Director & CFO)	1758753	6.84	01/04/2016 To 31/03/2017	0	Nil Holding/ Movement during the year	1758753	6.84

ANNEXURE V DIRECTORS' REPORT

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
4	Mr. Vishwanath Prasad Singh	0	0.00	01/04/2016 To 31/03/2017	0	Nil Holding/ Movement during the year	0	0.00
5	Mr. Vinod Balmukand Agarwala	0	0.00	01/04/2016 To 31/03/2017	0	Nil Holding/ Movement during the year	0	0.00
6	Mr. Dakshendra Brijballabh Agarwal	0	0.00	01/04/2016 To 31/03/2017	0	Nil Holding/ Movement during the year	0	0.00
7	Mr. Sushil Kumar Mishra	0	0.00	01/04/2016 To 31/03/2017	0	Nil Holding/ Movement during the year	0	0.00
8	Mrs. Nilima Mansukhani	0	0.00	01/04/2016 To 31/03/2017	0	Nil Holding/ Movement during the year	0	0.00
	Key Managerial Personnel(KMP's)							
1	Mr. Vijay Joshi (Company Secretary)	1	0.00	01/04/2016 To 31/03/2017	0	Nil Movement during the year	1	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment ₹ in Lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i)Principal Amount	19,866,460,680		-	19,866,460,680
ii) Interest due but not paid	143,129,986		-	143,129,986
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	20,009,590,666	-	-	20,009,590,666
Change in Indebtedness during the financial year	-	-	-	-
Addition	2,308,696,290	-	-	2,308,696,290
Reduction	-	-	-	-
Net Change	2,308,696,290	-	-	2,308,696,290
Indebtedness at the end of the financial year	-	-	-	-
i)Principal Amount	20,400,473,519	-	-	20,400,473,519
ii) Interest due but not paid	1,917,813,437	-	-	1,917,813,437
Total (i+ii)	**22,318,286,956**			**22,318,286,956**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(₹ in Lakhs)

Sr. no.	Particulars of Remuneration	Mr. B. H. Sharma (Whole Time Director)	Mr. Vikram Sharma (Managing Director)	Mr. Vikas Sharma (Whole Time Director & CFO)	Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others, specify…	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil	Nil
	Ceiling as per the Act	Not Applicable as no managerial remuneration was paid during the year to the above referred Key Managerial Personnel.			

A. Remuneration to Independent directors:

₹ in Lakhs

Sr. no.	Particulars of Remuneration	Mr. V.P. Singh	Mr. Vinod Balmukand Agarwala	Mr. S. K. Mishra	Mrs. Nilima Mansukhani	Total
	-Fee for attending Board/Committee Meetings	2.00	1.80	2.00	1.40	7.20
	-Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total	2.00	1.80	2.00	1.40	7.20

2. Remuneration to other Non-Executive directors:

₹ in Lakhs

Sr. no.	Particulars of Remuneration	Mr. Dakshendra Brijballabh Agarwal	Total
	-Fee for attending Board/Committee Meetings	0.60	0.60
	-Commission	-	-
	- Others, please specify	-	-
	Total	0.60	0.60

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

₹ in Lakhs

Sr. no.	Particulars of Remuneration	Mr. Vijay Joshi (Company Secretary)	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.19	18.19
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify…	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total (C)	18.19	18.19

ANNEXURE V DIRECTORS' REPORT

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
COMPANY					
Penalty					
Punishment					
Compounding					
DIRECTORS					
Penalty			Nil		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Your Company continues to lay great emphasis on the highest standard of corporate governance. The Company has adopted an appropriate Corporate Governance framework to ensure accountability, transparency, timely disclosure and dissemination of price sensitive information, ensuring meticulous compliance with applicable laws and regulations and conducting business in its best ethical manner.

The Board along with its committees undertake its fiduciary and trusteeship responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making. Your Company provides access to the Board of all relevant information and resources to enable it to carry out its role effectively. Your Company is committed to upholding the highest standards of Corporate Governance in its operations and will constantly endeavor to improve on these aspects on an ongoing basis.

The Company is in compliance with the requirements stipulated under Regulation of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015('SEBI Listing Regulations') entered into with the stock exchanges with regard to corporate governance

2. BOARD OF DIRECTORS:

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance, management and legal and provide leadership and guidance to the Company's management. The Directors contribute their diversified knowledge, experience and expertise in respective areas of their specialization for the growth of the Company.

Presently, the Board of Directors of the Company comprises Eight Directors, out of which Five Directors are Non-Executive Directors. The Company has 'Executive Chairman' and there are Four Independent Directors on the Board which represent half of the total strength of the Board of Directors of the Company.The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and under SEBI Listing Regulations. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors as specified in Regulation of SEBI Listing Regulations. The Board does not have any Nominee Director representing any financial institution.

The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, meets with the requirements of SEBI Listing Regulations.

The names and categories of Directors, the number of Directorships and Committee positions held by them in other Public Limited Companies and in the Company in terms of SEBI Listing Regulations as on 31st March, 2017are given below:

Name	Designation	Category	No. of other Directorship held in other public Companies	No. of committees Membership of other public companies	No. of committees chairmanship of other public companies	Committee Positions in the Company	
						Chairmanship	Membership
Mr. Bhawani shankar Sharma	Executive Chairman	Promoter, Executive Director	Nil	Nil	Nil	Nil	Nil
Mr. Vikram Sharma	Managing Director	Promoter, Executive Director	Nil	Nil	Nil	1	2
Mr. Vikas Sharma	Whole Time Director & CFO	Promoter, Executive Director	Nil	Nil	Nil	NIL	1
Mr. V. P. Singh	Director	Independent, Non-executive Director	2	4	NIl	1	Nil
Mr. Vinod Agarwala	Director	Independent, Non-executive Director	2	2	1	2	2
Mr. Dakshendra Agarwal	Director	Non-executive Director	Nil	Nil	Nil	Nil	1
Mr. S.K. Mishra	Director	Independent, Non-executive Director	Nil	Nil	Nil	NIL	2
Mrs. Nilima Mansukhani	Director	Independent, Non-executive Director	Nil	Nil	Nil	NIL	2

CORPORATE GOVERNANCE REPORT

Board Procedure

The Board meets at least once a quarter and Board Meetings are usually held in Mumbai. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. The Company provides the information as set out in Regulation 17 read with Part A of schedule III of the SEBI Listing Regulations to the Board and the Board Committees to the extent applicable. All the items drafted in the Agenda are accompanied by notes giving comprehensive information about the related subject and in certain matters such as financial/ business plans, financial results etc., Detailed presentations for the same are made. The Agenda and the relevant notes are circulated well in advance separately to each Director. The members of the Board have complete access to all information of the Company. The Board, if deem necessary and depending upon the urgency and necessity of the matter, takes up any other item of business, which does not form part of the agenda. Urgent matters are also considered and approved by passing resolution through circulation, which are noted at the next Board Meeting. To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting on the overall performance of the Company.

In addition to the above, pursuant to Regulation 24 of the SEBI Listing Regulations, the Minutes of the Board Meetings of the Company's Unlisted Subsidiary Companies and a statement of all significant transactions and arrangement entered into by the Unlisted Subsidiary Companies are placed before the Board.

Number of Board Meetings Held and Dates on which held

Six Board Meetings were held during the financial year 2016-2017 on 30th May,2016, 14thSeptember, 2016, 3rd December, 2016, 11th February, 2017, 15th February, 2017 and 2nd March, 2017.

Attendance of each Director at the Board Meetings and the last Annual General Meeting

During the financial year ended March 31, 2017, Six Board Meetings were held. The gap between two Board Meetings did not exceed four months.The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Name of the Director	No. of Board Meetings attended	Attendance at last AGM held on 30th September, 2016
Mr. Bhawanishankar Sharma	2	Yes
Mr. Vikram Sharma	6	Yes
Mr. Vikas Sharma	2	No
Mr. V. P. Singh	5	No
Mr. Vinod Agarwala	5	Yes
Mr. Dakshendra Agarwal	3	No
Mr. S.K. Mishra	5	Yes
Mrs. Nilima Mansukhani	6	Yes

Mr. Bhawanishankar Sharma, Executive Chairman is the father of Mr. Vikram Sharma, Managing Director and Mr. Vikas Sharma, Whole Time Director and CFO. No other Directors are related to each other. There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company other than the payment of sitting fees. No Independent Director or Non-Executive Director holds any Equity Share or Convertible instrument in the Company. Further, the Company has not granted any stock option to any of its Non-Executive Directors.

Familiarisation Programme for Board Members:

The familiarisation programme provides information to the Independent Directors and aims to familiarize the independent directors with the Company, their roles responsibilities in the Company, nature of infrastructure sector in which the company operates and the business model of the company by imparting suitable training sessions. Upon their appointment as Independent Directors on the Board, the Independent Directors are made aware of their roles, rights, responsibilities and liabilities. Familiarisation programme forms part of the Board process. The Independent Directors have been updated on the various developments within the Company as well as the macro level developments in the country effecting the infrastructure sector and Company's business plans at the quarterly Board Meetings held during the year F.Y. 2016-17. The details of the familiarisation programme for independent Directors are available on the Company's website at http://supremeinfra.com/codeofconduct.html

Code of Conduct:

The Company has two separate Code of Conduct for Board of Directors and Senior Management and Code of Conduct for Independent Directors. The Code is applicable to the Board of Directors, Senior Management including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Codes give guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code have been posted on the Company's website http://supremeinfra.com/codeofconduct.htmlThe Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

Board Committees:

The Board of Directors has constituted Committees of Directors with adequate delegation of powers, to discharge their functions with respect to specific matters of the Company on behalf of the Board of Directors. The Committees are constituted by inclusion of Executive, Non-Executive and Independent Directors as may be required to meet the prescribed requirements, which carry out its function as per their terms of reference. The brief particulars of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee as required under SEBI

Listing Regulations are given hereunder:

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and the rules made thereunder and regulation 18 of SEBI Listing Regulations. Further, the Audit Committee has been granted powers as prescribed under regulation 18 of SEBI Listing Regulations.

Composition of the Audit Committee

Presently, the Audit Committee comprises fiveDirectors of which ThreeDirectors are independent Directors. The members of the Committee are financially literate and have accounting and financial management expertise in terms of regulation 18 of SEBI Listing Regulations.

The Chairman of the Audit Committee is Independent Director. The meetings are usually held in Mumbai and are also attended by senior Company Executives, Statutory Auditors and Internal Auditors. The quorum for the Audit Committee Meetings is Two Independent Members. The Company Secretary acts as Secretary to the Committee.

The Composition of the Audit Committee and the details of Meetings held during the Year 2016- 2017.

Sr. No.	Name of the Director	Designation	Category	No. of Audit Committee Meetings attended
1	Mr. V. P. Singh	Chairman	Non-Executive Independent Director	4
2	Mr. Vinod Agarwala	Member	Non-Executive Independent Director	3
3	Mr. S. K. Mishra	Member	Non-Executive Independent Director	4
4	Mr. Vikram Sharma	Member	Executive-Managing Director	4
5	Mr. Vikas Sharma	Member	Executive Whole Time Director and CFO	1

Four meetings of the Audit committee were held during the year 2016-2017 on 30th May,2016, 14th September, 2016, 3rd December, 2016 and 11th February, 2017.

The role of the audit committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of the Company's financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company ;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions;
   g. Dodified opinion(s) in the draft audit report;
   h. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
5. Reviewing, with the management, the quarterly financial statements beforesubmission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of fundsraised through an issue (public issue, rights issue, preferential issue, etc.), thestatement of funds utilized for purposes other than those stated in the offerdocument / prospectus / notice and the report submitted by the monitoringagency monitoring the utilisation of proceeds of a public or rights issue, andmaking appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, andeffectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity withrelated parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors,adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structureof the internal audit

department, staffing and seniority of the official heading thedepartment, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up thereon;

15. Reviewing the findings of any internal investigations by the internal auditors intomatters where there is suspected fraud or irregularity or a failure of internalcontrol systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the natureand scope of audit as well as post-audit discussion to ascertain any area ofconcern;

17. To look into the reasons for substantial defaults in the payment to the depositors,debenture holders, shareholders (in case of non-payment of declared dividends)and creditors;

18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of chief financial officer after assessing thequalifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of theaudit committee.

In addition to the above, the role of the Audit Committee also includes the mandatory review of the following information:

1. Management discussion and analysis of financial condition and results of operations;

2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;

3. Management letters / letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses; and

5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

6. Statement of deviations:

   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations..

   b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of SEBI Listing Regulations

4. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration Committee is made in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations. The terms of reference of the Nomination and Remuneration Committee as defined by the Board are as under:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

2. formulation of criteria for evaluation of performance of independent directors and the Board of Directors;

3. devising a policy on diversity of Board of Directors;

4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

5. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

6. To execute and monitor the ESOS Plans of the Company

The composition of the Nomination and Remuneration Committee as at 31st March, 2017 and the details of Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of the Director	Designation	Category	No. of Meetings attended
1	Mr. Vinod Agarwala	Chairman	Non-Executive Independent Director	3
2	Mr. Dakshendra Agarwal	Member	Non-Executive Director	-
3	Mr. S. K. Mishra	Member	Non-Executive Independent Director	1

One meeting of the Nomination and Remuneration Committee was held on 31st March, 2017.

Remuneration Policy

The Company's philosophy for remuneration of Directors, KMP and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, KMP and other employees, which is aligned to this philosophy. The principles governing the Company's Remuneration Policy is provided in the Board's Report.

Remuneration to Non-Executive Directors

The Non-Executive Directors of the Company are receiving

the sitting fees for attending the meeting of the Board of Directors and the Meeting of the Audit Committee. No sitting fees have been paid to the Directors for attending the meeting of any other Committees during the year. Non-Executive Directors are also entitled to receive commission up to one percent on the net profits of the Company in accordance with the provisions of the Companies Act, 2013 as approved by the shareholders at the Annual General Meeting of the Company held 12th September, 2014.However, in view of the losses incurred during the year, no commission is paid to Non-Executive Directors during the year.

The details of the sitting fees and commission paid to Non-Executive Directors for the year ended 31st March, 2017 is as follows:

Sr. No.	Name of the Director	Sitting fees ₹	Commission ₹	Total ₹
1	Mr. V.P Singh	2,00,000	Nil	2,00,000
2	Mr. Vinod Agarwala	1,80,000	Nil	1,80,000
3	Mr. S. K. Mishra	2,00,000	Nil	2,00,000
4	Mrs. Nilima Mansukhani	1,40,000	Nil	1,40,000
5	Mr. Dakshendra Agarwal	60000	Nil	60000
	Total	7,80,000	Nil	7,80,000

Remuneration to Executive Directors

The Executive Directors are entitled to fixed remuneration by way of salary of Rs. 5 lakhs per month and perquisites of Rs. 3 Lakhs per month. Other than the above, the Executive Directors are not entitled to any bonuses, pensions, performance linked incentives, severance fees etc. The Company has not issued stock options to any Director. Considering the present business scenario and difficulties being faced by the infrastructure sector, the Executive Directorsof the Company viz. Mr. Bhawanishankar Sharma, Mr. Vikram Sharma and Mr. Vikas Sharma, waived off their fixed managerial remuneration of Rs. 96 lakhs per annum i.e. Rs. 8 lakh per month, earned by each of them during F.Y. 2016-17. The Total Managerial Remuneration waived off by the Executive Directors is Rs. 288 Lakhs for F.Y. 2016-17.

The agreement with the above Executive Directors is for a period of five years with effect from 1st April,2015 duly approved by the Shareholder at the Annual General Meeting of the Company held on 30th September, 2015. Either party to the agreement is entitled to terminate the agreement by giving not less than three month notice in writing to the other party.

None of the Directors are entitled to any benefit upon termination of their association with the Company.

Performance Evaluation and Independent Directors Meeting

Pursuant to the provisions of Section 134 (3) (p), 149(8) and Schedule IV of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, annual performance evaluation of the Directors as well as of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee has been carried out. The performance evaluation of the Independent Directors was carried out by the entire Board and the Performance Evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The terms of reference of the Stakeholders Relationship Committee is made in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations. The terms of reference of the committee is to consider, monitor and resolve the grievances of shareholders, debenture holders and other security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

The composition of the Stakeholders Relationship Committee is as follows:

Name of the Director	Designation	Category
Mr. Vinod Agarwala	Chairman	Non-Executive Independent Director
Mr. Vikram Sharma	Member	Executive Managing Director
Mrs. Nilima Mansukhani	Member	Non-Executive Independent Director

The Committee has powers to approve/authenticate all the Share transfers/transposition/transmission/duplicate shares requests received from the Shareholders. The Committee normally resolves the complaints received from the Investors/ Shareholders within 7 days of receipt of the same.The Company Secretary places before the Board the status of various complaints received by the Committee at every Board meeting. During the year four Committee meetings were held

Complaints from Investors

During the year under review, the Company had received 3 complaints from the investors regarding Non receipt of Dividend and resolved all the above 3 complaints of the investors. There were no investor complaints pending as on 31st March 2017.

Prohibition of Insider Trading

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

Compliance Officer

Mr. Vijay Joshi, Company Secretary of the Company is the Compliance officer of the Company.

Support and role of Company Secretary

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes

of the meetings. He acts as interface between the Board and the Management and provides required assistance and assurance to the Board and the Management on compliance and grievance aspects.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee constituted in accordance with Section 135 of the Companies Act, 2013, comprises the following three directors as on 31st March, 2017.

Sr. No.	Name	Position
1	Mr. Vikram Sharma	Chairman
2	Mr. Vinod Agarwala	Member
3	Mrs. Nilima Mansukhani	Member

The role of the CSR Committee is as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities referred in the CSR policy.
- Monitor the CSR Policy of the Company and its implementation from time to time.
- Such other functions as the Board may deem fit.

During the financial year 2016-17, one Meeting of the Committee was held on 31st March, 2017.

7. SUBSIDIARY COMPANIES

Regulation 16 (1) (c) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 defines a "material subsidiary" as subsidiary, whose income or Networth exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.In terms of the above definition, the Company did not have any "material subsidiary" during the year under review. The Subsidiaries of the Company function independently, with an adequately empowered Board of Directors and sufficient resources. For more effective governance, the Minutes of Board Meetings of Subsidiaries of the Company are placed before the Board of the Company for its review. The requirements of the Regulations of SEBI Listing Regulations, 2015 with regard to subsidiary companies have been complied with.The Company has formulated a policy for determining material subsidiaries which is disclosed on the Company's website.

8. GENERAL BODY MEETINGS

a. Location and time, where last three Annual General Meetings were held is given below:

AGM	Date	Venue and Time	Special Resolutions passed
33rd	30th September, 2016	Athena Banquet Hall, 8th Floor, B-Wing, Supreme Business Park, Hiranandani, Powai, Mumbai – 400 076	Adoption of New Set of Articles of Association
32nd	30th September, 2015	The Beatle Hotel, JMJ House Orchard Avenue, Hiranandani Gardens, Powai, Mumbai – 400076at 3.30 p.m.	1. Reappointment of Shri Bhawanishankar Sharma, as Whole Time Director of the Company. 2. Reappointment of Shri Vikram Sharma as Managing Director of the Company. 3. Reappointment of Shri Vikas Sharma as Whole-Time Director of the Company. 4. Approval of ESOS Scheme 2015. 5. Approval of Trust for the implementation of ESOS Scheme. 6. Provision for purchase of Shares by the Trust/ Trustees for the benefit of Employees under the ESOS Scheme.
31st	12th September 2014	Sai Palace Hotels, Mahakali Caves Road, Chakala, Andheri (East), Mumbai 400 093 at 3.30 p.m.	1. Approval for payment of commission to Non-Executive Directors. 2. Issuance of Equity Shares/ Eligible Securities by way of Private Placement of Equity Shares to Qualified Institutional Buyers ("Qualified Institutional Placement" or "QIP"). 3. Increase in the Borrowing Powers of the Company. 4. Creation of Security on the Properties of the Company in favour of the Lenders
EGM	27th March 2017	The Sai Palace Hotels, Mahakali Caves Road, Chakala, Andheri (East), Mumbai–400093 at 4.00 p.m	1.Issue of Equity Shares on Preferential Basis 2. Issuance of Equity Shares/ Eligible Securities through a Qualified Institutions Placement ("Qualified Institutional Placement" Or "QIP") to Qualified Institutional Buyers 3. Re-Classification of the Authorised Share Capital of the Company

No resolution was passed through Postal Ballot last year.

9. MEANS OF COMMUNICATION

- **Quarterly Results:** The Company communicates the quarterly financial results to the Stock Exchanges immediately after its approval by the Board. Quarterly Results are normally published in the 'Active Times', English Daily and 'Mumbai Lakshdeep', Marathi Daily newspapers. Investors Presentations when made to institutional investors is also disseminated to the Stock Exchanges and on the website of the Company

- **Website:** The Company's website www.supremeinfra.comcontains a separate dedicated section "investors" where shareholders information is available. Quarterly results and Annual Reports are also available on the website in user- friendly and downloadable forms..

- **Annual Report:** Annual Report containing, inter-alia, Directors' Report, Auditor's Report, Audited Annual Accounts and other important information is circulated tothe Members of the Company and others entitled thereto. The Management's Discussion and Analysis Report forms part of the Annual Report

- **NSE Electronic Application Processing System (NEAPS):** The Neaps is a web based application designed by NSE for corporate. All periodical compliance filings like shareholding pattern, Corporate Governance Report etc. are filed electronically on NEAPS.

- **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the Complaint and its current status.

10. GENERAL SHAREHOLDER INFORMATION

1.	**Company Registration details**	The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74999MH1983PLC029752
2.	**Annual General Meeting**	
	Date, Time and Venue	Monday, 30th October, 2017, 11.30 a.m. At Athena Banquet Hall, 8th Floor, B-Wing, Supreme Business Park, Hiranandani, Powai, Mumbai – 400 076.
3.	**Financial Year**	1st April to 31st March
4.	**Tentative Financial Calendar**	
	Quarterly results will be declared as per the following tentative schedule:-	
	Financial reporting for the quarter ending 30th June, 2017:	by 14th August 2017
	Financial reporting for the half year ending 30th September, 2017:	by 14th November 2017
	Financial reporting for the quarter ending 31st December, 2017:	by 14th February 2018
	Financial reporting for the year ending 31st March, 2018:	by 30th May 2018
5.	**Dates of Book Closure**	Monday, 23rd October, 2017 to Monday, 30th October, 2017
6.	**Dividend**	No Dividend is recommended for the year ended 31st March, 2017.
7.	**Listing on Stock Exchanges**	The Equity Shares of your Company are listed on: BSE Limited (BSE) Add:- Floor 25, P.J. Towers, Dalal Street, Fort, Mumbai-400 001and National Stock Exchange of India Ltd (NSE). Add:- Exchange Plaza, Bandra-Kurla Complex, Bandra, Mumbai-400 051. Your Company has paid Annual Listing Fees for the financial year 2017-18 to both the Exchanges
8.	**Stock Code**	BSE Limited (BSE):- "532904" National Stock Exchange of India Limited (NSE):- "SUPREMEINF"

9.	**Registrar & Transfer Agents**	Bigshare Services Private Limited Add.:- 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, MarolMaroshi Road, Andheri East, Mumbai 400059 Tel: + 91 22 62638200 Website:www.bigshareonline.com Email: investor@bigshareonline.com
10.	**Share Transfer System**	The Board of Directors have delegated the power of share transfer to the M/s Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company. Share Transfer Agent attends to share transfer formalities once in a fortnight.
11.	**Address for Correspondence**	Mr. Vijay Joshi Company Secretary Supreme Infrastructure India Limited Add.:- Supreme House, Plot No.94/C, Opp. I.I.T. Main Gate, Pratap Gad, Powai, Mumbai- 400 076. Tel: + 91 22 6128 9700 Fax: + 91 22 6128 9711 Website:www.supremeinfra.com Email:vijayj@supremeinfra.com
12.	**Dematerialization of Shares and liquidity**	As on 31st March, 2017, 2,56,98,361 Equity Shares of the Company constitutingappx. 100% of the Equity Shares Capital are held in Dematerialized form. The equity shares of the Company are in compulsory dematerialized trading for all investors.
13.	**Electronic clearing services (ECS)**	Members are requested to update their bank account details with their respective Depository Participants for Shares held in the electronic form or write to the Company's Registrar and Share Transfer Agent, M/s Bigshare Services Private Limited for the shares held in physical form.
14.	**Investor Complaints to be addressed to**	Registrar and Share Transfer Agent, M/s Bigshare Services Private Limited or to Mr. Vijay Joshi, Company Secretary at the address mentioned earlier.
15.	**Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity.**	There are no Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, which are likely to impact on equity as at 31st March, 2017.
16.	**Plant Locations**	Hot Mix Plant, RMC Plant and Crusher Plant located at Padgha, Talvali, Near Vasare Village, Kalyan-Padgha Road, Maharastra and at various sites and locations.

11. DISTRIBUTION OF SHARE HOLDING

Face value: ₹ 10/- each (as on 31st March 2017)

Range of shares		Number of Shareholders	Percentage of shareholders	Number of Shares	Percentage of Total Capital
1	500	8357	88.43	888570	3.46
501	1000	464	4.91	386294	1.50
1001	2000	244	2.58	377630	1.47
2001	3000	89	0.94	227711	0.89
3001	4000	57	0.60	198208	0.77
4001	5000	44	0.47	206679	0.80
5001	10000	75	0.79	547342	2.13
10001	and above	121	1.28	22865938	88.98
	Total	9451	100.00	25698372	100.00

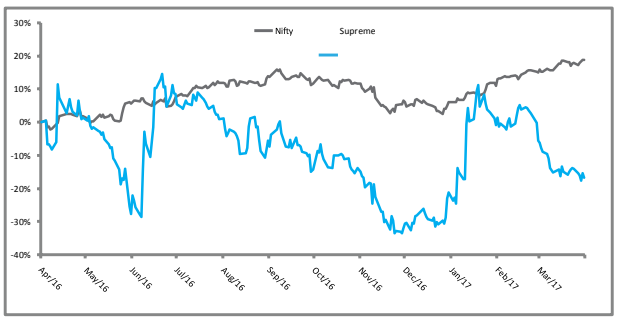
CORPORATE GOVERNANCE REPORT

Shareholding Pattern as on 31st March, 2017

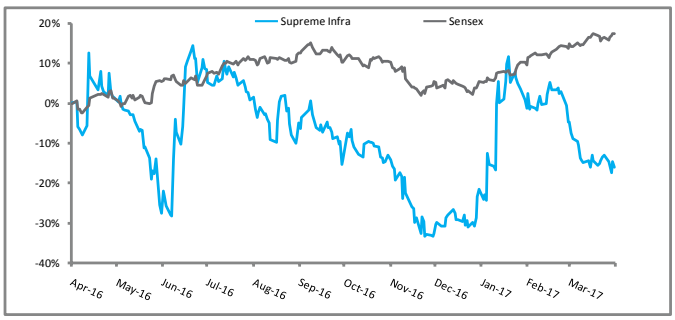
Sr. No.	Category of Shareholders	No. of Shares held	Percentage of Shareholding
1	Promoters & Promoters Group	9709861	37.78
2	Mutual funds/ UTI	1478168	5.75
3.	Government Companies, Financial Institutions, Banks and Insurance Companies	17833	0.07
4.	Non Nationalised Banks	2001241	7.79
5.	Foreign Portfolio Investors	4348953	16.92
6.	Bodies Corporate	2426529	9.44
7.	NRIs	1465692	5.70
8.	Clearing Member	112897	0.44
9.	Trusts	5359	0.02
10.	Indian Public (Other than above)	4131839	16.09
	Total	**2,56,98,372**	100.00

Market Price Data

Months	BSE Limited (BSE)		The National Stock Exchange of India Limited (NSE)	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2016	116.95	95.6	116.3	95.6
May 2016	105.8	75.3	106.2	75.45
June 2016	118.95	74.6	119.5	74.45
July 2016	114.85	104.8	113.65	105.2
August 2016	106	93.5	105.9	93.2
September 2016	104.65	88.1	104.5	88.6
October 2016	97.15	88.5	97.45	88.2
November 2016	89.15	69.3	88.6	69.35
December 2016	81.6	79.7	82.2	70.25
January 2017	116	78.55	116.1	78.7
February 2017	109.3	98.95	109.7	98.55
March 2017	99.15	85.9	97.75	85.85



Nifty Comparison



Sensex Comparison

Reconciliation of Share Capital Audit

In keeping with the requirements of the SEBI and stock exchanges, a reconciliation of share capital audit by a practicing Company Secretary is carried out at the end of every quarter to reconcile the total admitted Equity capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The said audit confirms that the total issued/ paid-up Equity capital tallies with the total number of Equity shares in physical form and the total number of Dematerialised shares held with NSDL and CDSL.

Dematerialisation of Shares and Liquidity

As of the end of March 31, 2017 shares comprising approximately 100% of the Company's Equity Share Capital have been dematerialized

Status on Dematerialised shares (Equity ISIN No. INE550H01011)

Shares held through	Percentage of holding
NSDL	67.34
CDSL	32.66
Physical	0.00 (11 shares)
Total	100.00

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

As per the provisions of Regulation 39 of SEBI Listing Regulations, the unclaimed shares if any lying in the possession of the Company are required to be dematerialized and transferred into a special demat account. The Company is not required to maintain the above account as no Equity Shares of the Company have remained unclaimed. All the Equity Shares of the Company are in Dematerialised form except 11 Equity shares which are in physical form. Hence, the above provisions are not applicable to the Company.

Transfer of Unclaimed Dividend to Investor Education & Protection Fund (IEPF)

Under the Companies Act, 2013, dividends which remain unclaimed for a period of seven years are required to be transferred to the Investor Education & Protection Fund (IEPF) administered by the Central Government.

Dates of declaration of dividends since financial year 2009-10 and the corresponding dates when unclaimed dividends are due to be transferred to the IEPF are given in the table below

Financial year ended	Date of declaration of dividend	Amount remaining unclaimed as on 31/03/2017 (₹)	Last date for claiming unclaimed dividend amount (before)	Last date for transfer to IEPF
31/03/2010	20/09/2010	58,896	26/10/2017	25/11/2017
31/03/2011	30/09/2011	33,795	6/11/2018	5/12/2018
31/03/2012	28/09/2012	23,462.5	4/11/2019	3/12/2019
31/03/2013	26/09/2013	39,290	2/11/2020	1/12/2020
31/03/2014	12/9/2014	19,386	18/10/2021	17/11/2021

Members are once again requested to utilize this opportunity and get in touch with the Company's Registrar and Share Transfer Agents Bigshare Services Private Limited at their communication address for encashing the unclaimed dividends standing to the credit of their account.Members are further requested to note that after completion of seven years, no claims shall lie against the said Fund or Company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claims.

12. DISCLOSURES

a. All related party transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. Details of related party transactions entered into by the Company are included in the Notes to Accounts. Material individual transactions with related parties are in the normal course of business and do not have potential conflict with the interests of the Company at large. Transactions with related parties entered into by the Company in the normal course of Business are placed before the Audit Committee. The policy on related party transactions as approved by the Board is uploaded on the Company's website.

b. The Financial Statement of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Account Standards) Rules, 2015. The financial statements for all periods upto and including year ended March 31, 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of Companies act ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as mended) ("previous GAAP"). The financial statements for the year ended March 31, 2017 are the first financial statements prepared by the Company in accordance with Ind AS.

c. The Audit Committee and the Board have adopted a Whistle-Blower policy which provides a formal mechanism for all employees of the Company to approach to the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures

to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code

of Conduct. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no employee of the Company has been denied access to the Audit Committee.

d. The Company has complied with all the mandatory requirements of Regulation of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and the Non-Mandatory requirement regarding internal auditor reporting directly to the audit committee is adopted. As regards the other Non-mandatory requirements, the Board has taken cognisance of the same and shall consider adopting the same as and when necessary.

e. The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital market during the last 3 years. No penalties or strictures have been imposed by them on the Company.

f. The Company has also adopted the policy on determination of Materiality for Disclosures (http://supremeinfra.com/codeofconduct.html)

Compliance of Corporate Governance Requirements specified in Regulation 17 to 27 and Regulation 46(2)(B) to (I) of Listing Regulations

Sr. No.	Regulation	Particulars	Compliance observed for the following	Compliance Status Yes / No/N.A.
1	17	Board of Directors	- Composition - Meetings - Review of compliance reports - Plans for orderly succession for appointments - Code of Conduct - Fees / compensation to Non-Executive Directors - Minimum information to be placed before the Board - Compliance Certificate - Risk assessment and management - Performance evaluation of Independent Directors	Yes
2	18	Audit Committee	- Composition - Meetings - Powers of the Committee - Role of the Committee and review of information by the Committee	Yes
3	19	Nomination and Remuneration Committee	- Composition - Role of the Committee	Yes
4	20	Stakeholders' Relationship Committee	- Composition - Role of the Committee	Yes
5	21	Risk Management Committee	Not Applicable	N.A.
6.	22	Vigil Mechanism	- Formulation of Vigil Mechanism for Directors and employees - Director access to Chairperson of Audit Committee	Yes
7.	23	Related Party Transactions	- Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions - Approval including omnibus approval of Audit Committee - Review of Related Party Transactions	Yes
8.	24	Subsidiaries of the Company	- There was no material subsidiary of the Company and as a result the other compliance in respect of material subsidiary were not applicable - Review of financial statements of unlisted subsidiary by the Audit Committee - Significant transactions and arrangements of unlisted subsidiary	Yes

Sr. No.	Regulation	Particulars	Compliance observed for the following	Compliance Status Yes / No/N.A.
9.	25	Obligations with respect to Independent Directors	- Maximum directorships and tenure - Meetings of Independent Directors - Familiarisation of Independent Directors	Yes
10.	26	Obligations with respect to Directors and Senior Management	- Memberships / Chairmanships in Committees - Affirmation on compliance of Code of Conduct by - Directors and Senior Management - Disclosure of shareholding by Non-Executive Directors - Disclosures by Senior Management about potential conflicts of interest	Yes
11.	27	Other Corporate Governance requirements	- Compliance with discretionary requirements - Filing of quarterly compliance report on Corporate Governance	Yes
12.	46(2)(b) to (i)	Website	- Terms and conditions for appointment of Independent Directors - Composition of various Committees of the Board of Directors - Code of Conduct of Board of Directors and Senior Management Personnel - Details of establishment of Vigil Mechanism/ Whistle Blower policy - Policy on dealing with Related Party Transactions - Policy for determining material subsidiaries - Details of familiarisation programmes imparted to Independent Directors Weblink:http://supremeinfra.com/codeofconduct.html	Yes

COMPLIANCE CERTIFICATE

Certificate from the Practicing Company Secretary, M/s. Pritika Surana & Associates, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

CEO AND CFO CERTIFICATION

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

I, Vikram Sharma, Managing Director of Supreme Infrastructure India Limited hereby confirm that the Company has obtained affirmation from all the members of the Board and Management Personnel that they have complied with the Code of Conduct for Board of Directors and Senior Management and Code of Conduct for Independent Directors as applicable to them for the Financial Year 2016-17.

Vikram Sharma
Managing Director

Place: Mumbai
Date: 30th May, 2017

CORPORATE GOVERNANCE REPORT

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CHAPTER IV OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members,
Supreme Infrastructure India Limited

1. We have examined the compliance of conditions of Corporate Governance by Supreme Infrastructure India Limited ("the Company"), for the year ended on 31st March, 2017, as stipulated in:

    a. Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and .

    b. Regulations 17 to 27 {excluding regulation 23(4)} and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations.

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations of applicability as specified under paragraph 1 above, during the year ended 31st March, 2017.

4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Pritika Surana & Associates
Practicing Company Secretary

Pritika Surana
Membership No.: 38316

Place: Mumbai
Dated: 30th May, 2017

CORPORATE GOVERNANCE REPORT

CEO/ CFO CERTIFICATE

To,
The Board of Directors
Supreme Infrastructure India Limited

1. We have reviewed financial statement and the cash flow statement of Supreme Infrastructure India Limited for the year ended March 31, 2017 and to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee:

   i. that there are no significant changes in internal control over financial reporting during the year;

   ii. that there are no significant changes in accounting policies during the year; and

   iii. that there are no instances of significant fraud of which we have become aware.

Vikram Sharma
Managing Director

Vikas Sharma
Whole-time Director & CFO

Place : Mumbai
Date : 30th May, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of Supreme Infrastructure India Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Supreme Infrastructure India Limited('the Company'), which comprise the Balance Sheet as at 31March 2017, 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.

Management's Responsibility for the StandaloneFinancial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013('the Act') with respect to the preparation of these standalone financial statements that give a true andfair view of the state of affairs(financial position), profit or loss (financial performance including other comprehensiveincome), cash flows and changes in equity of the Companyin accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards('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 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 andprudent; and design, implementation and maintenance ofadequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness ofthe 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which arerequired to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditingspecified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and planand perform the audit to obtain reasonable assurance aboutwhether these standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, aswell as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on these standalone financial statements.

Basis for Qualified Opinion

8. a) As stated in Note 11 (b) to the standalone financial statements, the Company's trade receivables and unbilled work (other current financial assets) as at 31 March 2017 include amounts aggregating ₹ 6,616.13 lakhs and ₹ 3,074.86 lakhs respectively, in respect of projects which were closed / terminated by the clients and where the matters are currently under negotiations / litigation, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying standalone financial statements that may arise on settlement of the aforesaid matters. Our Opinion on the standalone financial statements for the year ended 31 March 2016 was also qualified in respect of these matters.

b) As stated in Note 11 (c) to the standalone financial statements, the Company's trade receivables as at 31 March 2017 include amounts aggregating ₹23,507.17 lakhsin respect of projects which were closed and where the receivables remain outstanding for a substantial period, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying standalone financial statements that may arise on settlement of the aforesaid matters. Our opinion on the standalone financial statements for the year ended 31 March 2016 was also qualified in respect of these matters.

Qualified Opinion

9. In our opinion and to the best of our information andaccording to the explanations given to us,except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph,the aforesaidstandalone financial statements give the informationrequired by the Act in the manner so required and give a trueand fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state

of affairs (financial position) of the Company as at 31March 2017, and its loss (financial performanceincluding other comprehensive income), its cash flows andthe changes in equity for the year ended on that date.

Other Matter

10. The Company had prepared separate sets of statutory financial statements for the years ended 31 March 2016 and 31 March 2015 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014 (as amended) on which we issued auditor's reports to the shareholders of the Company dated 30 May 2016 and 2 June 2015, respectively.These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS,which have also been audited by us. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order,2016 ('the Order') issued by the Central Government of India interms of Section 143(11) of the Act, we give in the Annexure 1,a statement on the matters specified in paragraphs 3 and 4of the Order.

12. Further to our comments in Annexure 1, as required by Section 143(3) of the Act, we report that:

a) we have sought and except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, 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 standalone financial statements dealt with by this report are inagreement with the books of account;

d) except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under Section 133 of the Act;

e) the matters described in Basis for Qualified Opinion paragraph, 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 at 31 March 2017 from being appointed as a director n terms of Section 164(2) of the Act;

g) the qualification relating to the maintenance of accounts and other matters connected there with are as stated in the Basis for Qualified Opinion paragraph;

h) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as at 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 30 May, 2017as per Annexure 2 expressed a qualified opinion;

i) 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, as detailed in Notes11 (b), 11 (c), 15.9, 18.2, 18.3, 30(a)(i), 30(a) (iii) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;

ii. except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the Company, as detailed in Note 2.1 xiii (a) to the standalone financial statements, has made provision, as requiredunder the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There are no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. the Company, as detailed in Note 12.1 to the standalone financial statements, has made requisite disclosures in these standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking in to consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the Company.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm Registration No:
001076N/N500013

per **Adi. P. Sethna**

Partner
Membership No: 108840
Mumbai
30 May 2017

For Shah & Kathariya

Chartered Accountants
Firm Registration No:
115171W

per **P.M. Kathariya**

Partner
Membership No: 31315
Mumbai
30 May 2017

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

of even date to the members of Supreme Infrastructure India Limited, on the standalone financial statements for the year ended 31 March 2017

Annexure 1

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) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has granted unsecured loans tofour companies covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.

(b) the schedule of repayment of the principal and the payment of the interest has not been stipulated and hence we are unable to comment as to whether repayments/receipts of the principal amount and the interest are regular;

(c) in the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days and whether reasonable steps have been taken by the Company for recovery of the principal amount and interest.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act, to the extent applicable, in respect of loans, investments, guarantees and security.

(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 products/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) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, 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:

Statement of arrears of statutory dues outstanding for more than six months:

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	1,604.41	April 2015 to August 2016	Various Dates	Not yet Paid
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	159.92	August 2015 to August 2016	Various Dates	Not yet Paid
Profession Tax Act,1975	Profession Tax	0.33	April 2016 to August 2016	Various Dates	Not Yet Paid
Employees' State Insurance Act, 1948	Employees'State InsuranceCorporation	3.31	April 2016 to August 2016	Various Dates	Not yet Paid
The Central Excise Act, 1944	Excise Duty	57.27	December 2012 to August 2016	Various Dates	Not yet Paid
Finance Act, 1994	Service Tax	68.01	March 2012 to August 2016	Various Dates	Not yet Paid

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

of even date to the members of Supreme Infrastructure India Limited, on the standalone financial statements for the year ended 31 March 2017

(b) There are no dues in respect of income-tax, sales-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. The dues outstanding in respect of service tax on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount in Lakhs	Amount paid under Protst in Lakhs	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax including interest and penalty	7,270.26	-	FY 2008-09 to 2011-12	Custom, Excise and Service Tax Appellate Tribunal

(viii) There are no loans or borrowingspayable to government and no dues payable to debenture holders. The Company has defaulted in repayment of following dues to thebanksand financial institutions during the year, which were paid on or before the Balance Sheet date.

₹ in Lakhs

Day's	0 - 30 days	31 - 90 days	91 - 180 days	181 - 365 days	365 - 730 days
Bank					
State Bank of Patiala	2.20	4.01	-	-	-
Union Bank of India	-	31.19	-	-	-
Punjab National Bank	202.87	252.45	137.76	0.31	-
Bank of India	-	8.33	-	-	-
Central Bank of India	6.43	5.77	-	-	-
Canara Bank	3.81	2.81	-	-	-
ICICI Bank	54.93	166.47	419.80	413.95	-
Axis Bank	9.19	13.59	9.03	-	-
Name of Financial Institutions					
SREI Equipment Finance Limited	-	-	281.72	2,314.86	-
L&T Infrastructure Finance Company Limited	-	95.75	610.21	55.05	-
L&T Finance Limited	1.59	4.35	1.14	-	-

The Company has defaulted in repayment of following dues to the financial institutions and banks during the year, which were not paid as at the Balance Sheet date.

₹ in Lakhs

Day's	0 - 30 days	31 - 90 days	91 - 180 days	181 - 365 days	365 - 730 days
Name of Bank					
State Bank of India	838.29	1,797.09	1,031.12	2,935.06	-
State Bank of Patiala	231.92	692.49	469.15	725.74	-
Union Bank of India	317.03	747.17	417.90	808.17	-
Punjab National Bank	184.06	86.87	-	-	-
Bank of India	166.92	430.54	267.99	499.09	-
Central Bank of India	150.59	325.23	152.24	387.77	-
Syndicate Bank	53.01	100.39	48.22	138.87	65.94
Canara Bank	135.99	322.97	188.21	509.26	5.71
ICICI Bank	241.27	586.39	121.20	-	-
Axis Bank	40.20	75.65	35.98	53.98	-
HDFC Bank	12.22	36.65	24.44	73.31	415.63
Indian Overseas Bank	22.00	66.00	44.00	132.00	2,460.14
Name of Financial Institution					
SREI Equipment Finance Limited	586.93	1,214.31	1,719.37	1,856.01	-
SREI Infrastructure Finance Limited	80.43	98.57	74.98	248.85	1,008.31
L&T Infrastructure Finance Company Limited	173.95	253.89	73.36	-	-
L&T Finance Limited	34.00	44.80	22.18	63.39	-

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

of even date to the members of Supreme Infrastructure India Limited, on the standalone financial statements for the year ended 31 March 2017

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 availed during the year were applied for the purposes for 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 to the Company.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

(xiii) In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment/private placement of shares/fully/ partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with 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 Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No: 001076N/N500013

per **Adi. P. Sethna**
Partner
Membership No: 108840
Mumbai
30 May 2017

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

per **P.M. Kathariya**
Partner
Membership No: 31315
Mumbai
30 May 2017

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

of even date to the members of Supreme Infrastructure India Limited, on the standalone financial statements for the year ended 31 March 2017

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section (3) ofSection 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the standalone financial statements of Supreme Infrastructure India Limited ('the Company') as at and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as at that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors 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('the Guidance Note') issued by the Institute of Chartered Accountants of India('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operatingeffectively for ensuring the orderly and efficient conduct of the company's business, including adherence tocompany's policies, the safeguarding of its assets, the prevention and detection of frauds anderrors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance withthe Standards on Auditing issued by the ICAIand deemed to be prescribedunder section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the GuidanceNote require that we comply with ethical requirements and plan and perform the audit toobtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all materialrespects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining anunderstanding of IFCoFR, assessing the risk that amaterial weakness exists, and testing and evaluating the design and operating effectiveness ofinternal 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 financialstatements whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to providea basis for our qualified opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

A company's IFCoFR is a process designed to providereasonable assurance regarding the reliability of financial reporting and the preparation offinancial statements for external purposes in accordance with generally accepted accountingprinciples. A company's IFCoFR includes those policiesand 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 preparationof financial statements in accordance with generally accepted accounting principles, and thatreceipts and expenditures of the company are being made only in accordance withauthorisations of management and directors of the company; and (3) provide reasonableassurance regarding prevention or timely detection of unauthorised acquisition, use, ordisposition 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 IFCoFR, includingthe possibility of collusion or improper management override of controls, material misstatementsdue to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes inconditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

In our opinion, according to the information and explanations given to us and based on our audit procedures performed, the following material weakness has been identified in the operating effectiveness of the Company's IFCoFR as at 31 March 2017:

The Company's internal financial controls in respect of supervisory and review controls over process of determining impairment allowance for trade receivables which are doubtful of recovery and assessment of recoverability of unbilled work were not operating effectively. Absence of detailed assessment conducted by the management for determining the recoverability of trade receivables and unbilled work that remain long outstanding, in our opinion, could result in a potential material misstatement to the carrying value of trade receivables and unbilled work, and consequently, could also impact the loss (financial performance including comprehensive income) after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, the Company has, in all material respects, maintained adequate IFCoFR as at 31 March 2017, 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 issued by the ICAI, and except for the effects of the material weakness described above in the Basis for Qualified Opinion paragraph, the Company's IFCoFR were operating effectively as at 31 March 2017.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended 31 March 2017, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No: 001076N/N500013

per **Adi. P. Sethna**
Partner
Membership No: 108840
Mumbai
30 May 2017

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

per **P.M. Kathariya**
Partner
Membership No: 031315
Mumbai
30 May 2017

BALANCE SHEET

as at 31 March 2017

₹ in Lakhs

	Notes	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3A	23,088.68	25,945.08	28,110.34
Capital work-in-progress		669.30	669.30	1,494.30
Intangible assets	3B	19.34	32.23	53.71
Financial assets				
Investments	4	164,752.45	127,814.09	75,146.70
Loans	5	2,544.17	6,355.05	38,195.30
Other financial assets	6	474.71	881.86	-
Deferred tax assets (net)	7	-	-	853.91
Other non-current assets	8	569.48	2,869.69	743.03
Income tax assets (net)	7	1,594.50	-	-
Total non-current assets		193,712.63	164,567.30	144,597.29
Current assets				
Inventories	9	7,774.52	8,457.50	8,546.11
Financial assets				
Investments	10	222.88	245.76	310.08
Loans	5	935.48	-	-
Trade receivables	11	106,732.29	127,174.05	93,334.20
Cash and cash equivalents	12	428.12	919.02	1,071.66
Other bank balances	13	3,187.88	2,624.89	6,048.35
Other financial assets	6	16,905.79	21,912.82	24,769.18
Other current assets	8	10,149.89	17,742.34	10,185.27
Total current assets		146,336.85	179,076.38	144,264.85
TOTAL ASSETS		**340,049.48**	**343,643.68**	**288,862.14**
EQUITY AND LIABILITIES				
Equity				
Share capital	14	2,569.84	2,569.84	2,569.84
Other equity		61,818.28	82,143.76	82,538.05
Total equity		64,388.12	84,713.60	85,107.89
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	15	94,138.48	102,881.47	88,579.39
Other financial liabilities	16	2,311.91	2,263.71	2,230.36
Provisions	17	469.59	459.39	552.66
Total non-current liabilities		96,919.98	105,604.57	91,362.41
Current liabilities				
Financial liabilities				
Borrowings	18	109,866.23	95,783.11	61,734.96
Trade payables	19	20,390.04	10,089.48	11,119.11
Other financial liabilities	16	37,199.80	17,775.69	18,080.67
Other current liabilities	20	11,232.70	29,335.24	17,832.17
Provisions	17	52.61	56.14	89.07
Income tax liabilities (net)	7	-	285.85	3,535.86
Total current liabilities		**178,741.38**	**153,325.51**	**112,391.84**
TOTAL EQUITY AND LIABILITIES		**340,049.48**	**343,643.68**	**288,862.14**

Notes 1 to 39 form an integral part of these standalone financial statements

This is the balance sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No. 001076N / N500013

Adi P. Sethna
Partner
M.No. : 108840

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

P. M. Kathariya
Partner
M.No. : 031315

For and on behalf of the Board of Directors

B. H. Sharma
Chairman
DIN No : 01249834
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

Vikas Sharma
Whole Time Director & CFO
DIN No : 01344759
Place : New Delhi
Date : 30 May 2017

Vijay Joshi
Company Secretary
ACS : 7298
Place : Mumbai
Date : 30 May 2017

Place : Mumbai
Date : 30 May 2017

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2017

₹ in Lakhs

	Notes	Year ended 31 March 2017	Year ended 31 March 2016
Income			
Revenue from operations	21	105,011.95	120,969.84
Other income	22	7,366.69	5,066.04
Total income		**112,378.64**	**126,035.88**
Expenses			
Cost of construction materials consumed	23	33,699.06	32,002.68
Subcontracting expenses		42,874.81	50,123.67
Employee benefits expense	24	2,988.69	4,087.98
Finance costs	25	28,068.39	25,158.19
Depreciation and amortisation expense	26	2,471.50	3,060.32
Other expenses	27	11,312.52	15,374.53
Total expenses		**121,414.97**	**129,807.37**
Profit/ (loss) before exceptional items and tax		**(9,036.33)**	**(3,771.49)**
Exceptional items	28	12,826.95	(4,101.32)
Profit/ (loss) before tax		**(21,863.28)**	**329.83**
Tax expense/ (credit)	7		
Current income tax		-	-
Tax adjustment for earlier years		(1,513.33)	-
Deferred income tax		-	853.91
		(1,513.33)	853.91
Profit/ (loss) for the year (A)		**(20,349.95)**	**(524.08)**
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss			
- Gain on fair value of defined benefit plans as per actuarial valuation		24.47	129.79
- Income tax effect on above		-	-
Other comprehensive income for the year, net of tax (B)		**24.47**	**129.79**
Total comprehensive income/ (loss) for the year, net of tax (A+B)		**(20,325.48)**	**(394.29)**
Earnings per equity share of nominal value ₹ 10 each			
Basic and diluted (in ₹)	29	**(79.19)**	**(2.04)**

Notes 1 to 39 form an integral part of the standalone financial statements
This is the statement of profit and loss referred to in our audit report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N / N500013

Adi P. Sethna
Partner
M.No. : 108840

Place : Mumbai
Date : 30 May 2017

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

P. M. Kathariya
Partner
M.No. : 031315

For and on behalf of the Board of Directors

B. H. Sharma
Chairman
DIN No : 01249834
Place : Mumbai

Vikas Sharma
Whole Time Director & CFO
DIN No : 01344759
Place : New Delhi
Date : 30 May 2017

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

Vijay Joshi
Company Secretary
ACS : 7298
Place : Mumbai

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2017

a) Equity share capital

Particulars	Number	₹ lakhs
Equity shares of ₹ 10 each issued, subscribed and paid		
As at 1 April 2015	25,698,372	2,569.84
Issue of equity shares	-	-
As at 31 March 2016	25,698,372	2,569.84
Issue of equity shares	-	-
As at 31 March 2017	**25,698,372**	**2,569.84**

b) Other equity

₹ in Lakhs

Particulars	Equity component on fair valuation of preference shares	Reserves and surplus			Other comprehensive income	Total equity attributable to equity holders
		Securities premium reserve	General reserve	Retained earnings	Gain on fair value of defined benefit plans	
As at 1 April 2015	**1,619.54**	**25,291.56**	**3,033.82**	**52,593.13**	**-**	**82,538.05**
Profit/ (loss) for the year	-	-	-	(524.08)	-	(524.08)
Other comprehensive income for the year	-	-	-	-	129.79	129.79
As at 31 March 2016	**1,619.54**	**25,291.56**	**3,033.82**	**52,069.05**	**129.79**	**82,143.76**
Profit/ (loss) for the year	**-**	**-**	**-**	**(20,349.95)**	**-**	**(20,349.95)**
Other comprehensive income for the year	**-**	**-**	**-**	**-**	**24.47**	**24.47**
As at 31 March 2017	**1,619.54**	**25,291.56**	**3,033.82**	**31,719.10**	**154.26**	**61,818.28**

Nature and purpose of reserves

i. Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

ii. Net gain on fair value of defined benefit plans

The Company has recognised remeasurement gains/ (loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No. 001076N / N500013

Adi P. Sethna
Partner
M.No. : 108840

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

P. M. Kathariya
Partner
M.No. : 031315

For and on behalf of the Board of Directors

B. H. Sharma
Chairman
DIN No : 01249834
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

Vikas Sharma
Whole Time Director & CFO
DIN No : 01344759
Place : New Delhi
Date : 30 May 2017

Vijay Joshi
Company Secretary
ACS : 7298
Place : Mumbai

Place : Mumbai
Date : 30 May 2017

CASH FLOW STATEMENT

for the year ended 31 March 2017

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss)/ profit before tax	(21,863.28)	329.83
Adjustments for:		
Depreciation and amortisation expense	2,471.50	3,060.32
Finance costs	28,068.39	25,158.19
Interest income	(7,195.27)	(4,834.64)
Dividend from current investments	(0.51)	(0.44)
Impairment allowance - (allowance for doubtful financial assets)	2,471.52	200.00
Impairment loss - financial assets written off	1,587.13	-
Impairment allowance - (allowance for doubtful debts)	7,192.95	1,243.54
Impairment loss - bad debts written off	395.77	-
Impairment loss -Unbilled work written off	1,389.26	-
Impairment loss- Inventories written off	300.32	-
Interest accrued on the loan given to a subsidiary company	-	(4,101.32)
Gratuity	77.96	93.16
Excess provision no longer required written back	(23.74)	(114.73)
Profit on redemption of mutual funds (net)	(0.28)	-
Fair value gain on CCCPS (valued at FVTPL)	-	(58.47)
Fair value gain on mutual funds (valued at FVTPL)	(17.48)	-
Profit on sale of property, plant and equipment (net)	(34.30)	-
Fair value loss on mutual funds (valued at FVTPL)	-	16.50
Operating profit before working capital changes	**14,819.94**	**20,991.94**
Adjustments for changes in working capital:		
Increase in trade receivables	(2,970.11)	(35,083.39)
Decrease / (increase) in loans and advances / other advances	4,286.26	(19,303.56)
Decrease in inventories	382.66	88.61
(Decrease) / Increase in trade and other payables	(5,595.34)	8,397.02
Cash generated from / (used in) operations	**10,923.42**	**(24,909.38)**
Direct taxes paid (net of refunds received)	(367.02)	(1,686.84)
Net cash (used in) / from generated from operating activities	**10,556.40**	**(26,596.22)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(57.67)	(48.58)
Proceeds from sale of property, plant and equipment	489.76	-
Proceeds from sale of current investments	39.60	49.20

CASH FLOW STATEMENT

for the year ended 31 March 2017

₹ in Lakhs

	Year ended 31 March 2016	Year ended 31 March 2015
Investment in non-current investments	(6,497.03)	(100.07)
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	(280.23)	2,679.86
Interest received	633.32	296.25
Dividend received	0.51	0.04
Net cash (used in) / generated from investing activities	**(5,671.74)**	**2,876.70**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	90.00	39,786.69
Repayment of long-term borrowings	(10,688.62)	(3,066.69)
Proceeds from short-term borrowings (net)	14,098.40	-
Interest paid	(8,879.15)	(13,160.72)
Dividend paid	(0.87)	(3.01)
Net cash (used in) / from financing activities	**(5,380.24)**	**23,556.28**
Net decrease in cash and cash equivalents (A+B+C)	**(495.58)**	**(163.24)**
Cash and cash equivalents at the beginning of the year	908.42	1071.66
Cash and cash equivalents at the end of the year (Refer note 12 and 18)	412.84	908.42
Components of cash and cash equivalents considered only for the purpose of cash flow statement		
In bank current accounts in Indian rupees	357.84	668.93
Cash on hand	70.28	250.09
Bank/ book overdraft	(15.28)	(10.60)
	412.84	**908.42**

Notes 1 to 39 form an integral part of the standalone financial statements

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

For Walker Chandiok & Co LLP
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For and on behalf of the Board of Directors

B. H. Sharma
Chairman
DIN No : 01249834
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

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Whole Time Director & CFO
DIN No : 01344759
Place : New Delhi
Date : 30 May 2017

Vijay Joshi
Company Secretary
ACS : 7298
Place : Mumbai

Place : Mumbai
Date : 30 May 2017

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the standalone financial statements
for the year ended 31 March 2017

Note 1. Corporate Information

Supreme Infrastructure India Limited (""the Company"") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is principally engaged in engineering and construction of roads, highways, buildings, bridges etc. The Company also owns and operates Ready Mix Concrete ("RMC") plant, Asphalt plant and Crushing plant. Its shares are listed on two recognised stock exchanges in India - the Bombay Stock Exchange and the National Stock Exchange. The registered office of the Company is located at Supreme House, Plot No. 94/C Pratap Gad, Opp. I.I.T Main Gate, Powai, Mumbai - 400 076, India.

The standalone financial statements (""the financial statements"") of the Company for the year ended 31 March 2017 were authorised for issue in accordance with resolution of the Board of Directors on 30 May 2017.

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.

The financial statements for all periods upto and including year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act (""the Act""), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) (""previous GAAP""). The financial statements for the year ended 31 March 2017 are the first financial statements prepared by the Company in accordance with Ind AS. Refer note 2.3 for information on how the Company adopted Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

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/ contract/ service including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies) within the credit period normally applicable to the respective 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.

Contract estimates

The Company, being a part of construction industry, prepares budgets in respect of each project to compute project profitability. The two major components of contract estimate are 'claims arising during construction period' (described below) and 'budgeted costs to complete the contract'. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Wastage will not exceed the normal % as determined etc. (v) Estimates for contingencies (vi) There will be no change in design and the geological factors will be same as communicated and (vii) Price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Recoverability of claims

The Company has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/discussion with the clients or under arbitration. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

Valuation of investment in/ loans to subsidiaries

The Company has performed valuation for its investments in equity of subsidiaries for assessing whether there is any impairment in the fair value. When the fair value of investments in subsidiaries cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. Similar assessment is carried out for exposure in the nature of loans and interest receivable thereon. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these investments.

Deferred tax assets

In assessing the realisability 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.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure."

On 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 Property, Plant and Equipment and use that carrying value as the deemed cost of the Property, Plant and Equipment on the date of transition i.e. 1 April 2015.

iv Intangible Assets

Intangible assets comprise of license fees and implementation cost for software and other application software acquired / developed for in-house use. These assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably, less accumulated amortisation and accumulated impairment losses, if any.

On 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 and used that carrying value as the deemed cost of the Intangible Assets on the date of transition i.e. 1 April 2015.

v Depreciation/ Amortisation

Depreciation/ amortisation is provided:

a. Depreciation on tangible assets is provided on straight line basis considering the useful lives prescribed in Schedule II to the Act on a pro-rata basis. However, certain class of plant and machinery used in construction projects are depreciated on a straight line basis considering the useful life determined based on the technical evaluation and the management's experience of use of the assets, that is a period of three to ten years, as against the period of nine to twenty years as prescribed in Schedule II to the Act.

b. Leasehold land is not amortised as these are perpetual lease.

c. Computer software and other application software costs are amortized over their estimated useful lives that is over a period of three years.

The useful lives have been determined based on technical evaluation carried out by the management's expert, in order to reflect the actual usage of the assets. The asset's useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

vi 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 with an objective 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 and Loss.

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective 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.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

On 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 equity investments in subsidiaries, Joint Ventures and associates and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1 April 2015.

Interest free intercompany loans

Intercompany loans to subsidiaries/ jointly controlled entities for which settlement is neither planned nor likely to occur in the foreseeable future and in substance is a part of the Company's net investment in those subsidiaries/ jointly controlled entities, are stated at cost less accumulated impairment losses, if any, and forms part of investment in other equity of these entities.

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.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other 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

1) 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.

2) Subsequent Measurement

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

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 Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and 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. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3) 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.

vii Employee Benefits

a. Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b. Defined Benefit Plan

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c. Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation,

similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d. Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

viii Inventories

The stock of construction materials is valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and includes all applicable cost of bringing the goods to their present location and condition. Net realisable value is estimated selling price in ordinary course of business less the estimated cost necessary to make the sale.

ix 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.

x Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Engineering and Construction". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

xi Borrowing Costs

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.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

xii Foreign Exchange Translation of Foreign Projects and Accounting of Foreign Exchange Transaction

a. Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b. Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c. Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

On transition to Ind AS, the Company has opted to continue with the accounting for exchange differences arising on long-term foreign currency monetary items, outstanding as on the transition date, as per previous GAAP. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset.

xiii. Revenue Recognition

a. Accounting of Construction Contracts

The Company follows the percentage completion method, on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of the actual work done. Unbilled work for projects under execution as at balance sheet date are valued at cost less provision for estimated losses, if any. The costs of projects in respect of which revenue is recognised under the Company's revenue recognition policies but have not been billed are adjusted for the proportionate profit recognized. The cost comprise of expenditure incurred in relation to execution of the project.

Revenue is recognised as follows:

- In case of item rate contracts on the basis of physical measurement of work actually completed, at the Balance Sheet date.
- In case of Lump sum contracts, revenue is recognised on the completion of milestones as specified in the contract or as identified by the management. Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration.

  Advance payments received from contractee for which no services are rendered are presented as 'Advance from contractee'.

b. Accounting of Supply Contracts-Sale of Goods

Revenue from supply contract is recognised when the substantial risk and rewards of ownership is transferred to the buyer, which is generally on dispatch, and the collectability is reasonably measured. Revenue from product sales are shown as net of all applicable taxes and discounts.

c. Accounting for Claims

Claims are accounted as income in the period of receipt of arbitration award or acceptance by client or evidence of acceptance received.

d. Dividend Income

Dividend is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

e. Finance and Other Income

Finance income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable EIR. Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

xiv. Interest in Joint Arrangements

As per Ind AS 111 - Joint Arrangements, investment in Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the Joint Arrangement. The Company classifies its Joint Arrangements as Joint Operations.

The Company recognises its direct right to assets, liabilities, revenue and expenses of Joint Operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

xv. 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 base. 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 it is probable that the Company will pay normal income tax during the specified period.

xvi. Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where the lease payments are structured to increase in line with expected general inflation. Assets acquired on finance lease are capitalised at fair value or present value of minimum lease payment at the inception of the lease, whichever is lower.

xvii 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 asset, at the higher of the assets' fair value 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 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, including impairment on inventories, 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.

xviii. Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

xix. Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services

received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

xx. 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).

xxi. 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 (excluding gratuity and compensated absences) 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.

xxii. Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

Note 2.2 Recent accounting pronouncements

Standards 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.

Note 2.3 Disclosures as required by Indian Accounting standard (Ind AS) 101 First time adoption of Indian accounting standard

The Company has adopted Ind AS with effect from 1 April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1 April 2015 and all the periods presented have been restated accordingly.

i. Exemptions availed on first time adoption of Ind AS 101:

On first time adoption of Ind AS, Ind AS 101 allows certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

a Since, there is no change in the functional currency of the Company, it has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for property, plant and equipment and intangible assets on the date of transition.

b The Company has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for equity investments on the date of transition to Ind AS.

c The Company has opted to continue with the accounting for exchange differences arising on long-term foreign currency monetary items, outstanding as on the transition date, as per previous GAAP. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset and exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign currency monetary translation account" and amortised over the remaining life of the concerned monetary item.

d Fair value measurement of financial assets or liabilities at initial recognition: The Company has not applied the provision of Ind AS 109, Financial Instruments, upon the initial recognition of the financial instruments where there is no active market.

e Designation of previously recognised financial instruments: The Company does not have any financial assets or liabilities as of the transition dates which were required to be designated, and which met the required criteria given in Ind AS 101, as a financial asset or financial liability at FVPL.

ii. Exceptions

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements:

a. Estimates

The estimates as at 1 April 2015 and 31 March 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustment to reflect and differences if any, in accounting policies) apart from the following items where the application of previous GAAP did not require estimation:

(i) Impairment of financial assets based on the expected credit loss model; and

(ii) Investments in equity instruments carried as FVPL or FVOCI.

The estimates used by the Company to present the amounts in accordance with the Ind AS reflect conditions that existed at the date on transition to Ind AS.

b. Classification and movement of financial assets and liabilities

The Company has classified the financial assets and liabilities in accordance with Ind AS 109 on the basis of facts and circumstances that existed at the date on transition to Ind AS.

iii Reconciliation of equity as previously reported under previous GAAP to Ind AS:

₹ in Lakhs

Particulars	Refer note	Balance sheet as at 31 March 2016			Opening balance sheet as at 1 April 2015		
		Previous GAAP	Effects of Transition to Ind AS	Ind AS	Previous GAAP	Effects of transition to Ind AS	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment		25,945.08	-	25,945.08	28,110.34	-	28,110.34
Capital work-in-progress		669.30	-	669.30	1,494.30	-	1,494.30
Intangible assets		32.23	-	32.23	53.71	-	53.71
Financial assets							
Investments	2.3 (iii) 1	105,054.83	22,759.26	127,814.09	70,854.76	4,291.94	75,146.70
Loans	2.3 (iii) 1	16,788.17	(10,433.12)	6,355.05	38,195.30	-	38,195.30
Other financial assets		881.86	-	881.86	-	-	-
Deferred tax assets (net)		-	-	-	853.91	-	853.91
Other non-current assets		2,869.69	-	2,869.69	743.03	-	743.03
Total non-current assets		**152,241.16**	**12,326.14**	**164,567.30**	**140,305.35**	**4,291.94**	**144,597.29**

₹ in Lakhs

Particulars	Refer note	Balance sheet as at 31 March 2016			Opening balance sheet as at 1 April 2015		
		Previous GAAP	Effects of Transition to Ind AS	Ind AS	Previous GAAP	Effects of transition to Ind AS	Ind AS
Current assets							
Inventories		8,457.50	-	8,457.50	8,546.11	-	8,546.11
Financial assets							
Investments	2.3 (iii) 2	215.76	30.00	245.76	234.57	75.50	310.08
Trade receivables		127,174.05	-	127,174.05	93,334.20	-	93,334.20
Cash and cash equivalents		919.02	-	919.02	1,071.66	-	1,071.66
Other bank balances		2,624.89	-	2,624.89	6,048.35	-	6,048.35
Other financial assets	2.3 (iii) 1	25,894.02	(3,981.20)	21,912.82	24,769.18	-	24,769.18
Other current assets		17,742.34	-	17,742.34	10,185.27	-	10,185.27
Total current assets		**183,027.58**	**(3,951.20)**	**179,076.38**	**144,189.34**	**75.50**	**144,264.85**
TOTAL ASSETS		**335,268.74**	**8,374.94**	**343,643.68**	**284,494.69**	**4,367.44**	**288,862.14**
EQUITY AND LIABILITIES							
Equity							
Equity share capital	2.3 (iii) 5	2,819.84	(250.00)	2,569.84	2,819.84	(250.00)	2,569.84
Other equity	2.3 (iii) 5 and 11	70,346.00	11,797.76	82,143.76	74,426.29	8,111.76	82,538.05
Total equity		**73,165.84**	**11,547.76**	**84,713.60**	**77,246.13**	**7,861.76**	**85,107.89**
Liabilities							
Non-current liabilities							

₹ in Lakhs

Particulars	Refer note	Balance sheet as at 31 March 2016			Opening balance sheet as at 1 April 2015		
		Previous GAAP	Effects of Transition to Ind AS	Ind AS	Previous GAAP	Effects of transition to Ind AS	Ind AS
Financial liabilities							
Borrowings	2.3 (iii) 3	108,444.00	(5,562.53)	102,881.47	94,426.09	(5,846.70)	88,579.39
Other financial liabilities	2.3 (iii) 5	-	2,263.71	2,263.71	-	2,230.36	2,230.36
Provisions	2.3 (iii) 7	459.39	-	459.39	552.66	-	552.66
Total non-current liabilities		**108,903.39**	**(3,298.82)**	**105,604.57**	**94,978.75**	**(3,616.34)**	**91,362.41**
Current liabilities							
Financial liabilities							
Borrowings		95,783.11	-	95,783.11	61,734.96	-	61,734.96
Trade payables		10,089.48	-	10,089.48	11,119.11	-	11,119.11
Other financial liabilities	2.3 (iii) 4	17,649.69	126.00	17,775.69	17,958.64	122.03	18,080.67
Other current liabilities		29,335.24	-	29,335.24	17,832.17	-	17,832.17
Provisions		56.14	-	56.14	89.07	-	89.07
Income tax liabilities (net)		285.85	-	285.85	3,535.86	-	3,535.86
Total current liabilities		153,199.51	126.00	153,325.51	112,269.81	122.03	112,391.84
TOTAL EQUITY AND LIABILITIES		**335,268.74**	**8,374.94**	**343,643.68**	**284,494.69**	**4,367.45**	**288,862.14**

Reconciliation of net profit/ (loss) as previously reported under previous GAAP to Ind AS

Particulars	Refer note	Year ended 31 March 2016		
		Previous GAAP	Effects of transition to Ind AS	Ind AS
Income				
Revenue from operations		120,969.84	-	120,969.84
Other income	2.3 (iii) 1, 2, 3 and 10	970.62	4,095.42	5,066.04
Total income		121,940.46	4,095.42	126,035.88
Expenses				
Cost of construction materials consumed		32,002.68	-	32,002.68
Subcontracting expenses		50,123.67	-	50,123.67
Employee benefits expense	2.3 (iii) 6	3,994.82	93.16	4,087.98
Finance costs	2.3 (iii) 3 and 5	24,728.65	429.54	25,158.19
Depreciation and amortisation expense	-	3,060.32	-	3,060.32
Other expenses	2.3 (iii) 2	15,358.04	16.49	15,374.53
Total expenses		**129,268.18**	**539.19**	**129,807.37**

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the standalone financial statements
for the year ended 31 March 2017

₹ in Lakhs

Particulars	Refer note	Year ended 31 March 2016		
		Previous GAAP	Effects of transition to Ind AS	Ind AS
Profit/ (loss) before exceptional items and tax				
Exceptional items		(4,101.32)	-	(4,101.32)
Profit/ (loss) before tax		**(3,226.40)**	**3,556.23**	**329.83**
Tax expense				
Current income tax		-	-	-
Deferred income tax	2.3 (iii) 8	853.91	-	853.91
		853.91	-	853.91
Profit/ (loss) for the year (A)		**(4,080.31)**	**3,556.23**	**(524.08)**

Particulars	Refer note	Year ended 31 March 2016		
		Previous GAAP	Effects of transition to Ind AS	Ind AS
Other comprehensive income				
Items not to be reclassified subsequently to profit or loss				
- Gain on fair value of defined benefit plans as per actuarial valuation	2.3 (iii) 6	-	129.79	129.79
- Income tax effect on above		-	-	-
Other comprehensive income for the year, net of tax (B)		**-**	**129.79**	**129.79**
Total comprehensive income for the year, net of tax (A+B)		**(4,080.31)**	**3,686.02**	**(394.29)**

Explanation for reconciliation

1. Investment

Under Ind AS, investments in debentures and preference shares are carried at amortised cost as compared to being carried at cost under previous GAAP. The adjustment represents the difference in the fair value and the cost of investments in debenture/ preference share instruments. Further, intercompany loans given to subsidiary including interest accrued and due as at 31 March 2016 has been considered as perpetual loan and forms part of the net investment in other equity of subsidiary company.

2. Investment

Under Previous GAAP, investments in mutual funds were carried at cost or fair value whichever is lower as compared to being carried at fair value in Ind AS. The adjustment represents the difference in the fair value and the cost of the mutual funds.

3. Borrowings

As stated in note 16, the Company had restructured its debt during the year ended 31 March 2014 which was determined to be a substantial modification. This resulted into extinguishment of the old liabilities and recognition of new liabilities as on the transition date. For the loans which were not substantially modified, the loans were carried at book value less transaction costs, if any. Under Ind AS, loans are valued at present value as against cost in the previous GAAP. The difference between the present value and cost was recognised in the opening retained earnings.

4. Other financial liabilities - Financial guarantees

Under Ind AS, financial guarantees given by the Company for its subsidiaries are initially recognised as a liability at fair value which is subsequently amortised as an interest income to the Statement of Profit and Loss. This transaction was not recorded under the previous GAAP.

5. Other financial liabilities

Under Ind AS, redeemable preference shares issued to the existing shareholders is initially recognised as a financial liability at fair value which is subsequently amortised as an interest expenses to the Statement of Profit and Loss. The difference between the present value and cost is recognised as the equity component on fair valuation of preference shares in the statement of changes in equity . This transaction was not recorded under the previous GAAP.

6. Defined benefits obligations

Under Ind AS, actuarial gains and losses are recognised in the OCI as compared to being recognised in the Statement of Profit and Loss under the previous GAAP.

7. Provisions

Under the previous GAAP, discounting of provisions was not permitted. Under Ind AS, provisions are measured at discounted amounts if the effect of time value is material. As the effect of time value is not material, provisions have not been discounted.

8. Income tax

Current income tax

Tax component on the gain/ (loss) on fair value of defined benefit plans has been transferred to the OCI under Ind AS.

Deferred income tax (including MAT)

Deferred tax have been recognised on the adjustments made on transition to Ind AS. In absence of reasonable certainty deferred tax asset computed on the Ind AS adjustments made as of the transition date and 31 March 2016 have been recognized only to extent of deferred tax liabilities.

9. Other comprehensive income

Under the previous GAAP, the Company has not presented OCI separately. Hence, it has reconciled previous GAAP profit or loss to profit or loss as per Ind AS. Further, previous GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

10. Other financial assets

Under Ind AS, loan given by the Company for its subsidiaries are recognised at fair value which is subsequently amortised as an interest income to the Statement of Profit and Loss. This transaction was not recorded under the previous GAAP.

11. Other equity

Adjustments to retained earnings, equity component on fair valuation of preference shares and OCI have been made in accordance with Ind AS, for the above mentioned transition items.

iv Statement of cash flows

There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

Note 3. Property, plant and equipment

A. Tangible assets

₹ in Lakhs

Gross carrying value (at deemed cost)	Freehold land	Leasehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Balance as at 1 April 2015	**6,835.67**	**54.70**	**6,133.46**	**14,460.56**	**292.07**	**262.95**	**46.27**	**24.66**	**28,110.34**
Additions	-	-	-	842.57	-	-	27.43	3.58	873.58
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2016	**6,835.67**	**54.70**	**6,133.46**	**15,303.13**	**292.07**	**262.95**	**73.70**	**28.24**	**28,983.92**
Additions	-	-	40.27	10.11	5.04	-	1.32	0.93	57.67
Disposals	-	-	464.55	-	-	-	-	-	464.55
Balance as at 31 March 2017	**6,835.67**	**54.70**	**5,709.18**	**15,313.24**	**297.11**	**262.95**	**75.02**	**29.17**	**28,577.04**
Accumulated depreciation									
Balance as at 1 April 2015	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge	-	-	108.66	2,788.24	43.34	58.31	19.95	20.34	3,038.84
Balance as at 31 March 2016	**-**	**-**	**108.66**	**2,788.24**	**43.34**	**58.31**	**19.95**	**20.34**	**3,038.84**
Depreciation charge	-	-	103.59	2,229.06	44.47	57.10	19.81	4.58	2,458.61
Accumulated depreciation on disposals	-	-	9.09	-	-	-	-	-	9.09
Balance as at 31 March 2017	**-**	**-**	**203.16**	**5,017.30**	**87.81**	**115.41**	**39.76**	**24.92**	**5,488.36**
Net carrying value									
Balance as at 1 April 2015	6,835.67	54.70	6,133.46	14,460.56	292.07	262.95	46.27	24.66	28,110.34
Balance as at 31 March 2016	6,835.67	54.70	6,024.80	12,514.89	248.73	204.64	53.75	7.90	25,945.08
Balance as at 31 March 2017	6,835.67	54.70	5,505.02	10,295.94	209.30	147.54	35.26	4.25	23,088.68

B. Intangible assets

₹ in Lakhs

Gross carrying value (at deemed cost)

	Computer software	Total
Balance as at 1 April 2015	**53.71**	**53.71**
Additions	-	-
Disposals	-	-
Balance as at 31 March 2016	**53.71**	**53.71**
Additions	-	-
Disposals	-	-
Balance as at 31 March 2017	**53.71**	**53.71**
Accumulated amortisation		
Balance as at 1 April 2015	**-**	**-**
Amortisation charge	21.48	21.48

₹ in Lakhs

	Computer software	Total
Balance as at 31 March 2016	**21.48**	**21.48**
Amortisation charge	12.89	12.89
Balance as at 31 March 2017	**34.37**	**34.37**
Net carrying value		
Balance as at 1 April 2015	53.71	53.71
Balance as at 31 March 2016	32.23	32.23
Balance as at 31 March 2017	19.34	19.34

Note 4. Non-current investments

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
I. Investments valued at deemed cost			
Investment in equity shares			
i) In subsidiaries	86,452.91	55,914.42	25,225.71
ii) In jointly controlled entities	9,466.40	9,452.00	9,452.00
iii) In associate	1,835.52	1,835.52	1,835.52
iv) In other companies	807.89	807.89	807.89
Investment in joint venture	-	-	-
II. Investments valued at amortised cost			
Investment in preference shares			
- In other companies	809.44	729.22	656.77
Investment in debentures			
- In subsidiary companies	63,621.65	57,316.40	35,568.71
III. Investments valued at fair value through profit and loss			
Investment in preference shares			
- In a jointly controlled entity	1,758.64	1,758.64	1,600.10
Total non-current investments	**164,752.45**	**127,814.09**	**75,146.70**

Note 4.1 Detailed list of non-current investments

Face value of ₹ 10 each, unless otherwise stated

	As at 31 March 2017		As at 31 March 2016	
	NO	₹ Lakhs	No	₹ Lakhs
I. Investments valued at deemed cost, fully paid up, unquoted				
a) Investments in equity shares:				
i) In subsidiaries				
- within India				
Supreme Infrastructure BOT Private Limited	10,000	80,102.71	10,000	49,581.70
Supreme Panvel Indapur Tollways Private Limited	26,000	5,675.22	26,000	5,675.22
Supreme Mega Structures Private Limited	6,000	0.60	6,000	0.60
Kotkapura Muktsar Tollways Private Limited	5,099	71.80	5,099	67.51
Supreme Vasai Bhiwandi Tollways Private Limited	-	134.00	-	134.00

	As at 31 March 2017		As at 31 March 2016	
	NO	₹ Lakhs	No	₹ Lakhs
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited	-	147.94	-	143.47
Patiala Nabha Infra Projects Private Limited	-	57.00	-	57.00
Supreme Suyog Funicular Ropeways Private Limited	-	51.72	-	43.00
- outside India				
Supreme Infrastructure Overseas LLC (Face Value of Omani Riyal 1 each)	150,000	211.92	150,000	211.92
		86,452.91		**55,914.42**
ii) In jointly controlled entities in India				
Supreme Infrastructure BOT Holdings Private Limited	790,000	9,337.60	790,000	9,337.60
Supreme Kopargaon Ahmednagar Tollways Private Limited	-	114.00	-	114.00
Sanjose Supreme Tollways Development Private Limited (Refer note 4.4)	147,998	14.80	4,000	0.40
		9,466.40		**9,452.00**
iii) In an associate in India				
Rudranee Infrastructure Limited	12,183,648	1,835.52	12,183,648	1,835.52
		1,835.52		1,835.52
iv) In other companies in India				
Kalyan Sangam Infratech Limited	390,625	807.38	390,625	807.38
The Saraswat Co-op Bank Limited	2,500	0.51	2,500	0.51
		807.89		**807.89**
b) Investments in joint venture in India				
Supreme Siddhi JV [50% share (31 March 2016 - 50%)]		23.00		23.00
Less: Impairment allowance		(23.00)		(23.00)
		-		**-**
II. Investments carried at amortised cost, fully paid up, unquoted				
a) Investments in preference shares In other companies in India				
Kalyan Sangam Infratech Limited	609,375	370.60	609,375	333.87
Green Hill Barter Private Limited [Face value of ₹ 600 each]	100,000	438.84	100,000	395.35

	As at 31 March 2017		As at 31 March 2016	
	NO	₹ Lakhs	No	₹ Lakhs
		809.44		**729.22**
b) Investments in debentures In a subsidiary companies in India				
Supreme Infrastructure BOT Private Limited	806,000,000	56,264.57	806,000,000	50,688.40
0.001% Optionally Convertible Debenture [Refer note 4.3 below]				
Supreme Panvel Indapur Tollways Private Limited	98,000,000	7,357.08	98,000,000	6,628.00
0.001% Compulsory Convertible Debenture				
		63,621.65		**57,316.40**
III. Investments valued at fair value through profit and loss, fully paid up, unquoted				
Investments in preference shares In a jointly controlled entity in India				
Supreme Infrastructure BOT Holdings Private Limited	100,789	1,758.64	100,789	1,758.64
0.001% Compulsorily Convertible Cumulative Participatory Preference shares [Refer note 4.2 below]				
		1,758.64		**1,758.64**
Total non-current investments		**164,752.45**		**127,814.09**

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Aggregate of non-current investments:		
(i) Carrying value of investments (net of impairment allowance)	164,752.45	127,814.09
(ii) Market value of investments	164,752.45	127,814.09
(i) Investments carried at deemed cost	98,562.72	68,009.83
(ii) Investments carried at amortised cost	64,431.09	58,045.62
(iii) Investments carried at fair value through profit and loss	1,758.64	1,758.64
	164,752.45	**127,814.09**

Note 4.2 During the previous year ended 31 March 2016, the Company acquired 5,789 0.001% Compulsorily Convertible Cumulative Participatory Preference Shares of ₹ 10 each in its jointly controlled entity Supreme Infrastructure BOT Holdings Private Limited, for an aggregate amount of ₹ 100.06 lakhs.

Note 4.3 On 31 March 2016, the Company has invested further in 341,000,000 0.001% Optionally Convertible Debenture of ₹ 10 each of Supreme Infrastructure BOT Private Limited, a wholly owned subsidiary, for an aggregate amount of ₹ 34,100 lakhs by converting its non-current loans recoverable from this wholly owned subsidiary. Further, the Company also accrued interest thereon amounting to ₹ 4,101.32 lakhs with effect from 1 April 2015 on account of delay in commencement of toll operations, which has been disclosed as an exceptional item.

Note 4.4 On 27 March 2017, the Company has invested further in 143,988 equity shares of ₹ 10 each in its jointly controlled entity Sanjose Supreme Tollways Development Private Limited for an aggregate amount of ₹ 14.40 lakhs.

Note 4.5 The Company has pledged the following shares/ debentures in favour of the lenders as a part of the financing agreements for facilities taken by the Company, subsidiaries, jointly controlled entities and associate as indicated below:

Name of the Company	No. of equity shares pledged 31 March 2017	31 March 2016
Supreme Infrastructure BOT Private Limited	8,100	8,100
Supreme Panvel Indapur Tollways Private Limited	26,000	26,000
Rudranee Infrastructure Limited	8,462,385	8,066,385
Kotkapura Muktsar Tollways Private Limited	5,099	5,099
Sanjose Supreme Tollways Development Private Limited	72,540	4,000
Kalyan Sangam Infratech Limited	390,625	390,625

Name of the Company	No. of preference shares pledged 31 March 2017	31 March 2016
Supreme Infrastructure BOT Holdings Private Limited	100,789	95,000
Kalyan Sangam Infratech Limited	609,375	609,375

Name of the Company	No. of debentures pledged 31March 2017	31 March 2016
Supreme Panvel Indapur Tollways Private Limited	98,000,000	48,020,000
Supreme Infrastructure BOT Private Limited	806,000,000	464,497,117

Note 4.6 Also, the Company has given a "Non Disposal Undertaking" to the lenders to the extent of 1,899 (31 March 2016: 1,899, 31 March 2015: 1,899) equity shares of Supreme Infrastructure BOT Private Limited.

Note 4.7 Movement in equity investments as at 31 March 2017 and 31 March 2016. ₹ in Lakhs

	Investments as at 1 April 2016	Further investments	Ind AS adjustments for			Investments as at 31 March 2017
			Perpetual loan	Fair value of interest free debt instruments	Fair value of financial guarantee	
Investment in equity shares						
i) In subsidiaries	55,914.42	-	30,521.01	-	17.48	86,452.91
ii) In jointly controlled entities	9,452.00	14.40	-	-	-	9,466.40
iii) In associate	1,835.52	-	-	-	-	1,835.52
iv) In other companies	807.89	-	-	-	-	807.89
	68,009.83	**14.40**	**30,521.01**	**-**	**17.48**	**98,562.72**

	Investments as at 1 April 2015 (Deemed cost)	Further investments	Ind AS adjustments for			Investments as at 31 April 2016
			Perpetual loan	Fair value of interest free debt instruments	Fair value of financial guarantee	
Investment in equity shares						
i) In subsidiaries	216.63	-	14,534.45	40,002.87	1,160.47	55,914.42
ii) In jointly controlled entities	9,338.00	-	-	-	114.00	9,452.00
iii) In associate	1,799.52	-	-	-	36.00	1,835.52
iv) In other companies	391.14	-	-	416.75	-	807.89

	Investments as at 1 April 2015 (Deemed cost)	Further investments	Ind AS adjustments for			Investments as at 31 April 2016
			Perpetual loan	Fair value of interest free debt instruments	Fair value of financial guarantee	
	11,745.29	**-**	**14,534.45**	**40,419.62**	**1,310.47**	**68,009.83**

Note 5 Loans

Unsecured, considered good

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Non-current			
Loans to related parties (Refer note 35)	2,544.17	6,355.05	38,195.30
Total non-current loans	**2,544.17**	**6,355.05**	**38,195.30**
Current			
Advance to related party	935.48	-	-
Total current loans	**935.48**	**-**	**-**
Total loans	3,479.65	6,355.05	38,195.30

Note 5.1 Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016, in respect of loans and advances in the nature of loans

Loans and advance in the nature of loans given to subsidiaries (as defined under the Act) for business purposes.

	Outstanding balance			Maximum balance outstanding during the year	
	As At 31 March 2017	As at 31 March 2016	As at 1 April 2015	Year ended 31 March 2017	Year ended 31 March 2016
Supreme Infrastructure BOT Private Limited ^	40,954.14	10,433.13	34,177.68	40,954.14	34,177.68
Supreme Infrastructure Overseas LLC	316.77	316.77	269.58	316.77	316.77
Rudranee Infrastructure Limited	2,227.40	3,748.03	3,748.04	3,748.03	3,748.03
Supreme Infrastructure BOT Holdings Private Limited ^	935.48	2,290.25	-	2,290.25	2,290.25
Patiala Nabha Infra Projects Private Limited ^	-	-	-	-	3,327.11
Total	**44,433.79**	**16,788.18**	**38,195.30**	**47,309.19**	**43,859.84**

^ Represents contractual interest free loan to subsidiary and jointly controlled entities considered as net investment in other equity as per Ind AS as these loans are perpetual in nature.

Note 5.2 Investment by the loanee in the Company's/ subsidiary companies shares [Refer note (i) below]

Supreme Infrastructure BOT Private Limited has invested in following subsidiary companies: ₹ in Lakhs

Name of the Company	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Investments in preference shares			
0.001% CCPS of Sanjose Supreme Tollways Development Private Limited			
	11,734.00	**7,600.00**	**7,600.00**
Investments in debentures		-	
0.001% CCD of Kotkapura Muktsar Tollways Private Limited	3,098.00	2,798.00	2,798.00
0.001% CCD of Supreme Manor Wada Bhiwandi Infrastructure Private Limited	17,245.00	17,245.00	17,245.00
0.001% CCD of Supreme Panvel Indapur Tollways Private Limited	17,700.00	16,300.00	13,400.00
0.001% CCD of Supreme Vasai Bhiwandi Tollways Private Limited	6,000.00	6,000.00	6,000.00
0.001% CCD of Supreme Suyog Funicular Ropeways Private Limited	3,900.00	3,300.00	3,300.00
0.001% CCD of Kopargaon Ahmednagar Phase-I Private Limited	9,200.00	9,200.00	7,600.00
0.001% CCD of Patiala Nabha Infra Projects Private Limited	2,995.00	2,995.00	2,995.00
0.001% CCD of Tikamgarh Orchha Annuity Private Limited	-	-	800.00
Investment in equity shares			
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	1.00	1.00	1.00
Manor Wada Bhiwandi Infrastructure Private Limited	4.90	4.90	4.90
Supreme Panvel Indapur Tollways Private Limited	3.80	3.80	3.80
Patiala Nabha Infra Projects Private Limited	1.00	1.00	1.00
Supreme Suyog Funicular Ropeways Private Limited	9.80	9.80	9.80
Supreme Vasai Bhiwandi Tollways Private Limited	1.00	1.00	1.00
Supreme Tikamgarh Orchaa Annuity Private Limited	1.00	1.00	1.00
Mohol Kurul Kamti Tollways Private Limited	0.49	0.49	0.49
Kotkapura Muktsar Tollways Private Limited	49.98	0.94	0.94
	71,944.97	**65,461.93**	**61,761.93**
Supreme Infrastructure BOT Holdings Private Limited has invested in following subsidiary companies:			
Investments in debentures			
0.001% CCD in Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	13,499.00	13,499.00	13,499.00
0.001% CCD in Supreme Kopargaon Ahmednagar Tollways Private Limited	7,715.00	7,715.00	7,715.00
0.001% CCD in Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	9,545.00	9,545.00	8,115.00

₹ in Lakhs

Name of the Company	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Investments in equity shares			
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	2,701.00	2,701.00	1.00
Supreme Kopargaon Ahmednagar Tollways Private Limited	1.00	1.00	1.00
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	4.50	4.50	4.50
	33,465.50	**33,465.50**	**29,335.50**
Supreme Infrastructure Overseas LLC has invested in following:			
Investment in partnership firm			
Sohar Stone LLC (Refer note ii)	493.89	493.89	621.50
	493.89	**493.89**	**621.50**

Note (i) Investments include adjustments carried out under Ind AS

Note (ii) Includes increase/ decrease in investments on account of interest rate fluctuations

Note 6 Other financial assets

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Non-current			
Margin money deposits (Refer note below)	460.84	743.60	-
Interest receivables on deposits	**13.87**	**138.26**	**-**
Total non-current financial assets	**474.71**	**881.86**	**-**

Note: The deposits maintained by the Company with the bank comprise time deposits, which are held in DSRA accounts as a security to the lenders as per the Common Loan Agreement which can be withdrawn by the Company at any point with prior notice and without penalty on the principal.

₹ In Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Current			
Unbilled work [Refer note 11 (b)]	12,831.95	15,865.46	15,437.93
Security and other deposits	2,354.26	3,992.72	6,692.30
Interest accrued on deposits/ advances			
- from related parties (Refer note 35)	1,352.25	962.60	482.11
- on deposits	162.84	378.18	441.98
Employee advances			
- considered good	204.49	713.86	1,714.86
- considered doubtful	180.00	-	-
	17,085.79	21,912.82	24,769.18
Less: impairment allowance for doubtful advances	**(180.00)**	**-**	**-**
Total current financial assets	**16905.79**	**21,912.82**	**24769.18**

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Total other financial assets	**17,380.50**	**22,794.68**	**24,769.18**

Note 7. Income tax assets (net)

₹ in Lakhs

i. The following table provides the details of income tax assets and liabilities:

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
a) Income tax assets	17,085.17	20,485.20	18,798.36
b) Current income tax liabilities	15,490.67	20,771.05	22334.22
Net income tax assets	**1,594.50**	**-**	**-**
Net income tax liabilities	**-**	**(285.85)**	**(3,535.86)**

ii. The gross movement in the current tax asset/ (liability):

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Net current income tax assets/ (liabilities) at the beginning	(285.85)	(3,535.86)
Income tax paid	367.02	3,250.01
Tax adjustment for earlier years	1,513.33	-
Net current income tax assets/ liabilities at the end	**1,594.50**	**(285.85)**

iii. Income tax expense in the Statement of Profit and Loss comprises:

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Current income taxes	-	-
Tax adjustment for earlier years	(1,513.33)	-
Deferred income taxes	-	853.91
Income tax expenses/ (income) (net)	**(1,513.33)**	**853.91**

iv. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is as below:

Profit before income tax	(21,863.28)	329.83
Applicable income tax rate	34.61%	34.61%
Computed expected tax expense	**-**	**114.15**
Effect of expenses not allowed for tax purpose	-	-
Effect of income not considered for tax purpose	-	(114.15)
Tax adjustments for earlier years	(1,513.33)	-
Reversal of deferred tax assets in absence of reasonable certainty	-	853.91
Income tax (income)/ expense charged to the Statement of Profit and Loss	**(1,513.33)**	**853.91**

v. Components of deferred income tax assets and liabilities arising on account of temporary differences are:

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Deferred income tax asset			
Impairment allowance for doubtful advances	1,119.75	264.41	195.19
Impairment allowance for doubtful debts	4,211.79	1,722.45	1,292.08
Impairment allowance for diminution in value of investments	7.96	7.96	7.96
Provision for employee benefits	180.73	178.42	221.05
Deferred tax assets	5,520.23	2,173.24	1,716.28
Deferred income tax liability			
Timing difference on tangible and intangible assets depreciation and amortisation	(882.56)	(605.14)	(862.37)
Timing difference on recognition of margin on the projects initiated post 1 April 2016	(203.84)	-	-
Deferred tax liability	**(1,086.40)**	**(605.14)**	**(862.37)**
Deferred tax assets recognized to the extent of liabilities	**1,086.40**	**605.14**	**-**
Deferred tax assets (net)	**-**	**-**	**853.91**

^ The Company has recognised deferred tax assets to the extent of deferred tax liabilities in the absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Note 8 Other assets

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Non-current			
Capital advances	82.00	82.00	82.00
Balances with government authorities	195.58	2,301.19	661.03
Prepaid expenses	291.90	486.50	-
Total other non-current assets	**569.48**	**2,869.69**	**743.03**
Current			
Advance to suppliers and sub-contractors			
- considered good	9,821.54	16,779.30	10,049.89
- considered doubtful	3,055.52	764.00	564.00
Balances with government authorities	133.75	768.44	135.38
Prepaid expenses	194.60	194.60	-
Total other current assets	**13,205.41**	**18,506.34**	**10,749.27**
Less : Impairment allowance for doubtful advances	**(3,055.52)**	**(764.00)**	**(564.00)**
	10,149.89	17,742.34	10,185.27
Total other assets	**10,719.37**	**20,612.03**	**10,928.30**

Note 9. Inventories

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Construction materials	7,774.52	8,457.50	8,546.11
Total inventories	**7,774.52**	**8,457.50**	**8,546.11**

Note 10. Current investments

			As at 31 March 2016		As at 1 April 2015	
			No. of units	₹ Lakhs	No. of units	₹ Lakhs
Investments in Non-trade, mutual funds valued at fair value through profit and loss^						
Reliance Money Manager Fund - Daily Dividend Plan (Face value of ₹ 1,000 each)	239	2.40	228	2.28	177	3.43
S.B.I. Gold Fund - I-Growth Plan	250,000	23.34	250,000	24.34	250,000	22.03
Union KBC Capital Protection Fund Series 5 - Regular Plan	-	-	50,000	6.00	50,000	12.39
Axis Bank Long Term Equity Fund	67,398	23.00	67,398	20.00	225,509	70.05
Axis Capital Protection Oriented Fund - Series 5 - Growth Plan	-	-	249,990	33.00	249,990	34.58
Axis Hybrid Fund - Series 8 Dividend Plan	309,142	38.91	309,142	34.91	309,142	37.36
Axis Hybrid Fund - Series 8 Growth Plan	50,000	6.00	50,000	6.00	50,000	6.04
Axis Hybrid Fund - Series 12 Growth Plan	280,000	33.00	280,000	30.00	280,000	31.64
Axis Hybrid Fund - Series 13 Growth Plan	175,000	19.50	175,000	18.50	175,000	19.65
Axis Hybrid Fund - Series 14 Growth Plan	687,265	76.73	687,265	70.73	687,265	72.91
Total current investments		**222.88**		**245.76**		**310.08**

^ Face value of ₹ 10 each, unless otherwise stated

Note 11 Trade receivables

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(Unsecured, Considered good unless stated otherwise)			
Trade receivables (Refer note below)			
- considered good	98,750.31	109,357.41	75,863.59
- considered doubtful	12,169.98	4,977.03	3,733.49
Receivables from related parties (Refer note 35)	7,981.98	17,816.64	17,470.61
	118,902.27	**132,151.08**	**97,067.69**
Impairment allowance (allowance for doubtful debts)	(12,169.98)	(4,977.03)	(3,733.49)
	(12,169.98)	(4977.03)	(3733.49)
Total trade receivables	106,732.29	127,174.05	93,334.20
(a) Includes retention money	9,992.92	17,910.37	21,493.41

(b) Trade receivable and unbilled work (other current financial assets) as at 31 March 2017 include ₹ 6,616.13 lakhs (31 March 2016 : ₹ 3,139.40 lakhs) and ₹ 3,074.86 lakhs (31 March 2016: ₹ 1,003.36 lakhs), respectively, relating to contracts which the clients terminated (including two during earlier years) and recovered the advances given against bank guarantees. The clients (government authorities) have not disputed payment of certified bills included under trade receivables. Dispute Resolution Committee has referred the matter to arbitrator and arbitration proceedings have been initiated (under the new ordinance of the arbitration rules) during the year, in respect of a party where net claims lodged by the Company by far exceed the amounts recoverable.

(c) Trade receivables as at 31 March 2017 include ₹ 23,507.17 lakhs (31 March 2016: ₹ 9,246.97 lakhs), in respect of projects which were closed and which are overdue for a substantial period of time.

The Company formed a senior management team comprising personnel from contract and legal department to rigorously follow up including negotiate / initiate legal action, where necessary. Based on the contract terms and these on-going recovery / arbitration procedures (which are at various stages) and an arbitration award received in favour of the Company during the earlier years, the management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable.

(d) During the year ended 31 March 2017, the Company has adjusted certain trade receivables and advances aggregating ₹ 15,823.15 lakhs and ₹ 8,215.23 lakhs, respectively, against the existing liabilities of Supreme Infrastructure BOT Private Limited (BOT), a wholly owned subsidiary, towards these parties arising out of work subcontracted by the BOT, based on the tripartite agreement executed with each such party.

(e) Trade receivables as at 31 March 2017 includes ₹ 7,981.98 lakhs (31 March 2016: ₹ 17,816.64 lakhs, 1 April 2015: ₹ 17,470.61 lakhs) due from private companies in which the Company's director is a director or a member.

(f) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Note 12 Cash and cash equivalents

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Balances with banks			
- Current accounts in Indian rupees	357.84	668.93	555.35
- in deposit account (with maturity upto 3 months)	-	-	400.00
Cash on hand	70.28	250.09	116.31
Total cash and cash equivalents	**428.12**	**919.02**	**1,071.66**

Note 12.1 Disclosure on specified bank notes (SBNs)

During the current year, the Company had SBNs/ other denomination notes (other notes) as defined in the MCA notification G.S.R. 308 (E) dated 31 March 2017. The denomination wise details of the SBNs and other notes held and 'transacted during the period from 8 November 2016 to 30 December 2016 is given below:

	SBNs ^	Other notes	Total
Closing cash on hand as at 8 November 2016	258.67	100.45	359.12
(+) Permitted receipts	-	2.76	2.76
(-) Permitted payments	(35.00)	(13.29)	(48.29)
(-) Amount deposited in banks	(223.67)	-	(223.67)
Closing cash on hand as at 30 December 2016	**-**	**89.92**	**89.92**

^ For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the Government of India notification S.O. 3407 (E), dated 8 November 2016.

Note 13 Other bank balances

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Earmarked balances with banks for:			
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months	3,177.61	2,614.31	6,043.20
Bank deposits with maturity of more than 3 months but less than 12 months	8.51	7.95	1.00
Balances with bank for unclaimed dividend (refer note 13.1 below)	1.76	2.63	4.15
Total other bank balances	**3,187.88**	**2,624.89**	**6,048.35**

Note 13.1 There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2017.

Note 14 Share capital

₹ in Lakhs

		As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Authorised share capital				
47,500,000	Equity shares of ₹10 each (31 March 2016: 30,000,000, 1 April 2015: 30,000,000 equity shares of ₹ 10 each)	4,750.00	3,000.00	3,000.00
2,500,000	1% Non cumulative redeemable preference shares of ₹ 10 each (31 March 2016: 20,000,000, 1 April 2015: 20,000,000 preference shares of ₹ 10 each)	250.00	2,000.00	2,000.00
Total authorised share capital		**5,000.00**	**5,000.00**	**5,000.00**

The shareholders of the Company at the Extra ordinary General Meeting held on 27 March 2017, approved the reclassification in authorised share capital from the existing authorized share capital of ₹ 5,000 lakhs consisting of 30,000,000 equity shares of ₹ 10 each and 20,000,000 preference shares of ₹ 10 each to 47,500,000 equity shares of ₹ 10 each and 2,500,000 preference shares of ₹10 each.

2,500,000 1% Non-cumulative redeemable preference shares of ₹ 10 each issued to BHS Housing Private Limited have been classified as financial liability (see Note 16).

		As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Issued, subscribed and paid-up equity share capital				
25,698,372	Equity shares of ₹ 10 each fully paid up (31 March 2016: 25,698,372, 1 April 2015: 25,698,372 equity shares of ₹ 10 each)	2,569.84	2,569.84	2,569.84
Total issued, subscribed and paid-up equity share capital		**2,569.84**	**2,569.84**	**2,569.84**

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

	Number	₹ Lakhs
As at 1 April 2015	**25,698,372**	**2,569.84**
Issued during the year	-	-
As at 31 March 2016	**25,698,372**	**2,569.84**
Issued during the year	-	-
As at 31 March 2017	**25,698,372**	**2,569.84**

b. Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 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. Shareholding of more than 5%

Name of the Shareholder	As 31 March 2017		As 31 March 2016		As 1 April 2015	
	% held	No. of Shares	% held	No. of shares	% held	No. of shares
Promoter						
Bhawanishankar H Sharma	**6.56%**	1,684,755	**15.36%**	3,946,708	**15.37%**	3,949,000
BHS Housing Private Limited	**13.04%**	3,350,000	**13.04%**	3,350,000	**13.04%**	3,350,000
Vikram B Sharma	**9.24%**	2,374,724	**11.82%**	3,037,942	**11.74%**	3,015,832
Vikas B Sharma	**6.84%**	1,758,753	**6.84%**	1,758,753	**7.00%**	1,800,000
Non-promoter						
Kitara PIIN 1101	**9.20%**	2,364,344	**6.42%**	1,650,000	**6.42%**	1,650,000
ICICI Bank Limited	**7.61%**	1,955,171	-	-	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash - Nil

(ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil

(iii) Aggregate number and class of shares bought back - Nil

e. 8,573,795 (31 March 2016: 11,886,837, 1 April 2015: 10,000,000) equity shares held by the promoters of the Company as at 31 March 2017 are pledged as security in respect of amounts borrowed by the Company.

f. During the year ended 31 March 2017, one of the lender has invoked 2,261,953 pledged equity shares of Mr. B.H. Sharma and 563,218 pledged equity shares of Mr. Vikram Sharma aggregating ₹ 2,338.04 lakhs and adjusted the proceeds towards their existing overdue debts including interest payable by the Company.

Note 15 Borrowings

₹ in Lakhs

Non-current portion: Secured	Effective interest rate 31 March 2017	Effective interest rate 31 March 2016	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(A) Restructured rupee term loans (RTL)					
(i) From Banks (Refer note 15.1)	12.61%-13.62%	12.61%-13.62%	13,507.17	14,333.28	14,807.59
(ii) From Others	12.73%-13.25%	12.73%-13.25%	6,188.01	6,714.53	7,041.89
(B) Working capital term loan (WCTL) from banks (Refer note 15.1)	11.95%-13.00%	11.95%-13.00%	41,026.43	44,266.76	41,137.34
(C) Funded interest term loan (FITL)					
(i) From Banks (Refer note 15.1)	11.95%-15.60%	11.95%-13.63%	25,287.40	28,009.81	16,573.15
(ii) From Others	12.73%-13.26%	12.73%-13.26%	1,580.43	1,765.40	1,129.61
(D) Other rupee term loans					
(i) From Banks	10.35%-12.75%	10.35%-12.75%	2,216.14	2,258.79	458.39
(ii) From Others (Refer note 15.9)	15.81%	15.81%	4,332.90	5,532.90	7,431.42
Total non-current borrowings			**94,138.48**	**102,881.47**	**88,579.39**

₹ in Lakhs

Current maturities of long-term borrowings Secured	Effective interest rate 31 March 2017	Effective interest rate 31 March 2017	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(A) Restructured rupee term loans (RTL)					
(i) From Banks (Refer note 15.1)	12.61%-13.62%	12.61%-13.62%	1,091.02	381.80	-
(ii) From Others	12.73%-13.25%	12.73%-13.25%	436.12	170.50	-
(B) Working capital term loan (WCTL) from banks (Refer note 15.1)	11.95%-13.00%	11.95%-13.00%	4,448.22	1,158.19	-
(C) Funded interest term loan (FITL)					
(i) From Banks (Refer note 15.1)	11.95%-15.60%	11.95%-13.63%	2,940.72	461.80	-
(ii) From Others	12.73%-13.26%	12.73%-13.26%	186.06	28.13	-
(D) Other rupee term loans					
(i) From Banks	10.35%-12.75%	10.35%-12.75%	188.20	112.34	3,027.54
(ii) From Others (Refer note 15.9)	15.81%	15.81%	5,252.08	12,773.66	10,036.42

₹ in Lakhs

Current maturities of long-term borrowings Secured	Effective interest rate 31 March 2017	Effective interest rate 31 March 2017	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(E) External commercial borrowings from bank	-	3.85%	-	-	1,727.75
Total current maturities of long-term borrowings			**14,542.42**	**15,086.42**	**14,791.71**
Total borrowings			**108,680.90**	**117,967.89**	**103,371.10**

Note: For security details and terms of repayment, refer note 15.3 below.

Note 15.1 In September 2014, the Joint Lenders Forum (JLF) lead by State Bank of India (SBI) had appraised a Corporate Loan to the Company out of which part amount was sanctioned and disbursed by SBI and the balance was to be tied up with other lenders under exclusive security. Pending tie up with the other lenders, the JLF decided to incorporate one-time restructuring under the JLF mode of the entire borrowings of the Company. During the quarter ended 31 March 2016, based on the direction of the Reserve Bank of India (RBI) during its Assets Quality Review, borrowings from SBI were classified as Non-Performing Assets (NPA). Consequent to the classification of borrowings as NPA by SBI, borrowings from other consortium lenders got classified as NPA during the year ended 31 March 2017, however, the lenders have not recalled or initiated recovery proceedings for the existing facilities, at present.

Note 15.2 The requisite majority of the lenders of the Company (the 'Lenders') in the JLF meeting held on 26 December 2014 agreed for restructuring of Company's borrowings through JLF route in accordance with Reserve Bank of India's JLF framework, with the cut-off date of 1 October 2014, and entered into a Master Joint Lenders Forum Agreement (MJLF Agreement) on 30 March 2015 (subsequently amended on 12 June 2015). As per the MJLF Agreement, the lenders have restructured and rescheduled the outstanding amount of their respective share in the existing facilities and sanctioned additional working capital facility. Further, the Lenders have granted moratorium period of 2 years in respect of principal repayment. Further, the Joint Lender's Forum of the Company agreed to proceed with "Scheme for Sustainable Structuring of Stressed Assets (S4A)" introduced by Reserve Bank of India with Reference date as 29 December 2016 which is presently pending for approval with the RBI's mandated Overseeing Committee.

Note 15.3 Terms of repayment and details of security

(A) Interest rate and terms of repayment

Restructured rupee term loans (RTL)

RTL carry an interest rate of SBI Base Rate+1% plus interest tax (10.30% as at 31 March 2017) to be reset after a moratorium period of 2 years. These loans are repayable in 32 structured quarterly instalments commencing 31 December 2016 and ending on 30 September 2024.

Working capital term loan (WCTL)

These loans carry an interest rate of SBI Base Rate+1% plus interest tax (10.30 % as at 31 March 2017) to be reset after a moratorium period of 2 years. These loans are repayable in 20 structured quarterly instalments commencing 31 December 2016 and ending on 30 September 2021.

Funded interest term loan (FITL-I), (FITL-II) and (FITL-III)

These loans carry an interest rate of SBI Base Rate+1% plus interest tax (10.30 % as at 31 March 2017) to be reset after a moratorium period of 2 years. These loans are repayable in 14 structured quarterly instalments commencing 31 December 2016 and ending on 31 March 2020.

(B) Security created in respect of RTL/WCTL/FITL

I Borrowings from ICICI Bank are secured by the following:

(i) Exclusive security interest in the form of:

- Pledge of 474,829 shares (31 March 2016: 3,300,000 shares) of the Company

- Pledge over 30% shares of Supreme Infrastructure BOT Private Limited (SIBOT) and Non Disposal Undertaking over 18.99% shares of SIBOT
- Subservient charge on current assets and movable fixed assets of the Company
- Residual charge on optionally convertible instruments and/or debt infused by the Company directly or indirectly into three projects, namely Patiala Malerkotla, Sangli-Shiroli and Ahmednagar-Tembhurni.
- Second charge on total saleable area admeasuring 284,421 Sq. ft. covering 8 floors of B Wing of Supreme Business Park, Powai, Mumbai

(ii) First charge on the cash flows of the borrower which shall be pari passu with the other lenders without any preference or priority to one over the other or others.

II Except as stated in Point (I) above, borrowings from other lenders, are secured by way of:

(i) first pari passu charge on the moveable fixed assets of the Company procured or obtained by utilizing the aforesaid facilities.

(ii) first pari passu charge (except as stated in point (g) below, where charge is second) on the existing collateral and pledge of shares.

a) Gala No. 3 to 8, admeasuring 3,000 sq. ft., in Bhawani Service Industrial Estate Limited, Mumbai bearing CTS No.76 of village Tirandaz, Powai, Mumbai.

b) Chitrarath Studio, admeasuring 30,256.74 sq.ft, situated at Powai bearing Survey No.13 to 15 corresponding CTS bearing No.26 A of village Powai, Mumbai owned by a promoter director.

c) Extension of hypothecation charge on pari passu basis on the residual fixed assets of the borrower.

d) Office No. from 901 to 905, having carpet area admeasuring 6,792 sq. ft., situated in Tower "B" on 9th floor in "Millennium Plaza' situated at Sector 27, Tehil, Gurgaon, Haryana owned by Company and its promoter directors.

e) Lien on term deposit face value of ₹ 14 lakhs on pari passu basis to working capital lenders.

f) Pledge of 2,600,000 equity shares of the Company held by the promoter directors on pari passu basis to working capital lenders.

g) Supreme House, Plot No. 94/C located at Powai, Mumbai (First charge with SREI Infrastructure Finance Limited against their term loan to SIBOT).

h) Pledge of investments as stated in Note 4.4 and 4.6

(iii) first pari passu on the current assets of the Company

(iv) first pari passu charge on the cash flows of the Company

(v) pledge of 4,069,332 equity shares held by promoters (including 2,600,000 equity shares stated in II (f) above)

(vi) Pledge of Compulsory Convertible Debentures (CCD) of ₹ 80,600 lakhs extended to Supreme Infrastructure BOT Private Limited. The Company's lenders may exercise the right of conversion of the CCDs into equity within 18 months from the date of implementation of the JLF Restructuring Package.

(vii) first charge on the immoveable property situated at (i) Village Talavali,Taluka-Bhiwandi, Thane; and (ii) Village Mouje-Dapode, Taluka-Sudhagad, Raigad.

(viii) second charge on the immoveable property situated at B Wing area admeasuring 45,208 Sq ft. and some additional area to be identified by the Company at Supreme Business Park bearing Survey No.l3/2 and l3/l (part) and CTS No. 27, Survey No. l4 and CTS No. 23- A and Survey No. 15 (part) and CTS No. 26- A situated at Supreme City, Hiranandani Complex, Powai, Mumbai (first charge being held by Syndicate Bank).

(ix) subservient charge on the immoveable property situated at B Wing total area admeasuring 284,421 Sq. ft. at Supreme Business Park bearing Survey No. l3/2 and l3/1(part) and CTS No. 27, Survey No. l4 and CTS No.23-A and Survey No. 15 (part) and CTS No 26- A situated at Supreme City, Hiranandani Complex, Powai, Mumbai (first charge being held by Syndicate Bank and second charge being held by ICICI Bank).

(x) First pari passu charge on certain plant and equipment as specified in Part B of Schedule IX to MJLF agreement and all equipment acquired by utilising the ECB loan from AXIS Bank.

(xi) a) subservient charge on certain immoveable properties:

- 13 flats with carpet area of 11,500 sq. ft. in Aishwarya Co.op. Housing Society bearing CTS No. 64/E/6 of village Tirandaz, Powai, Mumbai.
- Agricultural land of 106,170 sq. mt. bearing survey no. 119/1, 129/6, 1304b, 130/5131, 132/2s, 131/1b and 123/2b situated at Talavali village, Thane, Maharastra.
- Flat No. 510 on 5th Floor of ABW Tower located at IIFCO Chowk, Sukhrauli village, Haryana
- Fixed deposit or unconditional bank guarantee of ₹ 500.00 lakhs;

b) subservient charge on following:

- Irrevocable and unconditional personal guarantee of the Promoter(s);
- Fixed deposit or unconditional bank guarantee of ₹ 500.00 lakhs;
- Corporate Guarantee of BHS Housing Private Limited and Supreme Housing & Hospitality Private Limited
- Demand Promissory Note

III The entire facilities shall be secured by way of:

(i) an irrevocable, unconditional, joint and several corporate guarantee from BHS Housing Private Limited and Supreme Housing Hospitality Private Limited; and

(ii) an irrevocable, unconditional, joint and several personal guarantee from its promoter directors.

Note 15.4 The MJLF Agreement provides a right to the Lenders to get a recompense of their waivers and sacrifices made as part of the loan restructuring arrangement. The recompense payable by the borrowers depends on various factors including improved performance of the borrowers and other conditions. The aggregate present value of the sacrifice made/ to be made by lenders as per the MJLF Agreement is ₹ 16,842.00 lakhs (31 March 2016: ₹ 16,842.00 lakhs, 1 April 2015: ₹ 14,242.34 lakhs) as at the year end.

Note 15.5 External commercial borrowings from Axis Bank carried interest @ 6 Months LIBOR plus 3.45% per annum (quarterly rests) which was 3.85% per annum. The loan was fully repaid during the year ended 31 March 2016. The loan was secured by first charge on assets procured from this loan and pari passu second charge on the current assets of the Company and personal guarantee of the promoter directors.

Note 15.6 Other rupee term loans from banks:

Loans from other banks carry interest in the range of @ 10.35% to 12.75% per annum and are secured by hypothecation of the assets created out of these loan and personal guarantee of a director of the Company. These loans are repayable over the period of 5-41 years.

Note 15.7 Term loans from others:

Loans from SREI Equipment Finance Company Limited and SREI Infrastructure Finance Limited carries interest @ base rate (18% as at 31 March 2017) minus 2.19 % per annum and are repayable in 35 monthly instalments over the tenure of the loans having various maturity dates. These loans are secured by first charge on the specific equipment financed out of the said loans, pledge of shares held by a promoter director and personal guarantee of the promoter directors.

Note 15.8 Contractual loan principal amounting to ₹ 8,241.97 lakhs (31 March 2016: ₹ 6,350.51 lakhs, 1 April 2015: ₹ 5,079.81 lakhs) and the interest amount of ₹ 19,178.13 lakhs (31 March 2016:₹ 1,431.30 lakhs, 1 April 2015: ₹ 1,504.11 lakhs) respectively is due and outstanding to be paid as at 31 March 2017.

Note 15.9 Rupee term loan from others represent ₹ 4,332.90 lakhs (31 March 2016 : ₹ 5,532.90 lakhs, 1 April 2015: ₹ 7,431.42 lakhs) and current portion of long term borrowings include ₹ 5,252.08 lakhs (31 March 2016 ₹ 12,773.66 lakhs, 1 April 2015: ₹ 10,036.42 lakhs) in respect of which a lender has filed an appeal against the Company in the High Court of Calcutta for non-payment of outstanding due in accordance with the terms of the loan agreement. The appeal filed is for restraining the Company from

dilution of securities and shares pledged towards these borrowings by inclusion of these securities in the common pool of borrowings restructured under MJLF Agreement. The Hon'ble High Court has directed the Company not to deal with the shares as well as assets in terms of the loan agreement till disposal of the appeal. The Company is presently in the process of making necessary submissions with the High Court and is also in discussion with the lender to resolve the matter amicably. Since the lender has not demanded the amounts not falling due as per repayment terms, the loan continues to be classified under 'non-current borrowings'/ 'current maturity of long term borrowings.

Note 16 Other financial liabilities

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Non-current			
Financial guarantees	683.86	797.00	909.00
1% Non cumulative redeemable preference shares of ₹10 each	1,628.05	1,466.71	1,321.36
Total non-current financial liabilities	**2,311.91**	**2,263.71**	**2,230.36**

Rights, preferences, restrictions and conversion terms attached to preference shares issued by the Company

The Company had, on 13 May 2011, allotted 2,500,000 non cumulative, non convertible, redeemable preference shares of ₹ 10 each at a premium of ₹ 90 per share to BHS Housing Private Limited. The Preference Shares shall be redeemable at any time after the expiry of two years but before the expiry of ten years from the date of allotment at a premium of ₹ 90 per share. These preference shares carry preferential right of dividend at the rate of 1%. The holders of Preference Shares have no rights to receive notices of, attend or vote at general meetings except in certain limited circumstances. On a distribution of assets of the Company, on a winding-up or other return of capital (subject to certain exceptions), the holders of Preference Shares have priority over the holders of equity shares to receive the capital paid up on those shares.

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Current			
Current maturities of long-term borrowings (Refer note 15)	14,542.42	15,086.42	14,791.71
Interest accrued and due	19,178.13	1,431.30	1,504.11
Unclaimed dividends ^	1.76	2.63	4.15
Advance towards share application money pending allotment ^^	2,411.14	-	-
Payable for purchase of investment	127.40	127.40	127.40
Financial guarantees	129.02	124.96	122.00
Others			
- Due to employees	789.93	972.38	1,511.92
- Book overdraft	-	10.60	9.38
- Security deposits	20.00	20.00	10.00
Total current financial liabilities	**37,199.80**	**17,775.69**	**18,080.67**
Total other financial liabilities	**39,511.71**	**20,039.40**	**20,311.03**

^ Not due for credit to Investor Education and Protection Fund

^^ Pursuant to resolution passed in Extra Ordinary general meeting held on 27 March 2017, the Company has accepted ₹ 2,411.14 lakhs as an advance towards share application money from Supreme Innovative Building Private Limited for creation, issue, offer and allot upto 2,240,000 equity shares fully paid on preferential basis upon conversion of outstanding unsecured loans given by Supreme Innovative Building Private Limited at a minimum price of ₹ 107.64 (including a premium of ₹ 97.64) per equity share. The allotment of the said shares is pending as at 31 March 2017.

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Other financial liabilities carried at amortised cost	39,511.71	20,039.40	20,311.03
Other financial liabilities carried at FVTPL	-	-	-

Note 17 Provisions

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Non-current			
Provision for employee benefits (Refer note 33)			
- Gratuity	294.87	261.40	286.41
- Leave entitlement and compensated absences	174.72	197.99	266.25
Total non-current provisions	469.59	459.39	552.66
Current			
Provision for employee benefits (Refer note 33)			
- Gratuity	23.14	26.19	48.79
- Leave entitlement and compensated absences	29.47	29.95	37.27
Proposed dividend on preference shares	-	-	2.50
Tax on proposed dividend	-	-	0.51
Total current provisions	**52.61**	**56.14**	**89.07**
Total provisions	**52.61**	**56.14**	**89.07**

Note 18 Current borrowings

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
I. Secured			
Rupee Loan from Banks			
Cash credit facilities (Repayable on demand)	103,184.62	88,744.17	59,112.25
Term loan from banks (Refer notes 15.6,18.2 and 18.3)	2,379.24	2,573.96	2,622.71
	105,563.86	**91,318.13**	**61,734.96**
II. Unsecured (Repayable on demand)			
Term loan other than banks	715.00	2,775.00	-
Bank overdraft	15.28	-	-
Loans from related parties (Refer note 35)	3,572.09	1,689.98	-
Total current borrowings (I+II)	**109,866.23**	**95,783.11**	**61,734.96**

Note 18.1 Security for cash credit facilities:

Cash credit facilities availed from bankers are secured by hypothecation charge on the current assets of the Company on first pari passu basis with existing and proposed working capital lenders in consortium arrangement. These facilities are

further secured by way of certain collaterals, on pari passu basis, provided by the Company including personal guarantee of Company's directors and corporate guarantee of BHS Housing Private Limited and Supreme Housing Hospitality Private Limited.

The securities towards cash credit facilities also extends to the guarantees given by the banks on behalf of the Company aggregating ₹ 39,178.60 lakhs (31 March 2016: ₹ 46,606.55 lakhs, 1 April 2015: ₹ 66,712.58 lakhs).

Note 18.2 Term loan from banks include ₹ 2,015.23 lakhs (31 March 2016: ₹ 2,209.95 lakhs, 1 April 2015: ₹ 2,200.55 lakhs) which has been classified as Non-Performing Asset during September 2014 as per Reserve Bank of India guidelines. Bank has issued a notice to the Company and the Guarantor (Director) under section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for recovery of the aforesaid amount and accordingly restrained the Guarantor from transferring any of the assets offered as security in respect of this loan, by way of sale, lease or otherwise without obtaining prior approval of the bank. Further, during the year, Bank has disposed off some of those assets of the Guarantor and adjusted the proceeds against the outstanding loan. The Company is presently in discussion with the banker for regularizing this borrowing. The Company has provided for interest at the reporting dates based on the communication available from the bank and the rate specified in the agreement and believes that provision is adequate and the amount payable will not exceed the liability provided in the books.

Note 18.3 Term loan from banks include ₹ 364.01 lakhs (31 March 2016: ₹ 364.01 lakhs, 1 April 2015: ₹ 422.16 lakhs) which has been classified as Non-Performing Asset during the previous year as per Reserve Bank of India guidelines. Bank has filed an application in the Hon'ble Debt Recovery Tribunal for recovery of the aforesaid amount and accordingly restrained the Company from transferring any of the assets offered as security in respect of this loan, by way of sale, lease or otherwise without obtaining prior approval of the bank. The Company is presently in the process of making necessary submissions with the Hon'ble Debt Recovery Tribunal and is also in discussion with the lender to resolve the matter amicably. The Company has provided for interest at the reporting dates based on the communication available from the bank and believes that the amount payable will not exceed the liability provided in the books.

Note 19. Trade payables

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 19.1)	201.97	-	-
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	20,188.07	10,089.48	11,119.11
Total trade payables	**20,390.04**	**10,089.48**	**11,119.11**

Note 19.1 The Company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act), as at 31 March 2017.

The disclosure pursuant to the said Act is as under:

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Principal amount due to suppliers under MSMED Act	160.09	-	-
Interest accrued and due to suppliers under MSMED Act on the above amount	41.87	-	-
Payment made to suppliers (other than interest) beyond appointed day during the year	-	-	-
Interest paid to suppliers under MSMED Act	-	-	-
Interest due and payable to suppliers under MSMED Act towards payments already made	-	-	-
Interest accrued and remaining unpaid at the end of the accounting year	41.87	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-	-

Note: This information, as required to be disclosed under the MSMED Act, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 19.2 Trade payables are normally non-interest bearing and settled as per the payment terms stated in the contract.

Note 20 Other current liabilities

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Advance from contractees	8,376.65	27,789.49	16,660.17
Statutory dues payable	2,856.05	1,535.82	1,117.50
Other liabilities	-	9.93	54.50
Total other current liabilities	**11,232.70**	**29,335.24**	**17,832.17**

Note 21 Revenue from operations

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Contract revenue	101,491.37	114,941.18
Sale of products	3,520.58	6,028.66
Total revenue from operations	**105,011.95**	**120,969.84**

Note 22 Other income

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Interest income		
- interest unwinding on financial assets	6,385.47	3,860.93
- interest unwinding on financial guarantees	126.56	122.51
- on loans	389.65	480.49
- on margin money deposits	293.59	370.71
Dividend from current investments	0.51	0.44
Other non-operating income		
- Excess provision no longer required written back	23.74	114.73
- Fair value gain on CCCPS	-	58.47
- Profit on redemption of mutual funds (net)	0.28	-
- Fair value gain on mutual funds (valued at FVTPL)	17.48	-
- Profit on sale of property, plant and equipment (net)	34.30	-
- Rental income	94.51	53.14
- Miscellaneous	0.60	4.62
Total other income	**7,366.69**	**5,066.04**

Note 23 Cost of construction materials consumed

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Stock at beginning of the year	8,457.50	8,546.11
Add: Purchases	33,016.08	31,914.07
	41,473.58	**40,460.18**

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Less: Stock at the end of the year	7,774.52	8,457.50
Total cost of construction materials consumed	**33,699.06**	**32,002.68**

Note 24 Employee benefits expense

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Salaries and wages	2,710.06	3,625.29
Contribution to provident and other funds (Refer note 33)	100.97	128.85
Gratuity (Refer note 33)	77.96	93.16
Staff welfare	99.70	240.68
Total employee benefits expense	2,988.69	4,087.98

Note 25 Finance costs

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Interest on:		
- External commercial borrowings	-	68.58
- Term loans	14,818.38	16,079.14
- Cash credit facilities	11,727.51	7,556.54
- Others	519.51	291.77
Other borrowing costs		
- Bank charges and guarantee commission	1,002.99	1,162.16
Total finance costs	28,068.39	25,158.19

Note 26 Depreciation and amortisation expense (Refer notes 3A and 3B)

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Depreciation on tangible assets	2,458.61	3,038.84
Amortisation on intangible assets	12.89	21.48
Total depreciation and amortisation expense	**2,471.50**	**3,060.32**

Note 27 Other expenses

	Year ended 31 March 2017	Year ended 31 March 2016
Power and fuel	2,948.63	3,809.78
Rent and hire charges	3,800.68	4,203.10
Transportation charges	1,581.10	1,876.50
Repairs and maintenance	135.38	244.62
Insurance	95.48	341.48
Rates and taxes	29.97	7.60

₹ in Lakhs

		Year ended 31 March 2017	Year ended 31 March 2016
Impairment allowance (allowance for doubtful debts)		330.00	1,243.54
Impairment allowance (allowance for doubtful financial assets)		180.00	200.00
Communication expenses		64.63	133.80
Advertisement		0.41	23.30
Printing and stationary		24.80	54.62
Travelling and conveyance		90.05	139.68
Legal and professional		844.15	1,249.76
Directors' sitting fees		7.80	7.20
Auditors' remuneration:			
i) Audit fees	94.00		81.00
ii) Limited review fees	29.00		34.00
iii) Certification fees	3.00		10.00
iv) Reimbursement of out of pocket expenses	4.00		2.25
		130.00	127.25
Fair value loss of mutual funds (valued at FVTPL)		-	16.50
Miscellaneous		1,049.44	1,695.80
Total other expenses		**11,312.52**	**15,374.53**

Note

1. The Company has not incurred any expenditure during the year against the total amount ₹ 134.99 lakhs (31 March 2016 : ₹ 258.71 lakhs) required to be spent for Corporate Social Responsibility.

2. The Company has entered into cancellable operating lease for office premises, machinery and employee accommodation. Tenure of leases generally vary between one year to four years. Terms of the lease include operating terms for renewal, terms of cancellation etc. Lease payments in respect of the above leases are recognised in the statement of profit and loss under the head other expenses (Refer note 27).

Note 28 Exceptional items

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Impairment allowance (allowance for doubtful financial assets)	2,291.52	-
Impairment loss - financial assets written off	1,587.13	-
Impairment allowance (allowance for doubtful debts)	6,862.95	-
Impairment loss - bad debts written off	395.77	-
Impairment loss - Unbilled work written off	1,389.26	-
Impairment loss - Inventories written off	300.32	-
Interest accrued on the loan given to a subsidiary company	-	(4,101.32)
Total exceptional items [expense/ (Income)]	**12,826.95**	**(4,101.32)**

Note 29 Earnings per share (EPS)

₹ in Lakhs

		Year ended 31 March 2017	Year ended 31 March 2016
Profit computation for basic earnings per share of ₹ 10 each			
Net profit/ (loss) as per the Statement of Profit and Loss available for equity shareholders	(₹ lakhs)	(20,349.95)	(524.08)
Weighted average number of equity shares for EPS computation	(Nos.)	25,698,372	25,698,372
EPS - Basic and Diluted EPS	(₹)	(79.19)	(2.04)

Note: Non-cumulative redeemable preference shares do not qualify as potential equity shares outstanding during the periods, based on the present conditions prevalent, and hence have not been considered in the determination of diluted earnings per share.

Note 30 Contingent liabilities and commitments

A. Contingent liabilities

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(i) Claims not acknowledged as debts including cases where petition for winding up has been filed against the Company	1,158.55	115.46	122.75
(ii) Corporate guarantee given to banks on behalf of subsidiaries/ jointly controlled entities	163,815.69	161,710.69	159,915.69
(iii) Service tax liability that may arise in respect of matters in appeal	7,270.26	7,270.26	7,270.26

B. Commitments

(i) The Company has entered into agreements with various government authorities and semi government corporations to develop roads on Build-Operate-Transfer (BOT) and Public Private Partnership (PPP) basis through certain subsidiary entities, jointly controlled entities and associate company. The Company has a commitment to fund the cost of developing the infrastructure through a mix of debt and equity as per the estimated project cost.

(ii) The Company along with its Jointly controlled entity, Supreme Infrastructure BOT Holdings Private Limited, has given an undertaking to the lenders of a Joint venture Company, not to dilute their shareholding below 51% during the tenure of the loan.

It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the above contingent liabilities except in respect of matter stated in (ii) above. Future cash outflows in respect of the above are determinable only on receipt of judgments/ decisions pending with various forums/ authorities. The Company does not expect an outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

Note 31 Disclosure in accordance with Ind AS 11 'Construction contracts' - Amount due from / to customers on Construction ntracts

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Contract revenue for the year	101,491.37	114,941.18
Aggregate amount of cost incurred and recognized profits less recognized losses up to the reporting date on contract under progress	371,659.38	385,339.04

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Advances received from customer	8,376.65	27,789.49
Retention money	9,992.92	17,910.37
Gross amount due from customer for contract work (net of retention)	121,741.30	130,106.17
Gross amount due to customer for contract work	-	-

Note 32 Interests in other entities

a) Joint operations (incorporated)

The Company's share of interest in joint operations as at 31 March 2017 is set out below . The principal place of business of all these joint operations is in India.

Name of the entity	% of ownership interest held by the Group			Name of the ventures' partner	Principal activities
	31 March 2017	31 March 2016	1 April 2015		
Supreme Infrastructure BOT Holdings Private Limited	51.00	51.00	51.00	Strategic Road Investments Limited	Toll Management
Sanjose Supreme Tollways Development Private Limited	40.00	40.00	40.00	Constructora Sanjose S.A.	Toll Management

i) Classification of joint arrangements

The joint venture agreements in relation to the above mentioned joint operations require unanimous consent from all the parties for all relevant activities. All co-venturers have direct rights to the assets of the joint venture and are also jointly and severally liable for the liabilities incurred by the joint venture. These joint ventures are therefore classified as a joint operations and the Company recognises its direct right to the jointly held assets, liabilities, revenue and expenses. In respect of these contracts, the services rendered to the joint ventures are accounted as income on accrual basis.

ii) Summarised balance sheet

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Total assets	159,772.75	148,229.97	132,511.85
Total liabilities	128,829.81	117,509.54	100,263.82

iii) Contingent liability and capital committment as at reporting date

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Capital committment	79,417.88	68,969.67	70,774.22

iv) Summarised statement of profit and loss account

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Revenue	10,085.19	10,373.86
Other income	-	320.08
Total expenses (including taxes)	14,011.07	12,911.55

b) Joint operations on work sharing basis

Contracts executed in joint venture under work sharing arrangement (consortium) is set out below. The principal place of business of all these arrangements is in India and are engaged in construction business.

Name of the Joint Venture	Description of interest	Company's share
Supreme - MBL JV	Lead JV partner	60%
Supreme - BKB - Deco JV	Lead JV partner	60%
Supreme - J Kumar JV	Lead JV partner	60%
Supreme Mahavir JV	Lead JV partner	55%
Petron - Supreme JV	Minority JV partner	45%
Supreme Zanders JV	Lead JV partner	51%
Supreme Brahmaputra JV	Equal JV partner	50%
Supreme Modi JV	Lead JV partner	51%
Supreme Siddhi JV	Equal JV partner	50%

Classification of work executed on sharing basis

Contracts executed in joint venture under work sharing arrangement (consortium) is accounted to the extent work executed by the Company as that of an independent contract.

Note 33 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits

A Defined benefit obligations - Gratuity (unfunded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

₹ in Lakhs

a) Changes in defined benefit obligations	Year ended 31 March 2017	Year ended 31 March 2016
Present value of obligation as at the beginning of the year	**287.59**	**335.20**
Interest cost	24.03	28.51
Current service cost	53.93	64.65
Remeasurements - Net actuarial (gains)/ losses	(24.47)	(129.79)
Benefits paid	(23.07)	(10.98)
Present value of obligation as at the end of the year	**318.01**	**287.59**

₹ in Lakhs

b) Expenses recognised in the Statement of Profit and Loss	Year ended 31 March 2017	Year ended 31 March 2016
Interest cost	24.03	28.51
Current service cost	53.93	64.65
Total	**77.96**	**93.16**

₹ in Lakhs

c) Remeasurement (gains)/ losses recognised in OCI	Year ended 31 March 2017	Year ended 31 March 2016
Actuarial changes arising from changes in financial assumptions	16.45	(4.18)
Actuarial changes arising from changes in demographic assumptions	(5.64)	-
Experience adjustments	(35.28)	(125.61)
Total	**(24.47)**	**(129.79)**

d) Actuarial assumptions	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Discount rate	7.34% p.a.	7.97% p.a.	7.82% p.a.
Salary escalation rate - over a long-term	8.50% p.a.	8.50% p.a.	8.50% p.a.
Mortality rate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate

The attrition rate varies from 1% to 6% (31 March 2016: 1% to 5%) for various age groups

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

₹ in Lakhs

e) Quantities sensitivity analysis for significant assumption is as below:	As at 31 March 2017	As at 31 March 2016
	1% increase	
i. Discount rate	(29.11)	(26.33)
ii. Salary escalation rate - over a long-term	29.73	26.88
	1% decrease	
i. Discount rate	30.80	27.85
ii. Salary escalation rate - over a long-term	(29.24)	(26.44)

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

₹ in Lakhs

f) Maturity analysis of defined benefit obligation	As at 31 March 2017	As at 31 March 2016
Within the next 12 months	23.98	0.27
Between 2 and 5 years	1.44	1.33
Between 6 and 10 years	2.37	2.07
Total expected payments	**27.79**	**3.67**

B Defined contribution plans

₹ in Lakhs

a)The Company has recognised the following amounts in the Statement of Profit and Loss for the year:	As at 31 March 2017	As at 31 March 2016
(i) Contribution to provident fund	94.91	120.34
(ii) Contribution to ESIC	6.06	8.51
	100.97	**128.85**

b) The expenses for leave entitlement and compensated absences is recognized in the same manner as gratuity and provision of ₹ 204.19 lakhs (31 March 2016: ₹ 227.94 lakhs; 1 April 2015: ₹ 303.52 lakhs) has been made as at 31 March 2017.

₹ in Lakhs

C Current/ non-current classification	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Gratuity			
Current	23.14	26.19	48.79

C Current/ non-current classification	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Non-current	294.87	261.40	286.41
	318.01	287.59	335.20
Leave entitlement (including sick leave)			
Current	29.47	29.95	37.27
Non-current	174.72	197.99	266.25
	204.19	**227.94**	**303.52**

Note 34 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 and short term deposits, trade and other short term receivables, trade payables, other current 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 2017 were as follows:

₹ in Lakhs

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:								
Investments								
Investments in preference shares	4	809.44	1,758.64	-	-	-	2,568.08	2,568.08
Investment in debentures	4	63,621.65	-	-	-	-	63,621.65	63,621.65
Investments in equity shares	4	-	-	-	98,562.72	-	98,562.72	98,562.72
Investments in mutual funds	10	-	-	222.88	-	-	222.88	222.88
Trade receivables	11	106,732.29	-	-	-	-	106,732.29	106,732.29
Loans	5	3,479.65	-	-	-	-	3,479.65	3,479.65
Others financial assets	6	17,380.50	-	-	-	-	17,380.50	17,380.50
Cash and cash equivalents	12	428.12	-	-	-	-	428.12	428.12
Other bank balances	13	3,187.88	-	-	-	-	3,187.88	3,187.88
Liabilities:								
Borrowings	15,18	204,004.71	-	-	-	-	204,004.71	204,004.71
Trade payables	19	20,390.04	-	-	-	-	20,390.04	20,390.04
Other financial liabilities	16	39,511.71	-	-	-	-	39,511.71	39,511.71

The carrying value and fair value of financial instruments by categories as at 31 March 2016 were as follows:

₹ in Lakhs

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:								
Investments								
Investments in preference shares	4	729.22	1,758.64	-	-	-	2,487.86	2,487.86
Investment in debentures	4	57,316.40	-	-	-	-	57,316.40	57,316.40
Investments in equity shares	4	-	-	-	68,009.83	-	68,009.83	68,009.83
Investments in mutual funds	10	-	-	245.76	-	-	245.76	245.76
Trade receivables	11	127,174.05	-	-	-	-	127,174.05	127,174.05
Loans	5	6,355.05	-	-	-	-	6,355.05	6,355.05
Others financial assets	6	22,794.68	-	-	-	-	22,794.68	22,794.68
Cash and cash equivalents	12	919.02	-	-	-	-	919.02	919.02
Other bank balances	13	2,624.89	-	-	-	-	2,624.89	2,624.89
Liabilities:								
Borrowings	15,18	198,664.58	-	-	-	-	198,664.58	198,664.58
Trade payables	19	10,089.48	-	-	-	-	10,089.48	10,089.48
Other financial liabilities	16	20,039.40	-	-	-	-	20,039.40	20,039.40

The carrying value and fair value of financial instruments by categories as at 1 April 2015 were as follows

₹ in Lakhs

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:								
Investments								
Investments in preference shares	4	656.77	1,600.10	-	-	-	2,256.87	2,256.87
Investment in debentures	4	35,568.71	-	-	-	-	35,568.71	35,568.71
Investments in equity shares	4	-	-	-	37,321.12	-	37,321.12	37,321.12
Investments in mutual funds	10	-	-	310.08	-	-	310.08	310.08
Trade receivables	11	93,334.20	-	-	-	-	93,334.20	93,334.20
Loans	5	38,195.30	-	-	-	-	38,195.30	38,195.30
Others financial assets	6	24,769.18	-	-	-	-	24,769.18	24,769.18

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Cash and cash equivalents	12	1,071.66	-	-	-	-	1,071.66	1,071.66
Other bank balances	13	6,048.35	-	-	-	-	6,048.35	6,048.35
Liabilities:								
Borrowings	15,18	150,314.35	-	-	-	-	150,314.35	150,314.35
Trade payables	19	11,119.11	-	-	-	-	11,119.11	11,119.11
Other financial liabilities	16	20,311.03	-	-	-	-	20,311.03	20,311.03

B Fair value hierarchy

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)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

₹ in Lakhs

Particulars	31 March 2017			31 March 2016			1 April 2015		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets									
Investments in preference shares	-	1,758.64	-	-	1,758.64	-	-	1,600.10	-
Investments in Equity shares	-	98,562.72	-	-	68,009.83	-	-	37,321.12	
Investments in mutual funds	222.88	-	-	245.76	-	-	310.08	-	-

Note 35 Disclosure in accordance with Ind-AS 24 Related Party Transactions

A. Names of related parties and nature of relationship

₹ in Lakhs

Name of the entity	Country of incorporation	Company's holding as at (%)			Subsidiary of
		31March 2017	31 March 2016	1 April 2015	
a) Subsidiaries					
Supreme Infrastructure BOT Private Limited	India	100.00	100.00	100.00	Supreme Infrastructure India Limited
Supreme Panvel Indapur Tollways Private Limited	India	64.00	64.00	64.00	Supreme Infrastructure India Limited
Supreme Mega Structures Private Limited	India	60.00	60.00	60.00	Supreme Infrastructure India Limited
Supreme Infrastructure Overseas LLC	Oman	60.00	60.00	60.00	Supreme Infrastructure India Limited
Supreme Manor Wada Bhiwandi Infrastructure Private Limited ^	India	49.00	49.00	49.00	Supreme Infrastructure BOT Private Limited

Name of the entity	Country of incorporation	Company's holding as at (%)			Subsidiary of
		31March 2017	31 March 2016	1 April 2015	
Patiala Nabha Infra Projects Private Limited	India	100.00	100.00	100.00	Supreme Infrastructure BOT Private Limited
Supreme Suyog Funicular Ropeways Private Limited	India	98.00	98.00	98.00	Supreme Infrastructure BOT Private Limited
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	India	100.00	100.00	100.00	Supreme Infrastructure BOT Private Limited
Supreme Vasai Bhiwandi Tollways Private Limited	India	100.00	100.00	100.00	Supreme Infrastructure BOT Private Limited
Mohul Kurul Kamti Mandrup Tollways Private Limited ^	India	49.00	49.00	49.00	Supreme Infrastructure BOT Private Limited
Supreme Tikamgarh Orchaa Annuity Private Limited (ceased to be a subsidiary on 30 March 2016)	India	10.00	10.00	100.00	Supreme Infrastructure BOT Private Limited
Kotkapura Muktsar Tollways Private Limited	India	74.00	74.00	74.00	Supreme Infrastructure BOT Private Limited

(b) Associates

	Country of incorporation	Company's holding as at (%)			Subsidiary of
		31March 2017	31 March 2016	1 April 2015	
Rudranee Infrastructure Limited	India	49.00	49.00	51.00	

(c) Jointly controlled entities

	Country of incorporation	Company's holding as at (%)			Subsidiary of
		31March 2017	31 March 2016	1 April 2015	
Sanjose Supreme Tollways Development Private Limited ^^	India	96.10	40.00	40.00	
Supreme Infrastructure BOT Holdings Private Limited ^^^	India	51.00	51.00	51.00	
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited ^^^	India	90.00	90.00	90.00	Supreme Infrastructure BOT Holdings Private Limited
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited ^^^	India	100.00	100.00	100.00	Supreme Infrastructure BOT Holdings Private Limited
Supreme Kopargaon Ahmednagar Tollways Private Limited ^^^	India	100.00	100.00	100.00	Supreme Infrastructure BOT Holdings Private Limited

(d) Key management personnel (KMP)

Mr. Bhawanishankar Sharma - Chairman

Mr. Vikram Sharma - Managing Director

Mr. Vikas Sharma - Whole-time Director & CFO

Mr. Vijay Joshi - Company Secretary

Mr. Sanjay Bafna - CFO (till 28 April 2015)
(d) Other related parties (where transactions have taken place during the year) Companies in which key management personnel or their relatives have significant influence
Supreme Housing and Hospitality Private Limited
Kalyan Sangam Infratech Limited
Green Hill Barter Private Limited
BHS Housing Private Limited
Supreme Innovative Buildings Project Private Limited

^ Though the Company's investment in these mentioned entities is below 50% of the total share capital, these entities have been classified as subsidiary. The management has assessed whether or not the Company has control over these entities based on whether the group has practical ability to direct relevant activities unilaterally. In these cases, based on specific shareholders agreement, the management concluded that the Company have practical ability to direct the relevant activities.

^^ Based on specific shareholders agreement, the management has assessed that the Company has the practical ability to direct the relevant activities along with the other shareholders.

^^^ Though the Company's investment in these entities exceed 50% of the total share capital, these entities have been classified as jointly controlled entities. The management has assessed whether or not the Company has control over these entities based on whether the Company has practical ability to direct relevant activities unilaterally. In these cases, based on specific shareholders agreement, the management concluded that the group does not have practical ability to direct the relevant activities unilaterally but has such ability along with the other shareholders.

Note 35 Disclosure in accordance with Ind AS 24 Related Party Transactions

B. Nature of Transactions

₹ in Lakhs

Transactions with related parties:		Year ended 31 March 2017	Year ended 31 March 2016
Rendering of services			
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	Subsidiary	-	1,811.88
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	11,877.88	2,688.30
Supreme Ahmednagar Karmala Tembhurni Private Limited	Jointly controlled entity	-	1,161.91
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	Jointly controlled entity	3,821.00	4,737.95
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	2,533.12	2,343.53
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	603.30	-
Supreme Housing and Hospitality Private Limited	Other related party	-	15.00
Kotkapura Muktsar Tollways Private Limited	Subsidiary	2,202.27	2,707.70
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	Subsidiary	543.58	3,557.16
BHS Housing Private Limited	Other related party	238.35	318.43
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	1,464.18	-
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	551.00	-
		23,834.68	**19,341.86**
Interest income			
Rudranee Infrastructure Limited	Associate	358.13	448.97
Supreme Infrastructure Overseas LLC	Subsidiary	31.52	31.52

₹ In Lakhs

Transactions with related parties:		Year ended 31 March 2017	Year ended 31 March 2016
Supreme Infrastructure BOT Private Limited	Subsidiary	-	4,101.32
		389.65	4,581.81
Interest unwinding on financial assets carried at amortised cost			
Supreme Infrastructure BOT Private Limited	Subsidiary	5,576.17	3,130.03
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	729.08	658.45
Kalyan Sangam Infratech Limited	Other related party	36.73	33.17
Green Hill Barter Private Limited	Other related party	43.49	39.28
		6,385.47	**3,860.93**
Interest unwinding on financial guarantees			
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	11.96	11.96
Kotkapura Muktsar Tollways Private Limited	Subsidiary	5.36	5.29
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited	Subsidiary	22.87	19.70
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	49.06	49.06
Patiala Nabha Infra Projects Private Limited	Subsidiary	5.38	5.38
Rudranee Infrastructure Limited	Associate	6.16	6.16
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	21.42	21.42
Supreme Suyog Furnicular Private Limited	Subsidiary	4.35	3.55
		126.56	**122.51**
Fair value gain on financial assets (valued at FVTPL)			
Supreme Infrastructure BOT Holdings Private Limited	Jointly controlled entity	-	58.47
		-	**58.47**
Receipt of services			
Supreme Mega Structures Private Limited	Subsidiary	563.77	695.25
		563.77	**695.25**
Finance cost on redeemable preference shares			
BHS Housing Private Limited	Other related party	161.34	145.35
		161.34	**145.35**
Investment in optionally convertible debentures			
Supreme Infrastructure BOT Private Limited	Subsidiary	-	11,289.24
		-	**11,289.24**
Investment in equity			
Supreme Infrastructure BOT Private Limited ^	Subsidiary	30,521.01	30,675.24
Kotkapura Muktsar Tollways Private Limited	Subsidiary	4.29	-

₹ in Lakhs

Transactions with related parties:		Year ended 31 March 2017	Year ended 31 March 2016
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited	Subsidiary	4.47	13.47
Supreme Suyog Furnicular Private Limited	Subsidiary	8.72	-
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	14.40	-
		30,552.89	**30,688.71**

^ includes ₹ 24,038.38 lakhs on account of conversion of receivable and advances into investment in other equity [Refer note 11 (d)]

Note 35 Disclosure in accordance with Ind-AS 24 Related Party Transactions

₹ in Lakhs

Transactions with related parties:		Year ended 31 March 2017	Year ended 31 March 2016
Remuneration to key managerial person			
Mr. Vijay Joshi	Key Managerial Personnel	18.19	18.88
		18.19	**18.88**
Loan taken from			
Mr. Bhawanishankar Sharma	Key Managerial Personnel	1,489.96	185.96
Mr. Vikram Sharma	Key Managerial Personnel	410.30	750.03
Mr. Vikas Sharma	Key Managerial Personnel	-	754.00
		1,900.26	**1,689.98**
Loan repaid to			
Mr. Vikas Sharma	Key Managerial Personnel	18.15	-
		18.15	**-**
Inter corporate deposit given during year			
Supreme Infrastructure Overseas LLC	Subsidiary	-	54.14
		-	**54.14**
Inter corporate deposit repaid			
Supreme Infrastructure BOT Private Limited (Refer note 4.3)	Subsidiary	-	34,100.00
		-	**34,100.00**
Share application money received			
Supreme Innovative Buildings Projects Private Limited	Other related party	2,411.14	-
		2,411.14	**-**

C) Outstanding balances:

₹ in Lakhs

		As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Outstanding trade receivables				
Supreme Mega Structures Private Limited	Subsidiary	145.56	1,297.52	1,302.05
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	466.26	2,844.49	-
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	Subsidiary	1,481.33	2,427.23	1,310.66
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	Jointly controlled entity	206.72	352.30	236.30
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	-	6,136.04	4,394.33
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	Jointly controlled entity	-	1,045.34	1,257.84
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	858.47	678.32	638.75
Supreme Housing and Hospitality Private Limited	Other related party	761.07	938.48	3,938.48
BHS Housing Private Limited	Other related party	6.80	332.96	3,387.34
Patiala Nabha Infra Projects Private Limited	Subsidiary	1,349.24	956.71	590.71
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	Subsidiary	1,076.84	785.84	140.27
Kotkapura Muktsar Tollways Private Limited	Subsidiary	589.41	20.13	273.88
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	826.61	-	-
Mohul Kurul Kamti Mandrup Tollways Private Limited	Subsidiary	1.28	1.28	-
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	212.39	-	-
		7,981.98	**17,816.64**	**17,470.61**
Loans receivable				
Supreme Infrastructure BOT Private Limited	Subsidiary	-	-	34,177.68
Rudranee Infrastructure Limited	Associate	2,227.40	3,748.03	3,748.04
Supreme Infrastructure BOT Holdings Private Limited	Jointly controlled entity	935.48	2,290.25	-
Supreme Infrastructure Overseas LLC	Subsidiary	316.77	316.77	269.58
		3,479.65	**6,355.05**	**38,195.30**
Mobilisation and material advances				
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	Subsidiary	-	259.56	-
Kotkapura Muktsar Tollways Private Limited	Subsidiary	-	190.89	-
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	Subsidiary	37.61	37.61	-
		37.61	**488.06**	**-**

₹ in Lakhs

		As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Interest accrued				
Rudranee Infrastructure Limited	Associate	1,256.87	898.74	449.76
Supreme Infrastructure Overseas LLC	Subsidiary	95.39	63.87	32.35
		1,352.25	962.60	482.11
Outstanding Payables				
Short-term borrowings				
Mr. Bhawanishankar Sharma	Key Managerial Personnel	1,675.92	185.96	-
Mr. Vikram Sharma	Key Managerial Personnel	1,160.32	750.02	-
Mr. Vikas Sharma	Key Managerial Personnel	735.84	754.00	-
		3,572.09	**1,689.98**	**-**
Trade payable				
Supreme Mega Structures Private Limited	Subsidiary	37.96	362.24	117.02
		37.96	**362.24**	**117.02**
Other current liabilities				
Mr. Vijay Joshi	Key Managerial Personnel	4.45	4.72	5.19
		4.45	**4.72**	**5.19**
Share application money pending allotment				
Supreme Innovative Buildings Projects Private Limited	Other related party	2,411.14	-	-
		2,411.14	**-**	**-**
Advance from contractees				
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	Jointly controlled entity	296.38	4,245.01	1,497.16
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	1,218.74	8,326.69	125.18
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	13.47	189.77	13.47
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	918.11	7,461.91	10,054.49
Kotkapura Muktsar Tollways Private Limited	Subsidiary	-	21.92	-
Supreme Tikamgarh Orchaa Annuity Private Limited	Subsidiary	-	-	530.00
Supreme Housing and Hospitality Private Limited	Other related party	25.42	25.12	-

₹ in Lakhs

		As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	-	367.49	666.42
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	Jointly controlled entity	4,733.61	5,475.53	-
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	Subsidiary	326.13	-	-
		7,531.86	**26,113.45**	**12,886.72**
Corporate guarantees given and outstanding as at the end of the year				
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	15,378.00	15,378.00	15,378.00
Kotkapura Muktsar Tollways Private Limited	Subsidiary	8,500.00	8,000.00	8,000.00
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited	Subsidiary	18,000.00	17,395.00	15,600.00
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	90,000.00	90,000.00	90,000.00
Patiala Nabha Infra Projects Private Limited	Subsidiary	6,537.69	6,537.69	6,537.69
Rudranee Infrastructure Limited	Associate	4,500.00	4,500.00	4,500.00
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	14,900.00	14,900.00	14,900.00
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	6,000.00	5,000.00	5,000.00
		163,815.69	**161,710.69**	**159,915.69**

a) Mr. Bhawanishankar Sharma, Mr. Vikram Sharma and Mr. Vikas Sharma have agreed for waiver of remuneration for the year ended 31 March 2017 and 31 March 2016 in view of the losses incurred by the Company.

b) Refer notes 4.5, 4.6 and 15.3 for personal gurantees provided by Directors, shares pledged and other security created in respect of borrowing by the Company or the related parties.

c) The Company along with its jointly controlled entity, Supreme Infrastructure BOT Holdings Private Limited, has given an undertaking to the lenders of a Joint venture Company, not to dilute their shareholding below 51% during the tenure of the loan.

Note 36 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 comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk includes loans and borrowings.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's total debt obligations with floating interest rates.

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:

₹ in Lakhs

	31 March 2017	31 March 2016
Increase in basis points	50 basis points	50 basis points
Effect on loss before tax, increase by	1,067.59	942.92
Decrease in basis points	50 basis points	50 basis points
Effect on loss before tax, decrease by	1,067.59	942.92

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

b. Foreign currency risk

The Company does not have significant outstanding balances in foreign currency and consequently the Company's exposure to foreign exchange risk is less. Although, the exchange rate between the rupee and foreign currencies has changed substantially in recent years, it has not affected the results of the Company. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The following table analysis foreign currency risk from financial instruments as at 31 March 2017:

₹ In Lakhs

Particulars	31 March 2017		31 March 2016		1 April 2015	
	USD	EUR	USD	EUR	USD	EUR
Assets						
Inter corporate deposits and interest thereon	4.97	0.19	4.97	0.19	4.15	0.19
	4.97	**0.19**	**4.97**	**0.19**	**4.15**	**0.19**
Liabilities						
External commercial borrowings	-	-	-	-	27.90	-
	-	**-**	**-**	**-**	**27.90**	**-**
Net assets / (liabilities)	**4.97**	**0.19**	**4.97**	**0.19**	**(23.75)**	**0.19**

Sensitivity analysis

The Company's exposure in foreign currency is not material and hence the impact of any significant fluctuation in the exchange rates is not expected to have a material impact of the operating profits of the Company.

c. Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

ii. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, unbilled work-in-progress, cash and cash equivalents and receivable from group companies.

a. Credit risk on trade receivables and unbilled work-in-progress is limited as the customers of the Company mainly consists of the government promoted entities having a strong credit worthiness. For other customers, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work-in-progress. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from government promoted agencies and others

Particulars	31 March 2017 %	31 March 2016 %
Revenue from government promoted agencies	81.53	56.01
Revenue from others	18.47	43.99
	100.00	**100.00**

The following table gives details in respect of contract revenues generated from the top customer and top 5 customers for the year ended:

₹ in Lakhs

Particulars	31 March 2017	31 March 2016
Revenue from top customer	11,886.63	10,124.32
Revenue from top five customers	29,803.83	31,058.24

For the year ended 31 March 2017, One (31 March 2016: Nil) customer, individually, accounted for more than 10% of the revenue.

The movement of the allowance for lifetime expected credit loss is stated below: ^

₹ in Lakhs

Particulars	31 March 2017	31 March 2016
Balance at the beginning of the year	5,741.03	4,297.49
Balance at the end of the year	15,405.50	5,741.03

^ The Company has written off ₹ 3,672.48 lakhs and ₹ Nil towards amounts not recoverable from trade receivables, advances, inventory and unbilled work during the years ended 31 March 2017 and 31 March 2016, respectively.

b Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings.

iii Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

₹ in Lakhs

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2017					
Borrowings (Refer notes 15.1, 15.2)	107,486.99	16,921.66	83,474.52	10,663.96	218,547.13
Trade payables	-	20,390.04	-	-	20,390.04
Interest accrued	-	19,178.13	-	-	19,178.13
Other financial liabilities	-	5,791.16	-	-	5,791.16
Total	**107,486.99**	**62,280.99**	**83,474.52**	**10,663.96**	**263,906.46**
As at 31 March 2016					
Borrowings (Refer notes 15.1, 15.2)	93,209.15	17,660.38	72,596.09	30,285.38	213,751.00
Trade payables	-	10,089.48	-	-	10,089.48
Interest accrued	-	1,431.30	-	-	1,431.30
Other financial liabilities	-	3,521.68	-	-	3,521.68
Total	**93,209.15**	**32,702.84**	**72,596.09**	**30,285.38**	**228,793.46**
As at 1 April 2015					
Borrowings (Refer notes 15.1, 15.2)	59,112.25	17,414.42	54,751.73	33,827.66	165,106.06
Trade payables	-	11,119.11	-	-	11,119.11
Interest accrued	-	1,504.11	-	-	1,504.11
Other financial liabilities	-	4,015.21	-	-	4,015.21
Total	**59,112.25**	**34,052.85**	**54,751.73**	**33,827.66**	**181,744.49**

Note 37 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 capital plus total debts

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Total debts	218,547.13	213,751.00	165,106.06
Total equity	64,388.12	84,713.60	85,107.89
Total debts to equity ratio (Gearing ratio)	**77.24%**	**71.62%**	**65.99%**

In the long run, the Company's strategy is to maintain a gearing ratio 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 borrowings that define the capital structure requirements. Breaches in meeting

the financial covenants would permit the lenders to immediately call loans and borrowings. Subsequent to restructuring of the borrowings as stated in note 15, there have been no communications from the banks in this regard which might have a negative impact on the gearing ratio.

Note 38 The Company is principally engaged in a single business segment viz. "Engineering and Construction". Also, refer note 36(ii) (a) for information on revenue from major customers.

Note 39 Disclosure of unhedged foreign currency exposure as at 31 March 2017

Particulars	Currency	31 March 2017		31 March 2016		1 April 2015	
		Foreign currency in Lakhs	₹ Lakhs	Foreign currency in lakhs	₹ Lakhs	Foreign currency in lakhs	₹ Lakhs
Assets							
Inter corporate deposits							
- Non-current	USD	4.97	304.32	4.97	304.32	4.15	257.14
	EUR	0.19	12.45	0.19	12.45	0.19	12.45
Liabilities							
External commercial borrowings	USD	-	-	-	-	27.90	1,727.75
Net assets / (liabilities)		5.16	316.77	5.16	316.77	(23.56)	(1,458.16)

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No. 001076N / N500013

Adi P. Sethna
Partner
Membership No. : 108840

Place : Mumba
Date : 30 May 2017

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

P. M. Kathariya
Partner
Membership No. : 031315

For and on behalf of the Board of Directors

B. H. Sharma
Chairman
DIN No : 01249834
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

Vikas Sharma
Whole Time Director & CFO
DIN No : 01344759
Place : New Delhi
Date : 30 May 2017

Vijay Joshi
Company Secretary
ACS : 7298
Place : Mumbai

INDEPENDENT AUDITORS' REPORT

To the Members of Supreme Infrastructure India Limited
Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Supreme Infrastructure India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss(including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The Holding Company's Board of Directors and the respective Board of Directors/ management of the subsidiaries included in the Group, and its associates and joint ventures are responsible for the design, implementation and maintenance of internal control 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. Further, in terms of the provisions of the Act, the respective Board of Directors/management of the companies included in the Group, and its associate companies and joint venture companies covered under the Act are responsible formaintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraphs11 to 14 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on these consolidated financial statements.

Basis for Qualified Opinion

8. a)As stated in Note 13 (b) to the consolidated financial statements, the Company's trade receivables and unbilled work (other current financial assets) as at 31 March 2017 include amounts aggregating ₹ 6,616.13 lakhs and ₹ 3,074.86 lakhs respectively, in respect of projects which were closed / terminated by the clients and where the matters are currently under negotiations / litigation, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying consolidated financial statements that may arise on settlement of the aforesaid matters. Our Opinion on the consolidated financial statements for the year ended 31 March 2016 was also qualified in respect of these matters.

b) As stated in Note 13 (c) to the consolidated financial statements, the Company's trade receivables as at 31 March 2017 include amounts aggregating

₹23,507.17 lakhsin respect of projects which were closed and where the receivables remain outstanding for a substantial period, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the accompanying consolidated financial statements that may arise on settlement of the aforesaid matters. Our Opinion on the consolidated financial statements for the year ended 31 March 2016 was also qualified in respect of these matters.

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, except for the possible effectsof the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group, its associates and joint ventures as at 31 March 2017, and their consolidated loss (consolidated financial performance including other comprehensive income),their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matter

10. The Independent Auditor of a joint venture in its audit report on the standalone financial statements for the year ended 31 March 2017 have drawn emphasis of matter paragraph reproduced by us as under:

We draw attention to Note 6.6 to the consolidated financial statements in respect of Sanjose Supreme Tollways Development Private Limited, a joint venture, the Company has raised claims on account of costs incurred by them on behalf of the joint venture company during the financial year 2010-11 to 2016-17 amounting to ₹ 10,234.43 lakhs on account of EPC work, project development, project management and its operations and delays caused in project execution due to various reasons, which were duly approved and accepted by the Board of Directors and accordingly accounted for. The same is not in conformity with the terms of EPC contract. Our opinion is not modified in respect of this matter.

Other Matters

11. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 249,053.13 lakhs and net assets of ₹ 34,194.80 lakhs as at 31 March 2017, total revenues of ₹ 11,890.70 lakhs and net cash inflows amounting to ₹ 20.68 lakhs for the year ended on that date, as considered in the consolidated financial statements.The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 66.90 lakhs for the year ended 31 March 2017, as considered in the consolidated financial statements, in respect of an associate company and a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associate and joint venture, is based solely on the reports of the other auditors.

12. We did not audit the financial statements of eight subsidiaries, whose financial statements reflect total assets of ₹ 147,511.43 lakhs and net assets of ₹ 31,017.52 lakhs as at 31 March 2017, total revenues of ₹ 15,568.13 lakhs and net cash inflows amounting to ₹ 245.25 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by one of the joint auditors Messrs Shah & Kathariya, Chartered Accountants, whose reports has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of Messrs Shah & Kathariya.

13. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 1,917.41 lakhs for the year ended 31 March 2017, as considered in the consolidated financial results, in respect of four joint venture companies, whose financial statements have not been audited by us. These financial statements have been audited by one of the joint auditors Messrs Walker Chandiok & Co LLP, Chartered Accountants, whose reports has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures, is based solely on the reports of Messrs Walker Chandiok & Co LLP.

14. We did not audit the financial information of a subsidiary, whose financial information reflect total assets of ₹1,366.33 lakhs and net assets of ₹ (644.85) lakhs as at 31 March 2017, total revenues of ₹ 13.37 lakhs and net cash outflows amounting to ₹ 3.95 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other

comprehensive income) of ₹ 45.44 lakhsfor the year ended 31 March 2017, as considered in the consolidated financial statements, in respect of anassociate, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary andassociate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary andassociate, are based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial information's are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial information certified by the management.

15. The Holding Company had prepared separate sets of consolidated financial statements for the year ended 31 March 2016 and 31 March 2015 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) included in these consolidated financial statements,on which we issuedauditor's reports dated 30 May 2016 and 2 June 2015, respectively. These separate sets of consolidated financial statements have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

16. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures, we report, to the extent applicable, that:

a) We have sought andexcept for the possible effectsof the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph;

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph,in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

e) The matters described in Basis for Qualified Opinion paragraph/ Emphasis of Matter paragraph, in our opinion, may have an adverse effect on the functioning of the Holding Company and Sanjose Supreme Tollways Development Private Limited, a joint venture of the Holding Company.

f) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, associate companies and joint venture companies covered under the Act, none of the directors of the Group companies, its associate companies and joint venture companies covered under the Act, are disqualified as at 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act.

g) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in Basis for Qualified Opinion paragraph with respect to the Holding Company;

h) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies, associate companiesand joint venture companiescovered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure I';

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiaries, associates and joint ventures:

(i) except for the possible effects of the matters described in paragraph 8 of the Basis for Qualified Opinion paragraph,the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures, as detailed in Notes 6.6, 17.9, 20.2, 20.3, 32 (A) (i) and 32 (A)(iii) to the consolidated financial statements;

(ii) except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, provision has been made in the consolidated financial statements, as required

under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts, as detailed in Note 2.1 xv (a) to the consolidated financial statements;

(iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act;

(iv) these consolidated financial statements have made requisite disclosures as to holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 by the Holding Company,its subsidiary companies, associate companies and joint venture companies covered under the Act. Based on the audit procedures performed and taking into consideration the information and explanations given to us and on consideration of the reports of the other auditors on separate financial statements and other financial information of its subsidiary companies, associate companies and joint ventures, in our opinion, these disclosures are in accordance with the books of account maintained by the respective companies.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm Registration No:
001076N/N500013

per **Adi. P. Sethna**

Partner
Membership No: 108840
Mumbai
30 May 2017

For Shah & Kathariya

Chartered Accountants
Firm Registration No:
115171W

per **P.M. Kathariya**

Partner
Membership No: 31315
Mumbai
30 May 2017

ANNEXURE 1

to the Independent Auditor's Report of even date to the members of Supreme Infrastructure India Limited, on the consolidated financial statements for the year ended 31 March 2017

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of the Supreme Infrastructure India Limited ('the Holding Company') and its subsidiaries,(the Holding Company and its subsidiaries together referred to as 'the Group'),its associates and its joint venturesas at and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies,associate companies and joint ventures which are companies incorporated in India, are 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India('the 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 the company's business, including adherence to the company's policies, the safeguarding of the company's 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary companies,associate companies and joint venture companiesas aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFRand the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems on financial reporting and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion on the IFCoFR of the Holding Company, its subsidiary companies,associate companies and joint venture companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

8. In our opinion, according to the information and explanations given to us and based on our audit procedures performed, the following material weakness has been identified in the operating effectiveness of the Company's IFCoFRas at 31 March 2017:

The Company's internal financial controls in respect of supervisory and review controls over process of determining provision for trade receivables which are doubtful of recovery and assessment of recoverability of unbilled work were not operating effectively. Absence of detailed assessment conducted by the management for determining the recoverability of trade receivables and unbilled work that remain long outstanding, in our opinion, could result in a potential material misstatement to the

ANNEXURE 1

to the Independent Auditor's Report of even date to the members of Supreme Infrastructure India Limited, on the consolidated financial statements for the year ended 31 March 2017

carrying value of trade receivables and unbilled work, and consequently, could also impact the loss (financial performance including comprehensive income) after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

9. In our opinion, except for the possible effects of the material weakness described above in the Basis for Qualified Opinion paragraph, the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, have, in all material respects, maintained adequate IFCoFR as at 31 March 2017, based on internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI and the IFCoFR were operating effectively as at 31 March 2017.

10. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statement of the Group as at and for the year ended 31 March 2017, and the material weakness has affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the consolidated financial statements.

Other Matters

11. We did not audit the financial statements of two subsidiaries which are companies incorporated in India, whose financial statements reflect total assets of ₹249,053.13lakhs and net assets of ₹34,194.80lakhs as at 31 March 2017, total revenues of ₹11,890.70lakhs and net cash inflows amounting to ₹20.68lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹66.90lakhs for the year ended 31 March 2017, as considered in the consolidated financial statements, in respect of an associate company and a joint venture incorporated in India, whose financial statements have not been audited by us.These financial statements have been audited by other auditors whose reports has been furnished to us by the management and our opinion on the adequacy and operating effectiveness of the IFCoFR under Section 143(3)(i) of the Act in so far as it relates to the aforesaid subsidiaries, associate and joint venture, is solely based on the corresponding reports of the auditors of such companies.

12. We did not audit the financial statements of eight subsidiaries which are companies incorporated in India, whose financial statements reflect total assets of ₹147,511.43lakhs and net assets of ₹31,017.52lakhs as at 31 March 2017, total revenues of ₹15,568.13lakhs and net cash inflows amounting to ₹245.25lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by one of the joint auditors Messrs Shah & Kathariya, Chartered Accountants, whose reports has been furnished to us by the management and our opinion on the adequacy and operating effectiveness of the IFCoFR under Section 143(3)(i) of the Act in so far as it relates to the aforesaid subsidiaries,is based solely on the reports of Messrs Shah & Kathariya.

13. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 1,917.41 lakhs for the year ended 31 March 2017, as considered in the consolidated financial results, in respect of four joint venture companies, whose financial statements have not been audited by us. These financial statements have been audited by one of the joint auditors Messrs Walker Chandiok & Co LLP, Chartered Accountants, whose reports has been furnished to us by the management and our opinion on the adequacy and operating effectiveness of the IFCoFR under Section 143(3)(i) of the Act in so far as it relates to the aforesaid subsidiaries,is based solely on the reports of Messrs Walker Chandiok & Co LLP.

Our opinion is not qualified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm Registration No:
001076N/N500013

per **Adi. P. Sethna**

Partner
Membership No: 108840
Mumbai
30 May 2017

For Shah & Kathariya

Chartered Accountants
Firm Registration No:
115171W

per **P.M. Kathariya**

Partner
Membership No: 31315
Mumbai
30 May 2017

CONSOLIDATED BALANCE SHEET

as at 31 March 2017

₹ in Lakhs

	Notes	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	23,633.59	26,594.00	28,870.52
Capital work-in-progress		669.30	669.30	1,494.30
Goodwill		270.42	270.42	270.42
Intangible assets	4	71,884.46	74,679.35	75,731.20
Intangible assets under development	5	181,915.66	152,534.95	129,816.51
Financial assets				
Investments	6	22,603.69	20,359.36	22,573.38
Loans	7	2,227.40	6,038.28	3,748.04
Other financial assets	8	581.95	990.04	108.18
Deferred tax assets (net)	9	-	-	865.95
Other non-current assets	10	53,354.10	36,182.91	19,857.86
Income tax assets (net)	9	1,578.71	-	-
Total non-current assets		**358,719.28**	**318,318.61**	**283,336.36**
Current assets				
Inventories	11	7,774.52	8,457.50	8,546.11
Financial assets				
Investments	12	222.88	245.76	310.08
Loans	7	2,601.85	181.75	127.76
Trade receivables	13	102,086.28	119,339.57	91,590.16
Cash and cash equivalents	14	1,436.94	1,665.86	2,327.22
Other bank balances	15	3,419.98	2,845.33	7,678.96
Other financial assets	8	16,941.71	22,065.21	24,775.73
Other current assets	10	11,557.11	18,713.28	16,163.48
Total current assets		**146,041.27**	**173,514.26**	**151,519.50**
TOTAL ASSETS		**504,760.55**	**491,832.87**	**434,855.86**
Equity And Liabilities				
Equity				
Share capital	16	2,569.84	2,569.84	2,569.84
Other equity		18,904.51	52,920.75	67,778.14
Equity attributable to owners of the parent		**21,474.35**	**55,490.59**	**70,347.98**
Non-controlling interests		(2,316.91)	(829.55)	215.39
Total Equity		**19,157.44**	**54,661.04**	**70,563.37**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	17	270,444.53	265,567.26	234,974.05
Other financial liabilities	18	2,071.32	1,974.95	1,906.55
Provisions	19	3,244.07	2,958.92	2,804.49
Deferred tax liabilities (net)	9	13.44	17.98	-
Total non-current liabilities		**275,773.36**	**270,519.11**	**239,685.09**
Current Liabilities				
Financial liabilities				
Borrowings	20	109,866.23	95,783.10	61,734.96
Trade payables	21	19,489.09	11,318.52	14,741.58
Other financial liabilities	18	70,651.36	39,198.11	36,859.62
Other current liabilities	22	9,770.46	19,872.93	7,522.29
Provisions	19	52.61	56.14	89.07

CONSOLIDATED BALANCE SHEET

as at 31 March 2017

₹ in Lakhs

	Notes	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Income tax liabilities (net)	9	-	423.92	3,659.88
Total current liabilities		**209,829.75**	**166,652.72**	**124,607.40**
Total Equity and Liabilities		**504,760.55**	**491,832.87**	**434,855.86**

Notes 1 to 39 form an integral part of these consolidated financial statements

This is the consolidated balance sheet referred to in our report of even date.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No. 001076N / N500013

Adi P. Sethna
Partner
Membership No. : 108840

Place : Mumbai
Date : 30 May 2017

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

P. M. Kathariya
Partner
Membership No. : 031315
Place : Mumbai

For and on behalf of the Board of Directors

B. H. Sharma
Chairman
DIN No : 01249834
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904

Vikas Sharma
Whole Time Director & CFO
DIN No : 01344759
Place : New Delhi
Date : 30 May 2017

Vijay Joshi
Company Secretary
ACS : 7298
Place : Mumbai

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

for the year ended 31 March 2017

₹ in Lakhs

	Notes	Year ended 31 March 2017	Year ended 31 March 2016
Revenue			
Revenue from operations	23	116,101.26	128,960.54
Other income	24	972.04	1,240.03
Total revenue		**117,073.30**	**130,200.57**
Expenses			
Cost of construction materials consumed	25	33,716.79	32,055.79
Subcontracting expenses		46,969.41	51,471.23
Employee benefits expense	26	3,448.45	4,605.59
Finance costs	27	38,854.80	33,656.86
Depreciation and amortisation expense	28	3,550.70	4,202.69
Other expenses	29	12,752.37	16,897.39
Total		**139,292.52**	**142,889.55**
Profit/ (loss) before share of profit from associate, joint venture and exceptional items and tax		**(22,219.22)**	**(12,688.98)**
Share of loss from associate and joint venture		(1,984.31)	(2,445.00)
Exceptional items	30	**12,826.95**	**-**
Profit/ (loss) before tax		**(37,030.48)**	**(15,133.98)**
Tax expense/ (credit)	9		
Current income tax		15.79	14.97
Tax adjustment for earlier years		(1,513.33)	-
Deferred income tax		(4.54)	883.93
		(1,502.08)	**898.90**
Profit/(loss) for the year		**(35,528.40)**	**(16,032.88)**
Attributable to:			
Non-controlling interests		(1,487.36)	(1,044.94)
Owners of the parent		(34,041.04)	(14,987.94)
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss		24.47	129.79
- Gain on fair value of defined benefit plans as per actuarial valuation		-	-
- Income tax effect on above		24.47	129.79
Total comprehensive income/ (loss) for the year, net of tax (A+B)		**(35,503.93)**	**(15,903.09)**
Attributable to:			
Non-controlling interests		(1,487.36)	(1,044.94)
Owners of the parent		(34,016.57)	(14,858.15)
Earnings per equity share of nominal value ₹ 10 each			
Basic and diluted (in ₹)	31	**(132.46)**	**(58.32)**

Notes 1 to 39 form an integral part of these consolidated financial statements

This is the statement of profit and loss referred to in our report of even date

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

for the year ended 31 March 2017

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No. 001076N / N500013

Adi P. Sethna
Partner
Membership No. : 108840

Place : Mumbai
Date : 30 May 2017

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

P. M. Kathariya
Partner
Membership No. : 031315
Place : Mumbai
Date : 30 May 2017

For and on behalf of the Board of Directors

B. H. Sharma
Chairman
DIN No : 01249834
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

Vikas Sharma
Whole Time Director & CFO
DIN No : 01344759
Place : New Delhi
Date : 30 May 2017

Vijay Joshi
Company Secretary
ACS : 7298
Place : Mumbai

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2017

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before tax	(37,030.48)	(15133.98)
Adjustments for:		
Depreciation and amortisation expense	3,550.70	4,202.69
Finance costs	38,854.80	33,656.86
Interest income	(793.86)	(991.02)
Dividend from current investments	(0.51)	(0.44)
Resurfacing expense	274.95	447.70
Impairment allowance - (allowance for doubtful financial assets)	2,471.52	200.00
Impairment loss - financial assets written off	1,587.13	-
Impairment allowance - (allowance for doubtful debts)	7,192.95	1,243.54
Impairment loss - bad debts written off	395.77	-
Impairment loss -Unbilled work written off	1,389.26	-
Impairment loss- Inventories written off	300.32	-
Share of loss from associates & joint ventures	1,984.31	2,445.00
Provision for gratuity	77.96	93.16
Excess provision no longer required written back	(23.74)	(114.73)
Fair value gain on CCCPS	-	(58.47)
Profit on redemption of mutual funds (net)	(0.28)	(17.58)
Fair value loss of mutual fund	-	16.50
Fair value gain on mutual funds (valued at FVTPL)	(17.48)	-
Profit on sale of property, plant and equipment (net)	(34.30)	-
Operating profit before working capital changes	**20,179.02**	**25,989.23**
Adjustments for changes in working capital:		
Decrease/(increase) in trade receivables	9,664.57	(28,992.95)
Decrease / (increase) in loans and advances / other advances	10,672.32	(4,129.71)
Decrease in inventories	382.66	88.61
(Decrease) / increase in trade and other payables	218.75	8,179.21
Cash generated from / (used in) operations	**41,117.32**	**1,134.39**
Direct taxes paid (net of refunds received)	(505.09)	(3,220.99)
Net cash (used in) / from generated from operating activities	**40,612.23**	**(2,086.60)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(18,647.17)	(15,266.29)
Proceeds from sale of property, plant and equipment, intangible assets	2,298.03	-

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2016

₹ in Lakhs

	Year ended 31 March 2016	Year ended 31 March 2015
Proceeds from sale of current investments	39.60	49.63
Addition to intangible assets under development	(29,380.71)	(22,718.44)
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	(291.89)	4,090.03
Purchase of non-current investments	(4,349.76)	(305.83)
Interest received	869.01	556.83
Dividend received	0.51	0.44
Net cash used in investing activities	**(49,462.38)**	**(33,593.63)**
C. CASH FLOW FROM FINANCING ACTIVITIESS		
Proceeds from long-term borrowings	23,722.54	18,374.26
Repayment of long-term borrowings	(13,188.62)	(4,316.69)
Proceeds from short-term borrowings (net)	14,067.85	34,048.14
Interest paid	(14,113.16)	(14,981.49)
Dividend paid	(0.87)	(1.52)
Net cash (used in) / from financing activities	**10,487.74**	**33,122.70**
Net decrease in cash and cash equivalents (A+B+C)	**1,637.59**	**(2,557.53)**
Cash and cash equivalents at the beginning of the year	(239.69)	2,317.84
Cash and cash equivalents at the end of the year	**1,397.90**	**(239.69)**
Components of cash and cash equivalents considered only for the purpose of cash flow statement		
In bank current accounts in Indian rupees	1,256.45	1,308.34
Cash on hand	180.49	357.52
Bank/ book overdraft	(39.04)	(1,905.55)
	1,397.90	**(239.69)**

Notes 1 to 39 form an integral part of the consolidated financial statements

This is the consolidated cash flow statement referred to in our report of even date

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No. 001076N / N500013

Adi P. Sethna
Partner
Membership No.: 108840

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

P. M. Kathariya
Partner
Membership No.: 031315

For and on behalf of the Board of Directors

B. H. Sharma
Chairman
DIN No : 01249834
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

Vikas Sharma
Whole Time Director & CFO
DIN No : 01344759
Place : New Delhi
Date : 30 May 2017

Vijay Joshi
Company Secretary
ACS : 7298
Place : Mumbai

Place : Mumbai
Date: 30 May 2017

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

for the year ended 31 March 2017

a) Equity share capital

Particulars	Number	₹ Lakhs
Equity shares of ₹ 10 each issued, subscribed and paid		
As at 1 April 2015	**25,698,372**	**2,569.84**
Issue of equity shares	-	-
As at 31 March 2016	**25,698,372**	**2,569.84**
Issue of equity shares	-	-
As at 31 March 2017	**25,698,372**	**2,569.84**

b) Other equity

₹ in Lakhs

Particulars	Equity component on fair valuation of preference shares	Reserves and surplus			
		Securities premium reserve	General reserve	Retained earnings	Foreign currency monetary transactions
As at 1 April 2015	**1,619.54**	**25,291.56**	**3,033.82**	**38,212.78**	**(379.56)**
Profit/ (loss) for the year	-	-	-	(14,987.94)	0.76
Other comprehensive income/ (loss) for the year	-	-	-	-	
As at 31 March 2016	**1,619.54**	**25,291.56**	**3,033.82**	**23,224.84**	**(378.80)**
Profit/ (loss) for the year	-	-	-	(34,041.04)	0.33
Other comprehensive income/ (loss) for the year	-	-	-	-	-
As at 31 March 2017	**1,619.54**	**25,291.56**	**3,033.82**	**(10,816.20)**	**(378.47)**

₹ in Lakhs

Particulars	Other comprehensive income	Total equity attributable to equity holders	Non-controlling interest	Total other equity
	Gain on fair value of defined benefit plans			
As at 1 April 2015	**-**	**67,778.14**	**215.39**	**67,993.53**
Profit/ (loss) for the year	-	(14,987.18)	(1,044.94)	(16,032.12)
Other comprehensive income/ (loss) for the year	129.79	129.79	-	129.79
As at 31 March 2016	**129.79**	**52,920.75**	**(829.55)**	**52,091.20**
Profit/ (loss) for the year	-	(34,040.71)	(1,487.36)	(35,528.07)
Other comprehensive income/ (loss) for the year	24.47	24.47	-	24.47
As at 31 March 2017	**154.26**	**18,904.51**	**(2,316.91)**	**16,587.60**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

for the year ended 31 March 2017

Nature and purpose of reserves

i. Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

ii. Foreign currency monetary transactions

Exchange differences arising from the translation of net investments in foreign entities, and borrowings and other financial instruments.

iii. Net gain on fair value of defined benefit plans

The Group has recognised remeasurement gains/ (loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Group transfers amounts from this reserve to retained earnings when the relevant obligations are derecognised.

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No. 001076N / N500013

Adi P. Sethna
Partner
Membership No.: 108840

Place : Mumbai
Date: 30 May 2017

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

P. M. Kathariya
Partner
Membership No.: 031315

For and on behalf of the Board of Directors

B. H. Sharma
Chairman
DIN No : 01249834
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

Vikas Sharma
Whole Time Director & CFO
DIN No : 01344759
Place : New Delhi
Date : 30 May 2017

Vijay Joshi
Company Secretary
ACS : 7298
Place : Mumbai

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the consolidated financial statements
for the year ended 31 March 2017

Note 1 Corporate Information

Supreme Infrastructure India Limited (""the Company"" or ""Parent"" or ""SIIL"") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India - the Bombay Stock Exchange and the National Stock Exchange. The registered office of the Company is located at Supreme House, Plot No. 94/C Pratap Gad, Opp. I.I.T Main Gate, Powai, Mumbai - 400 076, India.

The financial statements comprises the financial statements of the Company and its subsidiaries (the Company and its subsidiaries referred to as the ""Group"") and its associates and joint arrangements. The Group is principally engaged in engineering and construction of roads, highways, buildings, bridges etc. The Company also owns and operates Ready Mix Concrete ("RMC") plant, Asphalt plant and Crushing plant. These consolidated financial statements (""the financial statements"") of the Group for the year ended 31 March 2017 were authorised for issue in accordance with resolution of the Board of Directors on 30 May 2017.

Note 2.1 Significant Acounting Policy

(i) Basis of Preparation

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

The financial statements for all periods upto and including year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act (""the Act""), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) (""previous GAAP""). The financial statements for the year ended 31 March 2017 are the first financial statements prepared by the Group in accordance with Ind AS. Refer note 2.3 for information on how the Group adopted Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities and share based payments which have been measured at fair value, on an accrual basis of accounting.

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

The Group'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) Principles of Consolidation

The financial statements have been prepared on the following basis:

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The acquisition method of accounting is used to account for business combination by the Group.

The Group combines the separate financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, Contingent liability, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

(b) Associates

Associates are all entities over which the Group has significant influence but no control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for

using the equity method of accounting, after initially being recognised at cost.

(c) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Group recognises its direct right to the assets, liabilities, contingent liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Jointventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

(d) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income (""OCI""). Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

The carrying amount of the equity accounted investments are tested for impairment in accordance with the policy described in note (viii)(a).

(e) Change in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests or reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit and loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in OCI in respect of that entity are reclassified to profit or loss as if the Group had directly disposed of the related assets and liabilities.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in OCI are reclassified to profit or loss where appropriate.

(f) The financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's separate financial statements in preparing the financial statements to ensure conformity with the Group's accounting policies, wherever necessary and practicable.

(g) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent

having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

(iii) 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 Group 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 Group. 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.

Contract estimates

The Group, being a part of construction industry, prepares budgets in respect of each project to compute project profitability. The two major components of contract estimate are 'claims arising during construction period' (described below) and 'budgeted costs to complete the contract'. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Wastage will not exceed the normal % as determined etc. (v) Estimates for contingencies (vi) There will be no change in design and the geological factors will be same as communicated and (vii) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Recoverability of claims

The Group has claims in respect of cost over-run arising due to client caused delays, suspension of projects, deviation in design and change in scope of work etc., which are at various stages of negotiation/discussion with the clients or under arbitration. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Changes in facts of the case or the legal framework may impact realisability of these claims.

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 Group 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.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iv) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable

that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress represents expenditure incurred in respect of assets under development and not ready for its intended use are carried at cost. Cost includes the cost of replacing part of the plant and equipment and borrowing its for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

On transition to Ind AS, the Group has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2015 of its Property, Plant and Equipment and use that carrying value as the deemed cost of the Property, Plant and Equipment on the date of transition i.e. 1 April 2015.

(v) Service Concession Arrangements

The Group recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognitions of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition, the intangible assets is measured at cost, less any accumulated amortisations and accumulated impairment losses.

(vi) Intangible Assets

Intangible assets comprise of license fees and implementation cost for software and other application software acquired / developed for in-house use. These assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably, less accumulated amortisation and accumulated impairment losses, if any.

Under the Concession Agreements, where the Group has received the right to charge users of the public service, such rights are recognised and classified as "Intangible Assets (Toll Collection Rights)". 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. Such an intangible asset/intangible asset under development is recognised by the Group at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized 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.

On transition to Ind AS, the Group has opted to continue with the carrying values measured under the previous GAAP as at 1 April 2015 of its Intangible Assets and used that carrying value as the deemed cost of the Intangible Assets on the date of transition i.e. 1 April 2015.

(vii) Depreciation/ Amortisation

Depreciation/ amortisation is provided:

a) Depreciation on property, plant and equipment is provided on straight line basis considering the useful lives prescribed in Schedule II to the Act on a pro-rata basis. However, certain class of plant and machinery used in construction projects are depreciated on a straight line basis considering the useful life determined based on the technical evaluation and the management's experience of use of the assets, that is a period of three to ten years, as against the period of nine to twenty years as prescribed in Schedule II to the Act.

b) Leasehold land is not amortised as these are perpetual lease.

c) Computer software and other application software costs are amortized over their estimated useful lives that is over a period of three years.

d) Toll Collection Rights are amortised over the period of concession using revenue based amortisation as prescribed in Ind AS 38. Under this method, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

The useful lives have been determined based on technical evaluation carried out by the management's expert, in order to reflect the actual usage of the assets. The asset's useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. The change in estimated useful lives is a change in an accounting estimate and is applied prospectively. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Impairment of Goodwill

Goodwill is tested for impairment on an annual basis and wherever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount based on a number of factors including operation results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating unit is determined based on higher of value-in-use and fair value less cost to sell.

(viii) 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

Financial assets, not recorded at fair value through profit or loss (FVPL), 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 Group 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 with an objective 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 and Loss.

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective 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.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

Impairment of Financial Assets

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

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group 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 after 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. after 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 Group 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 Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group 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 Group 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 Group 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

1) 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.

2) Subsequent Measurement

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

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 Statement of Profit and Loss.

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and 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.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are

an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Where the Group issues optionally convertible debentures, the fair value of the liability portion of such debentures is determined using a market interest rate for an equivalent non-convertible debenture. This value is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the instrument. This is recognised and included in shareholders' equity (net of income tax) and are not subsequently re-measured.

Where the terms of a financial liability is re-negotiated and the Group issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

3) 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.

(ix) Employee Benefits

a Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance and labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Group has no further obligations beyond the monthly contributions.

b Defined Benefit Plan

The Group also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.

c Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

(x) Inventories

The stock of construction materials is valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and includes all applicable cost of bringing the goods to their present location and condition. Net realisable value is estimated selling price in ordinary course of business less the estimated cost necessary to make the sale.

(xi) 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.

(xii) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment are allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments are disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment and all other assets and liabilities are disclosed as unallocable. Property, plant and equipment that could be used interchangeably among segments are not allocated to reportable segments.

(xiii Borrowing Costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the asset for its intended use or sale are complete. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted unless that period is a necessary part of the process for the construction of the asset.

(xiv) Foreign Exchange Translation of Foreign Projects and Accounting of Foreign Exchange Transaction

a Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Group uses a monthly average rate if the average rate approximate is the actual rate at the date of the transactions.

b Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Statement of Profit and Loss.

On transition to Ind AS, the Group has opted to continue with the accounting for exchange differences arising on long-term foreign currency monetary items, outstanding as on the transition date, as per previous GAAP. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a property, plant and equipment are capitalised and depreciated over the remaining useful life of the asset.

d Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

1. Assets and liabilities are translated at the closing rate at the date of the balance sheet

2. Income, expenses and cash flow items are translated at average exchange rates for the respective periods; and

3. All resulting exchange differences are recognised in OCI.

When a subsidiary is disposed off, in full, the relevant amount is transferred to the Statement of Profit and Loss. However, when change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and borrowings and other financial instrument designated as hedges of such investment, are recognised in OCI. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing exchange rate.

(xv) Revenue Recognition

a Accounting of Construction Contracts

The Group follows the percentage completion method, on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of the actual work done. Unbilled work for projects under execution as at balance sheet date are valued at cost less provision for estimated losses, if any. The costs of projects in respect of which revenue is recognised under the Group's revenue recognition policies but have not been billed are adjusted for the proportionate profit recognized. The cost comprise of expenditure incurred in relation to execution of the project.

Revenue is recognised as follows:

♦ In case of item rate contracts on the basis of physical measurement of work actually completed, at the Balance Sheet date.

♦ In case of Lump sum contracts, revenue is recognised on the completion of milestones as specified in the contract or as identified by the management.

Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration.

Advance payments received from contractee for which no services are rendered are presented as 'Advance from contractee'.

b Accounting of Supply Contracts-Sale of Goods

Revenue from supply contract is recognised when the substantial risk and rewards of ownership is transferred to the buyer, which is generally on dispatch, and the collectability is reasonably measured. Revenue from product sales are shown as net of all applicable taxes and discounts.

c Accounting for Claims

Claims are accounted as income in the period of receipt of arbitration award or acceptance by client or evidence of acceptance received.

d Dividend Income

Dividend is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.

e Finance and Other Income

Finance income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable EIR. Other income is accounted for on accrual basis. Where the receipt of income is uncertain, it is accounted for on receipt basis.

f Revenue from Rent

Rent is recognised on time proportionate basis.

g Toll Revenue

Income from toll collection are recognised on actual collection of toll revenue. However, in case of monthly coupons, income is recognised proportionate to the utilisation till the date of balance sheet.

h Compensation from Government Authorities

Compensation towards loss of revenue from exempted vehicles, granted by the government (competent) authority, is accrued as other operating revenue in the period for which they are receivable.

(xvi) 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 applicable income tax rate for each jurisdiction. 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 base. 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 and when the deferred tax balances relate to the same taxation authority. 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 it is probable that the Company will pay normal income tax during the specified period.

(xvii) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where the lease payments are structured to increase in line with expected general inflation. Assets acquired on finance lease are capitalised at fair value or present value of minimum lease payment at the inception of the lease, whichever is lower.

(xviii) Impairment of Non-Financial Assets

As at each Balance Sheet date, the Group 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 Group 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 asset, at the higher of the assets' fair value 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 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, including impairment on inventories, 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 Group 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.

(xix) Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

(xx) Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within the normal operating cycle after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

(xxi) 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).

(xxii) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group 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 (excluding gratuity and compensated absences) 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 Group. 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.

(xxiii) Resurfacing expenses

As per the Service Concession Agreements, the Group is obligated to carry out resurfacing of the roads under concession. The Group estimates the likely provision required towards resurfacing and accrues the costs over the period at the end of which resurfacing would be required, in the statement of profit and loss in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets.

(xxiv) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

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' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Group 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 Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Note 2.3 Disclosures as required by Indian Accounting standard (Ind AS) 101 First time adoption of Indian accounting standard

The Group has adopted Ind AS with effect from 1 April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1 April 2015 and all the periods presented have been restated accordingly.

i Exemptions availed on first time adoption of Ind AS 101:

On first time adoption of Ind AS, Ind AS 101 allows certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has availed the following exemptions:

a Since, there is no change in the functional currency of the Group, it has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for property, plant and equipment and intangible assets on the date of transition.

b The Group has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for investment in subsidiaries, associates and joint ventures on the date of transition to Ind AS.

c The Group has opted to continue with the accounting for exchange differences arising on long-term foreign currency monetary items, outstanding as on the transition date, as per previous GAAP. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalised and depreciated over the remaining useful life of the asset and exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign currency monetary translation account" and amortised over the remaining life of the concerned monetary item.

d Fair value measurement of financial assets or liabilities at initial recognition: The Group has not applied the provision of Ind AS 109, Financial Instruments, upon the initial recognition of the financial instruments where there is no active market.

e Designation of previously recognised financial instruments: The Group does not have any financial assets or liabilities as of the transition dates which were required to be designated, and which met the required criteria given in Ind AS 101, as a financial asset or financial liability at FVPL.

ii Exceptions

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements:

a Estimates

The estimates as at 1 April 2015 and 31 March 2016 are consistent with those made for the same dates in accordance with previous GAAP (after adjustment to reflect and differences if any, in accounting policies) apart from the following items where the application of previous GAAP did not require estimation:
(i) Impairment of financial assets based on the expected credit loss model; and
(ii) Investments in equity instruments carried as FVPL or FVOCI.

The estimates used by the Group to present the amounts in accordance with the Ind AS reflect conditions that existed at the date on transition to Ind AS.

b Classification and movement of financial assets and liabilities

The Group has classified the financial assets and liabilities in accordance with Ind AS 109 on the basis of facts and circumstances that existed at the date on transition to Ind AS.

iii Reconciliation of equity as previously reported under previous GAAP to Ind AS: ₹ in Lakhs

		Balance sheet as at 31 March 2016			Opening balance sheet as at 1 April 2015		
Particulars	**Refer note**	**Previous GAAP**	**Effects of transition to Ind AS**	**Ind AS**	**Previous GAAP**	**Effects of transition to Ind AS**	**Ind AS**
ASSETS							
Non-current assets							
Property, plant and equipment	2 (iii) 6	26,771.70	(177.70)	26,594.00	29,757.57	(887.05)	28,870.52
Capital work-in-progress		669.30	-	669.30	1,494.30	-	1,494.30
Goodwill	2 (iii) 6	-	270.42	270.42	-	270.42	270.42
Intangible assets	2 (iii) 6	90,391.50	(15,712.15)	74,679.35	94,270.48	(18,539.28)	75,731.20
Intangible assets under development	2 (iii) 6	252,041.83	(99,506.88)	152,534.95	225,435.33	(95,618.82)	129,816.51
Financial assets							
Investments	2 (iii) 3 and 6	11,062.83	9,296.53	20,359.36	9,834.59	12,738.79	22,573.38
Loans	2 (iii) 6	39,361.33	(33,323.05)	6,038.28	30,446.50	(26,698.46)	3,748.04
Other financial assets	2 (ii) b	-	990.04	990.04	-	108.18	108.18
Deferred tax assets (net)		-	-	-	865.95	-	865.95
Other non-current assets	2 (ii) b	1,668.36	34,514.55	36,182.91	-	19,857.86	19,857.86
Total non-current assets		**421,966.85**	**(103,648.24)**	**318,318.61**	**392,104.72**	**(108,768.36)**	**283,336.36**
Current assets							
Inventories		8,457.50	-	8,457.50	13,033.65	(4,487.54)	8,546.11
Financial assets							
Investments	2 (iii) 1	230.76	15.00	245.76	254.57	55.51	310.08
Loans	2 ii (c) and (iii) 6	25,682.14	(25,500.39)	181.75	21,927.39	(21,799.63)	127.76
Trade receivables	2 (ii) b	117,927.41	1,412.16	119,339.57	103,405.02	(11,814.86)	91,590.16
Cash and cash equivalents	2 (iii) 6	4,726.79	(3,060.93)	1,665.86	11,113.10	(8,785.88)	2,327.22
Other bank balances	2 (ii) b	-	2,845.33	2,845.33	-	7,678.96	7,678.96
Other financial assets	2 (ii) b	-	22,065.21	22,065.21	-	24,775.73	24,775.73
Other current assets	2 (ii) b	16,400.48	2,312.80	18,713.28	18,661.04	(2,497.56)	16,163.48
Total current assets		**173,425.08**	**89.18**	**173,514.26**	**168,394.78**	**(16,875.27)**	**151,519.50**
TOTAL ASSETS		**595,391.93**	**(103,559.06)**	**491,832.87**	**560,499.50**	**(125,643.63)**	**434,855.86**

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2017

₹ in Lakh

Particulars	Refer note	Balance sheet as at 31 March 2016			Opening balance sheet as at 1 April 2015		
		Previous GAAP	Effects of transition to Ind AS	Ind AS	Previous GAAP	Effects of transition to Ind AS	Ind AS
Equity And Liabilities							
Equity							
Share capital	2 (iii) 4, 6 and 9	3,104.75	(534.91)	2,569.84	3,105.33	(535.49)	2,569.84
Other equity	2 (iii) 1, 2, 4, 5, 6 and 9	66,785.69	(13,864.94)	52,920.75	82,000.50	(14,222.36)	67,778.14
Equity attributable to owners of the parent		**69,890.44**	**(14,399.85)**	**55,490.59**	**85,105.83**	**(14,757.85)**	**70,347.98**
Non-controlling interests	2 (iii) 6 and 12	3,280.38	(4,109.93)	(829.55)	7,349.88	(7,134.49)	215.39
Total equity		**73,170.82**	**(18,509.78)**	**54,661.04**	**92,455.71**	**(21,892.34)**	**70,563.37**
Liabilities							
Non-current liabilities							
Financial liabilities							
Borrowings	2 (iii) 2,4 and 6	351,064.31	(85,497.05)	265,567.26	313,703.12	(78,729.07)	234,974.05
Other financial liabilities	2 (ii) b	-	1,974.95	1,974.95	-	1,906.55	1,906.55
Provisions	2 (iii) 5, 6 and 10	1,655.47	1,303.45	2,958.92	2,139.38	665.11	2,804.49
Deferred tax liabilities (net)		17.98	-	17.98	14.04	(14.04)	-
Total non-current liabilities		**352,737.76**	**(82,218.65)**	**270,519.11**	**315,856.54**	**(76,171.45)**	**239,685.09**
Current liabilities							
Financial liabilities							
Borrowings	2 (iii) 2 and 6	101,876.94	(6,093.84)	95,783.10	71,130.99	(9,396.03)	61,734.96
Trade payables	2 (iii) 6	12,797.26	(1,478.74)	11,318.52	15,684.78	(943.20)	14,741.58
Other financial liabilities	2 (ii) b	-	39,198.11	39,198.11	-	36,859.62	36,859.62
Other current liabilities	2 (iii) 6	54,329.09	(34,456.16)	19,872.93	61,622.51	(54,100.22)	7,522.29
Provisions	2 (iii) 5, 6 and 10	480.06	(423.92)	56.14	3,748.96	(3,659.89)	89.07
Income tax liabilities (net)	2 (ii) b	-	423.92	423.92	-	3,659.88	3,659.88
Total current liabilities		**169,483.36**	**(2,830.63)**	**166,652.72**	**152,187.25**	**(27,579.84)**	**124,607.40**
Total Equity and Liabilities		**595,391.93**	**103,559.06)**	**491,832.87**	**560,499.50**	**(125,643.63)**	**434,855.86**

Reconciliation of net profit as previously reported under previous GAAP to Ind AS

₹ in Lakh

Particulars	Refer note	Year ended 31 March 2016		
		Previous GAAP	Effects of transition to Ind AS	Ind AS
Income				
Revenue from operations	2 (iii) 6 and 11	140,370.85	(11,410.31)	128,960.54
Other income	2 (iii) 3	1,072.87	167.16	1,240.03
Total income		**141,443.72**	**(11,243.15)**	**130,200.57**
Expenses				
Cost of construction materials consumed	2 (iii) 6 and 11	36,672.49	(4,616.70)	32,055.79
Subcontracting expenses	2 (iii) 6 and 11	53,593.68	(2,122.45)	51,471.23
Employee benefits expense	2 (iii) 6 and 11	4,713.96	(108.37)	4,605.59

Particulars	Refer note	Year ended 31 March 2016		
		Previous GAAP	Effects of transition to Ind AS	Ind AS
Finance costs	2 (iii) 6, 9 and 11	36,004.02	(2,347.16)	33,656.86
Depreciation and amortisation expense	2 (iii) 6 and 11	6,849.89	(2,647.20)	4,202.69
Other expenses	2 (iii) 6 and 11	17,937.27	(1,039.88)	16,897.39
Total expenses		**155,771.31**	**(12,881.76)**	**142,889.55**
Profit/(loss) before share of profits/loss from associates, joint venture, exceptional items and tax		**(14,327.59)**	**1,638.61**	**(12,688.98)**
Share of loss from associate and joint venture	2 (iii) 6 and 12	(555.26)	(1,889.74)	(2,445.00)
Exceptional items	2 (iii) 6	1,104.19	(1,104.19)	-
Profit/(loss) before tax		**(15,987.04)**	**853.06**	**(15,133.98)**
Tax expense				
Current income tax		14.97	-	14.97
Tax adjustment for earlier years		-	-	-
Deferred income tax (including MAT)	2 (iii) 6 and 7	889.41	(5.48)	883.93
		904.38	**(5.48)**	**898.90**
		(16,891.42)	**858.54**	**(16,032.88)**
Profit/(loss) for the year (A) Attributable to:				
Non-controlling interests	2 (iii) 6	(1,696.70)	651.76	(1,044.94)
Owners of the parent	2 (iii) 6	(15,194.72)	206.78	(14,987.94)
Other comprehensive income/ (loss)				
Items not to be reclassified subsequently to profit or loss				
- Gain on fair value of defined benefit plans as per actuarial valuation	2 (iii) 5 and 8	-	129.79	129.79
- Income tax effect on above		-	-	-
Other comprehensive income/ (loss) for the year, net of tax (B)		**-**	**129.79**	**129.79**
Total comprehensive income/ (loss) for the year, net of tax (A+B) Attributable to:		**(16,891.42)**	**988.33**	**(15,903.09)**
Non-controlling interests	2 (iii) 6	(1,696.70)	651.76	(1,044.94)
Owners of the parent	2 (iii) 6	(15,194.72)	336.57	(14,858.15)

Explanation for reconciliation

1. Investment

Under Previous GAAP, investments in mutual funds were carried at cost or fair value whichever is lower as compared to being carried at fair value in Ind AS. The adjustment represents the difference in the fair value and the cost of the mutual funds.

2. Borrowings

As stated in note 17, the Group had restructured its debt during the year ended 31 March 2014 which was determined to be a substantial modification. This resulted into extinguishment of the old liabilities and recognition of new liabilities as on the transition date. For the loans which were not substantially modified, the loans were carried at book value less transaction costs, if any. Under Ind AS, loans are valued at present value as against cost in the previous GAAP. The difference between the present value and cost was recognised in the opening retained earnings.

3. Other financial liabilities - Financial guarantees

Under Ind AS, financial guarantees given by the Group for its associate and joint venture are initially recognised as a liability at fair value which is subsequently amortised as an interest income to the Statement of Profit and Loss. This transaction was not recorded under the previous GAAP.

4. Other financial liabilities

Under Ind AS, redeemable preference shares issued to the existing shareholders is initially recognised as a financial liability at fair value which is subsequently amortised as an interest expenses to the Statement of Profit and Loss. The difference between the present value and cost is recognised as the equity component on fair valuation of preference shares in the statement of changes in equity. This transaction was not recorded under the previous GAAP.

5. Defined benefits obligations

Under Ind AS, actuarial gains and losses are recognised in the OCI as compared to being recognised in the Statement of Profit and Loss under the previous GAAP.

6. Subsidiary consolidated under Indian GAAP classified as joint venture under Ind AS

The Group has assessed whether or not the group has control over the entities in the group based on whether the group has practical ability to direct relevant activities unilaterally. In some cases, based on specific shareholders agreement, the management concluded that the group does not have practical ability to direct the relevant activities unilaterally but has such ability along with the other shareholders. The Group concluded that it has joint control over some entities and hence equity method of accounting has been followed under Ind AS.

7. Income tax

Current income tax

Tax component on the gain/ (loss) on fair value of defined benefit plans and equity instruments have been transferred to the OCI under Ind AS.

Deferred income tax (including MAT)

Deferred tax have been recognised on the adjustments made on transition to Ind AS. In absence of reasonable certainty deferred tax asset computed on the Ind AS adjustments made as of the transition date and 31 March 2016 have been recognized only to extent of deferred tax liabilities.

8. Other comprehensive income

Under the previous GAAP, the Group has not presented OCI separately. Hence, it has reconciled previous GAAP profit or loss to profit or loss as per Ind AS. Further, previous GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

9. Other equity

Adjustments to retained earnings, equity component on fair valuation of preference shares and OCI have been made in accordance with Ind AS, for the above mentioned transition items.

10. Provisions

Adjustments to retained earnings, equity component on fair valuation of preference shares and OCI have been made in accordance with Ind AS, for the above mentioned transition items.

11. Application of service concessionaire arrangement as per Appendix A of Ind AS 11

The Group has applied Appendix A of Ind AS 11, 'Service Concessionaire Arrangement' which provides guidance on accounting by the operators of public-to-private service concession arrangements under which the operator shall account for revenue and costs relating to construction or upgrade services in accordance with Ind AS 11 "Construction Contracts".

(iv) Statement of cash flows

There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

Note 3. Property, plant and equipment

Tangible assets

Gross carrying value (at deemed cost) ₹ In Lakhs

	Freehold land	Leasehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office euip-ment	Computers	Total
Balance as at 1 April 2015	**6,835.67**	**54.70**	**6,189.84**	**15,804.35**	**292.97**	**292.69**	**83.85**	**26.43**	**29,580.50**
Additions	-	-	-	842.75	-	-	27.72	3.85	874.32
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2016	**6,835.67**	**54.70**	**6,189.84**	**16,647.10**	**292.97**	**292.69**	**111.57**	**30.28**	**30,454.82**
Additions	-	-	40.27	11.27	5.04	-	1.62	0.93	59.13
Disposals	-	-	464.55	-	-	-	-	-	464.55
Balance as at 31 March 2017	**6,835.67**	**54.70**	**5,765.56**	**16,658.37**	**298.01**	**292.69**	**113.19**	**31.21**	**30,049.40**
Accumulated depreciation									
Balance as at 1 April 2015	**-**	**-**	**-**	**678.95**	**0.44**	**14.76**	**14.61**	**1.22**	**709.98**
Depreciation charge	-	-	108.66	2,888.71	43.41	61.05	28.15	20.86	3,150.84
Balance as at 31 March 2016	**-**	**-**	**108.66**	**3,567.66**	**43.85**	**75.81**	**42.76**	**22.08**	**3,860.82**
Depreciation charge	-	-	103.59	2,323.53	44.54	59.85	27.76	4.81	2,564.08
Accumulated depreciation on disposals	-	-	9.09	-	-	-	-	-	9.09
Balance as at 31 March 2017	**-**	**-**	**203.16**	**5,891.19**	**88.39**	**135.66**	**70.52**	**26.89**	**6,415.81**
Net carrying value									
Balance as at 1 April 2015	**6,835.67**	**54.70**	**6,189.84**	**15,125.40**	**292.53**	**277.93**	**69.24**	**25.21**	**28,870.52**
Balance as at 31 March 2016	**6,835.67**	**54.70**	**6,081.18**	**13,079.44**	**249.12**	**216.88**	**68.81**	**8.20**	**26,594.00**
Balance as at 31 March 2017	**6,835.67**	**54.70**	**5,562.40**	**10,767.18**	**209.62**	**157.03**	**42.67**	**4.32**	**23,633.59**

Note 4 Intangible assets

₹ In Lakhs

Gross carrying value (at deemed cost)	Computer software	Toll collection rights	Total
Balance as at 1 April 2015	**53.71**	**77,299.69**	**77,353.40**
Additions	-	-	-

Gross carrying value (at deemed cost)	Computer software	Toll collection rights	Total
Disposals	-	-	-
Balance as at 31 March 2016	**53.71**	**77,299.69**	**77,353.40**
Additions	-	-	-
Disposals	-	1,808.27	1,808.27
Balance as at 31 March 2017	**53.71**	**75,491.42**	**75,545.13**
Accumulated amortisation			
Balance as at 1 April 2015	**-**	**1,622.20**	**1,622.20**
Amortisation charge	21.48	1,030.37	1,051.85
Balance as at 31 March 2016	**21.48**	**2,652.57**	**2,674.05**
Amortisation charge	12.89	973.73	986.62
Balance as at 31 March 2017	**34.37**	**3,626.30**	**3,660.67**
Net carrying value			
Balance as at 1 April 2015	**53.71**	**75,677.49**	**75,731.20**
Balance as at 31 March 2016	**32.23**	**74,647.12**	**74,679.35**
Balance as at 31 March 2017	**19.34**	**71,865.12**	**71,884.46**

Note 5. Intangible assets under development

₹ in Lakhs

Opening as at 1 April 2015 (at deemed cost)	129,816.51
Add: Addition during the year	22,718.44
Closing as at 31 March 2016	**152,534.95**
Add: Addition during the year	29,380.71
Closing as at 31 March 2017	**181,915.66**

Note 6. Non-current investments

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
I. Investments valued at deemed cost			
Investment in equity shares			
In jointly controlled entities	6,365.15	8,329.30	9,451.60
In associates	1,128.56	1,134.32	2,457.02
In other companies	807.89	807.89	807.89
Investment in joint venture	-	-	-
II. Investments valued at amortised cost			
Investment in preference shares			
In other companies	809.45	729.21	656.77
III. Investments valued at fair value through profit and loss			
Investment in preference shares			
In a jointly controlled entity	13,492.64	9,358.64	9,200.10
Total non-current investments	22,603.69	20,359.36	22,573.38

Note 6.1 Detailed list of non-current investments ^

₹ in Lakhs

	Number	As at 31 March 2017	Number	As at 31 March 2016
I. Investments valued at deemed cost, fully paid up, unquoted				
Investments in equity shares:				
In jointly controlled entities in India				
Supreme Infrastructure BOT Holdings Private Limited	790,000	6,309.91	790,000	8,227.32
Supreme Kopargaon Ahmednagar Tollways Private Limited	-	114.00	-	114.00
Sanjose Supreme Tollways Development Private Limited	147,998	(58.76)	4,000	(12.02)
		6,365.15		**8,329.30**
In an associate in India				
Rudranee Infrastructure Limited	12,183,648	634.67	12,183,648	640.43
In an associate outside India				
Sohar Stones LLC		493.89		493.89
		1,128.56		**1,134.32**
In other companies in India				
Kalyan Sangam Infratech Limited	390,625	807.38	390,625	807.38
The Saraswat Co-op Bank Limited	2,500	0.51	2,500	0.51
		807.89		**807.89**
Investments in joint venture in India				
Supreme Siddhi JV [50% share (31 March 2016 - 50%)]		23.00		23.00
Less: Impairment allowance		(23.00)		(23.00)
		-		-
II. Investments carried at amortised cost, unquoted				
Investments in preference shares				
In other companies in India				
Kalyan Sangam Infratech Limited	609,375	370.61	609,375	333.86
Green Hill Barter Private Limited [Face value of ` 600 each]	100,000	438.84	100,000	395.35
		809.45		**729.21**

₹ In Lakhs

III. Investments valued at fair value through profit and loss, fully paid up, unquoted Investments in preference shares				
In a jointly controlled entities in India				
Supreme Infrastructure BOT Holdings Private Limited	100,789	1,758.64	100,789	1,758.64
0.001% Compulsorily Convertible Cumulative Participatory Preference shares				
Sanjose Supreme Tollways Development Private Limited				
0.001% Compulsorily Convertible Cumulative Participatory Preference shares	117,340,000	11,734.00	76,000,000	7,600.00
		13,492.64		**9,358.64**
Total non-current investments		**22,603.69**		**20,359.36**

'^Face value of ₹10 each, unless otherwise stated

Details:

Aggregate of non-current investments:

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
(i) Carrying value of investments (net of impairment allowance)	22,603.69	20,359.36
(ii) Market value of investments	22,603.69	20,359.36
(i) Investments carried at deemed cost	8,301.60	10,271.51
(ii) Investments carried at amortised cost	809.45	729.21
(iii) Investments carried at fair value through profit and loss	13,492.64	9,358.64
	22,603.69	**20,359.36**

Note 6.3 The Group's share of (loss)/profit from equity accounted investments is as follows:

In jointly controlled entities	(3,027.68)	(1,110.28)
Supreme Infrastructure BOT Holdings Private Limited	(73.17)	(12.02)
Sanjose Supreme Tollways Development Private Limited		
In associates		
Rudranee Infrastructure Limited	(1,200.85)	(1,195.09)
Sohar Stones LLC	(127.61)	(127.61)
	(4,429.31)	**(2,445.00)**

Note6.4 During the previous year ended 31 March 2016, the Company acquired 5,789 0.001% Compulsorily Convertible Cumulative Participatory Preference Shares of ₹10 each in its jointly controlled entity, Supreme Infrastructure BOT Holdings Private Limited, for an aggregate amount of ₹100.06 lakhs.

Note 6.5 During the year ended 31 March 2017, Supreme Infrastructure BOT Private Limited, a subsidiary company, acquired 41,340,000 0.001% Compulsorily Convertible Cumulative Participatory Preference Shares of ₹ 10 each in its jointly controlled entity Sanjose Supreme Tollways Development Private Limited, for an aggregate amount of ₹4,134.00 lakhs.

Note 6.6 In respect of Sanjose Supreme Tollways Development Private Limited ('SSTDPL'), a jointly controlled entity, the Company has raised claims on SSTDPL pertaining to FY 2010-11 to FY 2016-17 aggregating ₹ 10,234.43 lakhs on account of various cost incurred by them for the project towards EPC work, project development, project management and its operations and delay caused in project execution due to various reasons, which were duly approved the Board of Directors of SSTDPL and accordingly accounted for in the books of accounts of SSTDPL. SSTDPL has filed corresponding claims with the grantor which is presently under discussion/negotiation. Considering the contractual tenability, SSTDPL's management is confident of realization of these claims from the grantor and believes that the matter will be settled without any loss to SSTDPL.

Note 6.7 The Company has pledged the following shares in favour of the lenders as a part of the financing agreements for facilities taken by the Company, jointly controlled entities and associates as indicated below:

Name of the Company	No. of equity shares pledged	
	31 March 2017	31 March 2016
Rudranee Infrastructure Limited	8,066,385	8,066,385
Sanjose Supreme Tollways Development Private Limited	4,000	4,000
Kalyan Sangam Infratech Limited	390,625	390,625
	No. of preference shares pledged	
Supreme Infrastructure BOT Holdings Private Limited	95,000	95,000
Kalyan Sangam Infratech Limited	609,375	609,375

Note 7. Loans

₹ in Lakhs

Unsecured, considered good

	As at 31 March 2017	As at 31 March 2016	As at1 April 2015
Non-current			
Loans to related parties (Refer note 35)	2,227.40	6,038.28	3,748.04
Total non-current loans	**2,227.40**	**6,038.28**	**3,748.04**
Current			
Loans to related parties (Refer note 35)	2,601.85	181.75	127.76
Total non-current loans	**2,601.85**	**181.75**	**127.76**
Total loans	**4,829.25**	**6,220.03**	**3,875.80**

Note 8. Other financial assets

₹ in Lakhs

Non-current			
Margin money deposits (Refer note below)	460.84	743.60	-
Interest receivables on deposits	13.87	138.26	-
Security and other deposits	107.24	108.18	108.18
Total non-current financial assets	**581.95**	**990.04**	**108.18**
Current			
Unbilled work [Refer note 13 (b)]	12,831.95	15,865.46	15,437.93
Compensation receivables from government authorities	97.25	187.03	-
Security and other deposits	2,385.75	4,021.29	6,730.55
Interest accrued on deposits			
- from related parties (Refer note 35)	1,256.86	898.73	449.76
- on deposits	162.84	378.18	441.98
Loan to employees			
- considered good	207.06	714.52	1,715.51
- considered doubtful	180.00	-	-
	17,121.71	**22,065.21**	**24,775.73**
Less: impairment allowance for doubtful advances	(180.00)	-	-
Total current financial assets	**16,941.71**	**22,065.21**	**24,775.73**
Total other financial assets	**17,523.66**	**23,055.25**	**24,883.91**

Note: The deposits maintained by the Group with the bank comprise time deposits, which are held in DSRA accounts as a security to the lenders as per the Common Loan Agreement which can be withdrawn by the Group at any point with prior notice and without penalty on the principal.

Note 9. Income tax assets (net)

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at1 April 2015
i. The following table provides the details of income tax assets and liabilities:			
Income tax assets	17,085.17	20,485.20	18,798.36
Current income tax liabilities	15,506.46	20,909.12	22,458.24

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at1 April 2015
Net income tax assets	**1,578.71**	-	-
Net income tax liabilities	-	(423.92)	(3,659.88)

₹ in Lakhs

ii. The gross movement in the current tax asset/ (liability) is as follows:	**As at 31 March 2017**	**Year ended31 March 2016**
Net current income tax assets/ (liabilities) at the beginning	(423.92)	(3,659.88)
Income tax paid	489.30	3,235.96
Tax adjustment for earlier years	1,513.33	-
Net current income tax assets/ liabilities at the end	**1,578.71**	**(423.92)**
iii. Income tax expense in the Statement of Profit and Loss comprises:		
Current income taxes	15.79	14.97
Tax adjustment for earlier years	(1,513.33)	-
Deferred income taxes	(4.54)	883.93
Income tax expenses/ (income) (net)	**(1,502.08)**	**898.90**

₹ in Lakhs

iv. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the profit before income taxes is as below:	**As at 31 March 2017**	**Year ended31 March 2016**
Profit/(loss) before income tax	(37,030.48)	(15,133.98)
Applicable income tax rate	34.61%	34.61%
Computed expected tax expense	**-**	**-**
Effect of expenses not allowed for tax purpose		
Effect of income not considered for tax purpose	15.79	14.97
Tax adjustments for earlier years	-	-
Reversal of deferred tax assets in absence of reasonable certainty	(1,513.33)	-
Income tax (income)/ expense charged to the Statement of Profit and Loss	(4.54)	883.93
	(1,502.08)	**898.90**

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at1 April 2015
v. Components of deferred income tax assets and liabilities arising on account of temporary differences are:			
Deferred income tax asset			
Impairment allowance for doubtful advances	1,119.75	264.41	195.19
Impairment allowance for doubtful debts	4,211.79	1,722.45	1,292.08

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at1 April 2015
Impairment allowance for diminution in value of investments	7.96	7.96	7.96
Provision for employee benefits	180.73	178.42	221.05
Deferred tax assets	**5,520.23**	**2,173.24**	**1,716.28**
Deferred income tax liability			
Timing difference on tangible and intangible assets depreciation and amortisation	(896.00)	(623.12)	(850.33)
Timing difference on recognition of margin on the projects initiated post 1 April 2016	(203.84)	-	-
Deferred tax liability	**(1,099.84)**	**(623.12)**	**(850.33)**
Deferred tax assets recognized to the extent of liabilities	1,086.40	605.14	-
Deferred tax (liability)/ assets (net)	**(13.44)^**	**(17.98)^**	**865.95**

^The Company has recognised deferred tax assets to the extent of deferred tax liabilities in the absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Note 10 Other assets

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at1 April 2015
Non-current			
Capital advances	52,809.21	33,331.97	19,138.30
Balances with government authorities	252.99	2,364.44	719.56
Prepaid expenses	291.90	486.50	-
Total other non-current assets	**53,354.10**	**36,182.91**	**19,857.86**
Current			
Advance recoverable in cash or kind	836.47	835.25	835.25
Advance to suppliers and sub-contractors			
- considered good	10,360.38	16,912.60	15,178.81
- considered doubtful	3,055.52	764.00	564.00
Balances with government authorities	165.66	770.83	149.42
Prepaid expenses	194.60	194.60	-
Total other current assets	**14,612.63**	**19,477.28**	**16,727.48**
Less : Impairment allowance for doubtful advances	(3,055.52)	(764.00)	(564.00)
	11,557.11	**18,713.28**	**16,163.48**
Total other assets	**64,911.21**	**54,896.19**	**36,021.34**

Note 11 Inventories

₹ in Lakhs

Construction materials	7,774.52	8,457.50	8,546.11
Total inventories	**7,774.52**	**8,457.50**	**8,546.11**

Note 12 Current investments

Investments in Non-trade, mutual funds valued at fair value through profit and loss^	As 31March2017		As 31 March 2016		As 1 April 2015	
	No. of units	₹ lakhs	No. of units	₹ lakhs	No. of units	₹ lakhs
Reliance Money Manager Fund - Daily Dividend Plan (Face value of ₹ 1,000 each)	239	2.40	228	2.28	177	3.43
S.B.I. Gold Fund - I-Growth Plan	250,000	23.34	250,000	24.34	250,000	22.03
Union KBC Capital Protection Fund Series 5 - Regular Plan	-	-	50,000	6.00	50,000	12.39
Axis Bank Long Term Equity Fund	67,398	23.00	67,398	20.00	225,509	70.05
Axis Capital Protection Oriented Fund - Series 5 - Growth Plan	-	-	249,990	33.00	249,990	34.58
Axis Hybrid Fund - Series 8 Dividend Plan	309,142	38.91	309,142	34.91	309,142	37.36
Axis Hybrid Fund - Series 8 Growth Plan	50,000	6.00	50,000	6.00	50,000	6.04
Axis Hybrid Fund - Series 12 Growth Plan	280,000	33.00	280,000	30.00	280,000	31.64
Axis Hybrid Fund - Series 13 Growth Plan	175,000	19.50	175,000	18.50	175,000	19.65
Axis Hybrid Fund - Series 14 Growth Plan	687,265	76.73	687,265	70.73	687,265	72.91
Total current investments		**222.88**		**245.76**		**310.08**

^ Face value of ₹ 10 each, unless otherwise stated

Note 13 Trade receivables

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
'(Unsecured, Considered good unless stated otherwise)			
Trade receivables (Refer note below)			
- considered good	100,264.81	110,534.45	78,375.87
- considered doubtful	12,169.98	4,977.03	3,733.49
Receivables from related parties (Refer note 35)	1,821.47	8,805.12	13,214.29
	114,256.26	**124,316.60**	**95,323.65**
Impairment allowance (allowance for doubtful debts)	(12,169.98)	(4,977.03)	(3,733.49)
	(12,169.98)	(4,977.03)	(3733.49)
Total trade receivables	**102,086.28**	**119,339.57**	**91,590.16**
(a) Includes retention money	9,992.92	17,910.37	21,493.41

(b) Trade receivable and unbilled work (other current financial assets) as at 31 March 2017 include ₹ 6,616.13 lakhs (31 March 2016 : ₹ 3,139.40 lakhs) and ₹ 3,074.86 lakhs (31 March 2016: ₹ 1,003.36 lakhs), respectively, relating to contracts which the clients terminated (including two during earlier years) and recovered the advances given against bank guarantees. The clients (government authorities) have not disputed payment of certified bills included under trade receivables. Dispute Resolution Committee has referred the matter to Arbitrator and arbitration proceedings have been initiated (under the new ordinances of the arbitration rules) during the year, in respect of a party where net claims lodged by the Group by far exceed the amounts recoverable.

(c) Trade receivables as at 31 March 2017 include ₹ 23,507.17 lakhs (31 March 2016: ₹ 9,246.97 lakhs), in respect of projects which were closed and which are overdue for a substantial period of time.

The Group formed a senior management team comprising personnel from contract and legal department to rigorously

follow up including negotiate / initiate legal action, where necessary. Based on the contract terms and these on-going recovery / arbitration procedures (which are at various stages) and an arbitration award received in favour of the Group during the earlier years, the management is reasonably confident of recovering these amounts in full.

(d) Trade receivables as at 31 March 2017 includes ₹ 1821.47 lakhs (31 March 2016: ` 8805.12 lakhs, 1 April 2015: ₹ 13214.29 lakhs) due from private companies in which the Company's director is a director or a member.

(e) Trade reivables are non-interest bearing and are generally on terms of 30 to 90 days.

Note 14 Cash and cash equivalents

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Balances with banks			
- Current accounts in Indian rupees	1,256.45	1,308.34	1,215.64
- in deposit account (with maturity upto 3 months)	-	-	400.00
Cash on hand	180.49	357.52	711.58
Total cash and cash equivalents	**1,436.94**	**1,665.86**	**2,327.22**

Note 14.1 Disclosure on specified bank notes (SBNs)

During the current year, the Group had SBNs/ other denomination notes (other notes) as defined in the MCA notification G.S.R. 308 (E) dated 31 March 2017. The denomination wise details of the SBNs and other notes held and 'transacted during the period from 8 November 2016 to 30 December 2016 is given below:

₹ In Lakh

Particulars	SBNs ^	Other notes	Total
Closing cash on hand as at 8 November 2016	**329.71**	**115.20**	**444.91**
(+) Permitted receipts	12.97	597.41	610.38
(-) Permitted payments	(35.00)	(120.13)	(155.13)
(-) Amount deposited in banks	(307.68)	(374.58)	(682.26)
Closing cash on hand as at 30 December 2016	**-**	**217.90**	**217.90**

^ For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the Government of India notification S.O. 3407 (E), dated 8 November 2016.

Note 15 Other bank balances

₹ In Lakhs

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2016
Earmarked balances with banks for:			
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months	3,409.71	2,834.75	7,673.81
Bank deposits with maturity of more than 3 months but less than 12 months	8.51	7.95	1.00
Balances with bank for unclaimed dividend (refer note 15.1 below)	1.76	2.63	4.15
Total other bank balances	**3,419.98**	**2,845.33**	**7,678.96**

Note 15.1 There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2017.

Note 16 Share capital

₹ In Lakhs

Authorised share capital		As at 31 March 2017	As at 31 March 2016	As at 1 April 2016
47,500,000	Equity shares of ₹10 each (31 March 2016: 30,000,000, 1 April 2015: 30,000,000 equity shares of ₹ 10 each)	4,750.00	3,000.00	3,000.00
2,500,000	1% Non cumulative redeemable preference shares of ₹10 each (31 March 2016: 20,000,000, 1 April 2015: 20,000,000 preference shares of ₹10 each)	250.00	2,000.00	2,000.00
	Total authorised share capital	**5,000.00**	**5,000.00**	**5,000.00**

The shareholders of the Company at the Extra ordinary General Meeting held on 27 March 2017, approved the reclassification in authorised share capital from the existing authorized share capital of ₹ 5,000 lakhs consisting of 30,000,000 equity shares of ₹ 10 each and 20,000,000 preference shares of ₹ 10 each to 47,500,000 equity shares of ₹ 10 each and 2,500,000 preference shares of ₹10 each.

₹ In Lakhs

Issued, subscribed and paid-up equity share capital:		As at 31 March 2017	As at 31 March 2016	As at 1 April 2016
25,698,372	Equity shares of ₹ 10 each fully paid up (31 March 2016: 25,698,372, 1 April 2015: 25,698,372 equity shares of ₹ 10 each)	2,569.84	2,569.84	2,569.84
Total issued, subscribed and paid-up equity share capital		**2,569.84**	**2,569.84**	**2,569.84**

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

	Number	₹ Lakh
As at 1 April 2015	**25,698,372**	**2,569.84**
Issued during the year	-	-
As at 31 March 2016	**25,698,372**	**2,569.84**
Issued during the year	-	-
As at 31 March 2017	**25,698,372**	**2,569.84**

b. Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 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. Shareholding of more than 5%:

Name of the Shareholder	As 31March2017		As 31 March 2016		As 1 April 2015	
	% held	No. of shares	% held	No. of shares	% held	No. of shares
Promoter						
Bhawanishankar H Sharma	**6.56%**	1,684,755	**15.36%**	3,946,708	**15.37%**	3,949,000
BHS Housing Private Limited	**13.04%**	3,350,000	**13.04%**	3,350,000	**13.04%**	3,350,000
Vikram B Sharma	**9.24%**	2,374,724	**11.82%**	3,037,942	**11.74%**	3,015,832
Vikas B Sharma	**6.84%**	1,758,753	**6.84%**	1,758,753	**7.00%**	1,800,000

Name of the Shareholder	As 31March2017		As 31 March 2016		As 1 April 2015	
	% held	No. of shares	% held	No. of shares	% held	No. of shares
Non-promoter						
Kitara PIIN 1101	**9.20%**	2,364,344	**6.42%**	1,650,000	**6.42%**	1,650,000
ICICI Bank Limited	**7.61%**	1,955,171	-	-	-	-

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash- Nil

(ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil

(iii) Aggregate number and class of shares bought back - Nil

e. 8,573,795 (31 March 2016: 11,886,837, 1 April 2015: 10,000,000) equity shares held by the promoters of the Company as at 31 March 2017 are pledged as security in respect of amounts borrowed by the Company.

f. During the year ended 31 March 2017, one of the lender has invoked 2,261,953 pledged equity shares of Mr. B.H. Sharma and 563,218 pledged equity shares of Mr. Vikram Sharma aggregating ₹ 2,338.04 lakhs and adjusted the proceeds towards their existing overdue debts including interest payable by the Company.

Note 17 Borrowings

₹ in Lakhs

Non-current portion: Secured	Effective interest rate March 2017	Effective interest rate March 2016	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(A) Restructured rupee term loans (RTL)					
(i) From Banks (Refer note 17.1)	12.61%-13.62%	12.61%-13.62%	13,507.17	14,333.28	14,807.59
(ii) From Others	12.73%-13.25%	12.73%-13.25%	6,188.01	6,714.53	7,041.89
(B) Working capital term loan (WCTL) from banks (Refer note 17.1)	11.95%-13.00%	11.95%-13.00%	41,026.43	44,266.76	41,137.34
(C) Funded interest term loan (FITL)					
(i) From Banks (Refer note 17.1)	11.95%-15.60%	11.95%-13.63%	25,287.40	28,009.81	16,573.15
(ii) From Others	12.73%-13.26%	12.73%-13.26%	1,580.43	1,765.40	1,129.61
(D) Other rupee term loans					
(i) From Banks	10.25%-14.75%	10.25%-14.75%	141,589.25	136,073.41	122,887.64
(ii) From Others (Refer note 17.9)	12.25%-17.10%	12.25%-17.10%	38,587.74	32,337.79	29,374.63
(E) 11% Non Convertible Debenture	11.00%-11.50%	11.00%-11.50%	2,678.10	2,066.28	2,022.20
Total non-current borrowings			**270,444.53**	**265,567.26**	**234,974.05**

₹ in Lakhs

Current maturities of long-term borrowings Secured			As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(A) Restructured rupee term loans (RTL)					
(i) From Banks (Refer note 17.1)	12.61%-13.62%	12.61%-13.62%	1,091.02	381.80	-
(ii) From Others	12.73%-13.25%	12.73%-13.25%	436.12	170.50	-
(B) Working capital term loan (WCTL) from banks (Refer note 17.1)	11.95%-13.00%	11.95%-13.00%	4,448.22	1,158.19	-
(C) Funded interest term loan (FITL)					
(i) From Banks (Refer note 17.1)	11.95%-15.60%	11.95%-13.63%	2,940.72	461.80	-
(ii) From Others	12.73%-13.26%	12.73%-13.26%	186.06	28.13	-
(D) Other rupee term loans					
(i) From Banks	10.25%-14.75%	10.25%-14.75%	11,665.79	4,364.13	12,224.54
(ii) From Others (Refer note 17.9)	12.25%-17.10%	12.25%-17.10%	7,047.79	14,313.46	11,536.42
(E) External commercial borrowings from bank	-	3.85%	-	-	1,727.75
Total current maturities of long-term borrowings			**27,815.72**	**20,878.01**	**25,488.71**
Total borrowings			**298,260.25**	**286,445.26**	**260,462.76**

Note: For security details and terms of repayment, refer note 17.3 and 17.9 below.

Note 17.1 In September 2014, the Joint Lenders Forum (JLF) lead by State Bank of India (SBI) had appraised a Corporate Loan to the Company out of which part amount was sanctioned and disbursed by SBI and the balance was to be tied up with other lenders under exclusive security. Pending tie up with the other lenders, the JLF decided to incorporate one-time restructuring under the JLF mode of the entire borrowings of the Company. During the quarter ended 31 March 2016, based on the direction of the Reserve Bank of India (RBI) during its Assets Quality Review, borrowings from SBI were classified as Non-Performing Assets (NPA). Consequent to the classification of borrowings as NPA by SBI, borrowings from other consortium lenders got classified as NPA during the year ended 31 March 2017, however, the lenders have not recalled or initiated recovery proceedings for the existing facilities, at present.

Note 17.2 The requisite majority of the lenders of the Company (the 'Lenders') in the JLF meeting held on 26 December 2014 agreed for restructuring of Company's borrowings through JLF route in accordance with Reserve Bank of India's JLF framework, with the cut-off date of 1 October 2014, and entered into a Master Joint Lenders Forum Agreement (MJLF Agreement) on 30 March 2015 (subsequently amended on 12 June 2015). As per the MJLF Agreement, the lenders have restructured and rescheduled the outstanding amount of their respective share in the existing facilities and sanctioned additional working capital facility. Further, the Lenders have granted moratorium period of 2 years in respect of principal repayment. Further, the Joint Lender's Forum of the Company agreed to proceed with "Scheme for Sustainable Structuring of Stressed Assets (S4A)" introduced by Reserve Bank of India with Reference date as 29 December 2016 which is presently pending for approval with the RBI's mandated Overseeing Committee.

17.3 Terms of repayment and details of security

(A) Interest rate and terms of repayment

Restructured rupee term loans (RTL)

RTL carry an interest rate of SBI Base Rate+1% plus interest tax (10.30% as at 31 March 2017) to be reset after a moratorium period of 2 years. These loans are repayable in 32 structured quarterly instalments commencing 31 December 2016 and ending on 30 September 2024.

Working capital term loan (WCTL)

These loans carry an interest rate of SBI Base Rate+1% plus interest tax (10.30 % as at 31 March 2017) to be reset after a moratorium period of 2 years. These loans are repayable in 20 structured quarterly instalments commencing 31 December 2016 and ending on 30 September 2021.

Funded interest term loan (FITL-I), (FITL-II) and (FITL-III)

These loans carry an interest rate of SBI Base Rate+1% plus interest tax (10.30 % as at 31 March 2017) to be reset after a moratorium period of 2 years. These loans are repayable in 14 structured quarterly instalments commencing 31 December 2016 and ending on 31 March 2020.

(B) Security created in respect of RTL/WCTL/FITL

I Borrowings from ICICI Bank are secured by the following:

(i) Exclusive security interest in the form of:

- Pledge of 474,829 shares (31 March 2016: 3,300,000 shares) of the Company
- Pledge over 30% shares of Supreme Infrastructure BOT Private Limited (SIBOT) and Non Disposal Undertaking over 18.99% shares of SIBOT
- Subservient charge on current assets and movable fixed assets of the Company
- Residual charge on optionally convertible instruments and/or debt infused by the Company directly or indirectly into three projects, namely Patiala Malerkotla, Sangli-Shiroli and Ahmednagar-Tembhurni.
- Second charge on total saleable area admeasuring 284,421 Sq. ft. covering 8 floors of B Wing of Supreme Business Park, Powai, Mumbai

(ii) First charge on the cash flows of the borrower which shall be pari passu with the other lenders without any preference or priority to one over the other or others.

II Except as stated in Point (I) above, borrowings from other lenders, are secured by way of:

(i) first pari passu charge on the moveable fixed assets of the Company procured or obtained by utilizing the aforesaid facilities

(ii) first pari passu charge (except as stated in point (g) below, where charge is second) on the existing collateral and pledge of shares

a) Gala No. 3 to 8, admeasuring 3,000 sq. ft., in Bhawani Service Industrial Estate Limited, Mumbai bearing CTS No.76 of village Tirandaz, Powai, Mumbai

b) Chitrarath Studio, admeasuring 30,256.74 sq.ft, situated at Powai bearing Survey No.13 to 15 corresponding CTS bearing No.26 A of village Powai, Mumbai owned by a promoter director.

c) Extension of hypothecation charge on pari passu basis on the residual fixed assets of the borrower

d) Office No. from 901 to 905, having carpet area admeasuring 6,792 sq. ft., situated in Tower "B" on 9th floor in "Millennium Plaza' situated at Sector 27, Tehil, Gurgaon, Haryana owned by Company and its promoter directors.

e) Lien on term deposit face value of ₹ 14 lakhs on pari passu basis to working capital lenders

f) Pledge of 2,600,000 equity shares of the Company held by the promoter directors on pari passu basis to working capital lenders

g) Supreme House, Plot No. 94/C located at Powai, Mumbai (First charge with SREI Infrastructure Finance Limited against their term loan to SIBOT)

h) Pledge of investments as stated in Note 4.4 and 4.6

(iii) first pari passu on the current assets of the Company

(iv) first pari passu charge on the cash flows of the Company

(v) pledge of 4,069,332 equity shares held by promoters (including 2,600,000 equity shares stated in II (f) above)

(vi) Pledge of Compulsory Convertible Debentures (CCD) of ₹ 80,600 lakhs extended to Supreme Infrastructure BOT Private Limited. The Company's lenders may exercise the right of conversion of the CCDs into equity within 18 months from the date of implementation of the JLF Restructuring Package.

(vii) first charge on the immoveable property situated at (i) Village Talavali,Taluka-Bhiwandi, Thane; and (ii) Village Mouje-Dapode, Taluka-Sudhagad, Raigad.

(viii) second charge on the immoveable property situated at B Wing area admeasuring 45,208 Sq ft. and some additional area to be identified by the Company at Supreme Business Park bearing Survey No.l3/2 and l3/l (part) and CTS No. 27, Survey No. l4 and CTS No. 23- A and Survey No. 15 (part) and CTS No. 26- A situated at Supreme City, Hiranandani Complex, Powai, Mumbai (first charge being held by Syndicate Bank)

(ix) subservient charge on the immoveable property situated at B Wing total area admeasuring 284,421 Sq. ft. at Supreme Business Park bearing Survey No. l3/2 and l3/1(part) and CTS No. 27, Survey No. l4 and CTS No.23-A and Survey No. 15 (part) and CTS No 26- A situated at Supreme City, Hiranandani Complex, Powai, Mumbai (first charge being held by Syndicate Bank and second charge being held by ICICI Bank)

(x) First pari passu charge on certain plant and equipment as specified in Part B of Schedule IX to MJLF agreement and all equipment acquired by utilising the ECB loan from AXIS Bank.

(xi) a) subservient charge on certain immoveable properties:

- flats with carpet area of 11,500 sq. ft. in Aishwarya Co.op. Housing Society bearing CTS No. 64/E/6 of village Tirandaz, Powai, Mumbai
- Agricultural land of 106,170 sq. mt. bearing survey no. 119/1, 129/6, 1304b, 130/5131, 132/2s, 131/1b and 123/2b situated at Talavali village, Thane, Maharashtra.
- Flat No. 510 on 5th Floor of ABW Tower located at IIFCO Chow, Sukhrauli village, Haryana
- Fixed deposit or unconditional bank guarantee of ₹ 500.00 lakhs;

b) subservient charge on following:

Irrevocable and unconditional personal guarantee of the Promoter(s);

Fixed deposit or unconditional bank guarantee of ₹ 500.00 lakhs;

Corporate Guarantee of BHS Housing Private Limited and Supreme Housing & Hospitality Private Limited

Demand Promissory Note

III The entire facilities shall be secured by way of:

(i) an irrevocable, unconditional, joint and several corporate guarantee from BHS Housing Private Limited and Supreme Housing Hospitality Private Limited; and

(ii) an irrevocable, unconditional, joint and several personal guarantee from its promoter directors.

Note 17.4 The MJLF Agreement provides a right to the Lenders to get a recompense of their waivers and sacrifices made as part of the loan restructuring arrangement. The recompense payable by the borrowers depends on various factors including improved performance of the borrowers and other conditions. The aggregate present value of the sacrifice made/ to be made by lenders as per the MJLF Agreement is ₹ 16,842.00 lakhs (31 March 2016: ₹ 16,842.00 lakhs, 1 April 2015: ₹ 14,242.34 lakhs) as at the year end.

Note 17.5 External commercial borrowings from Axis Bank carried interest @ 6 Months LIBOR plus 3.45% per annum (quarterly rests) which was 3.85% per annum. The loan was fully repaid during the year ended 31 March 2016. The loan was secured by first

charge on assets procured from this loan and pari passu second charge on the current assets of the Company and personal guarantee of the promoter directors.

Note 17.6 Other rupee term loans from banks:

Loans from other banks carry interest in the range of @ 10.35% to 12.75% per annum and are secured by hypothecation of the assets created out of these loan and personal guarantee of a director of the Company. These loans are repayable over the period of 5-41 years.

Note 17.7 Term loans from others:

Loans from SREI Equipment Finance Company Limited and SREI Infrastructure Finance Limited carries interest @ base rate (18% as at 31 March 2017) minus 2.19 % per annum and are repayable in 35 monthly instalments over the tenure of the loans having various maturity dates. These loans are secured by first charge on the specific equipment financed out of the said loans, pledge of shares held by a promoter director and personal guarantee of the promoter directors.

Note 17.8 Contractual loan principal amounting to ₹ 15,607.97 lakhs (31 March 2016: ₹ 7,848.05 lakhs, 1 April 2015: ₹ 5,327.81 lakhs) and the interest amount of ₹ 32,004.36 lakhs (31 March 2016: ₹ 10,486.56 lakhs, 1 April 2015: ₹ 3,817.13 lakhs) respectively is due and outstanding to be paid as at 31 March 2017.

Note17.9 Rupee term loan from others represent ₹ 4,332.90 lakhs (31 March 2016 : ₹ 5,532.90 lakhs, 1 April 2015: ₹ 7,431.42 lakhs) and current portion of long term borrowings include ₹5,252.08 lakhs (31 March 2016 ₹ 12,773.66 lakhs, 1 April 2015: ₹ 10,036.42 lakhs) in respect of which a lender has filed an appeal against the Company in the High Court of Calcutta for non-payment of outstanding due in accordance with the terms of the loan agreement. The appeal filed is for restraining the Company from dilution of securities and shares pledged towards these borrowings by inclusion of these securities in the common pool of borrowings restructured under MJLF Agreement. The Hon'ble High Court has directed the Company not to deal with the shares as well as assets in terms of the loan agreement till disposal of the appeal. The Company is presently in the process of making necessary submissions with the High Court and is also in discussion with the lender to resolve the matter amicably. Since the lender has not demanded the amounts not falling due as per repayment terms, the loan continues to be classified under 'non-current borrowings'/ 'current maturity of long term borrowings'.

Note 17.10 Security details, repayment terms and other particulars in respect of loans availed by the subsidiary companies:

Term loan from banks include ₹8,280.43 lakhs (31 March 2016: ₹6,104.74 lakhs) loan availed by Kotkapura Muktsar Tollways Private Limited, a subsidiary company, carries interest rate of base rate plus 2.25% to 3.25%. These loans are repayable over a period of 13 years by means of 44 quarterly instalments commencing after a moratorium of 4 quarters from the date of toll commencement.

These term loans are secured by:

a) A first mortgage and charge on all the borrower's immoveable properties, both present and future, save and except the Project Assets (as defined in Concession Agreement) and personal guarantee of the promoter directors;

b) A first charge on all the borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future save and except the Project Assets.

c) A first charge over all accounts of the borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with the Agreement and Supplementary Escrow Agreement or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Authorised Investments or other securities including Debt Service Reserve Account (DSRA).

d) Pledge of equity shares held by the promoter to the extent of 51% of the paid-up equity share capital of the subsidiary.

Term loan from banks include ₹ 32,735.94 lakhs (31 March 2016: ₹ 31,985.07 lakhs) and term loan from others include ₹ 4,679.59 lakhs (31 March 2016: ₹ 4,719.41 lakhs) loan availed by Supreme Manor Wada Bhiwandi Infrastructure Private Limited, a subsidiary company, carrying an interest rate of 10.75% p.a.(UBI Base Rate+1.25%). These loans are repayable in 32 to 52 structured quarterly instalments commencing from 31 December 2016 and ending on 30 September 2029.

These term loans are secured by:

(a) Exclusive charge by way of creation of security interest on:

(i) A first mortgage and charge over all borrower's Properties and assets, both present and future, excluding the project site (as defined in the Concession Agreement);

(ii) A first charge on all intangible assets of the borrower including but not limited to the goodwill, undertaking and uncalled capital of the borrower;

(iii) A first charge/ assignment of all the receivable/ revenues of the borrower from the project;

(iv) A first charge on the borrower's bank account including, without limitation, the Escrow account and each of the other account required to be opened by the borrower under any project document or contract.

b) A first equitable mortgage on the parcel of land admeasuring 178 sq mtrs in Taluka Sudhagad, Raigad

c) Pledge of 51% of each class of shares of the subsidiaries held by the promoters

d) Pledge of Compulsory Convertible Debentures in favour of consortium.

e) A first charge by way of assignment or creation of security interest on:

(i) All the rights, titles, interests, benefits, claims and demands whatsoever of the borrower under the Concession Agreement and project documents,

(ii) All the rights, titles, interests, benefits of the borrower in licences, permits, approvals, consent.

(iii) All the rights, titles, interests, benefits, claims and demands whatsoever of the borrower in the insurance contracts/ policies procured by the borrower or procured by any of its contractors favouring the borrower for the project.

(iv) All the rights, titles, interests, benefits, claims and demands whatsoever of the borrower in any guarantees, liquidated damages, letter of credit or performance bond that may be provided by any counter party under any project contract in favour of the borrower.

f) Personal guarantee of Mr. Vikram Sharma and Vikas Sharma

Term loan from banks include ₹ 68,047.78 lakhs (31 March 2016: ₹57,629.61 lakhs) and term loan from financial institutions include ₹ 21,166.10 lakhs (31 March 2016: ₹ 18,088.29 lakhs) loan availed by Supreme Panvel Indapur Tollways Private Limited, a subsidiary company, carries an interest of Base rate+2.75%. These loans are repayable in 32 quarterly structured instalments commencing from 30 June 2023 ending on 31 March 2031.

These term loans are secured by way of:

a) A first mortgage and charge on all the borrower's immoveable properties, both present and future, save and except the Project Assets (as defined in Concession Agreement);

b) A first charge on all the borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future save and except the Project Assets (as defined in Concession Agreement).

c) A first charge over all accounts of the borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with the Agreement and Supplementary Escrow Agreement, or any of the other project documents and all funds from time to time deposited therein, the receivables and all authorised investments or other securities.

d) A first charge on all intangibles assets including but not limited to goodwill, rights, undertaking and uncalled capital present and future excluding the project assets.

e) Pledge of equity shares held by the Promoters to the extent of 51% in the borrower till the final settlement date. Term loan from banks include ₹ 11,149.66 lakhs (31 March 2016: ₹ 13,637.76 lakhs) loan availed by Kopargaon Ahmednagar Tollways (Phase-1) Private Limited, a subsidiary company, carrying interest rate of base rate plus 1.75%. These loans are repayable in 69 monthly structured instalments commencing from April 2015 and ending on December 2020.

These term loans are secured by way of:

a) A first mortgage and charge on all the borrower's immoveable properties, both present and future, save and except the Project Assets (as defined in Concession Agreement) and personal guarantee of the promoter directors;

b) A first charge on all the borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future save and except the Project Assets.

c) A first charge over all accounts of the borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with this Agreement and Supplementary Escrow Agreement, or any of the other project documents and all funds from time to time deposited therein, the receivables and all authorised investments or other securities including debt service reserve account.

d) Pledge of equity shares held by the promoters to the extent of 51% in the borrower upto three years from the date of commencement of toll and to be reduced to 26% after three years from that date.

Rupee Term loan from banks include ₹ 13,879.51 lakhs (31 March 2016: ₹ 16,759.27 lakhs) and term loan from financial institution include ₹ 7,026.25 lakhs (31 March 2016: ₹ 2,537.00 lakhs) loan availed by Supreme Vasai Bhiwandi Tollways Private Limited, a subsidiary company. These loans are repayable in 135 monthly installments commencing from 31 January 2014 and ending on 31 March 2025. These term loans are secured by way of:

a) A first mortgage and charge on all the borrower's immoveable properties, both present and future, save and except the Project Assets (as defined in Concession Agreement);

b) A first charge on all the borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future save and except the project Assets.

c) A first charge over all accounts of the borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with the Agreement and Supplementary Escrow Agreement, or any of the other project documents and all funds from time to time deposited therein, the receivables and all authorised investments or other securities including DSRA.

d) Pledge of equity shares held by the Promoters to the extent of 51% in the borrower till the final settlement date.

Term loan from banks include ₹ 5,872.11 lakhs (31 March 2016: ₹ 4,968.00 lakhs) loan availed by Supreme Suyog Funicular Ropeways Private Limited, a subsidiary company carrying interest in the range of Base Rate plus 2.75% and are repayable in 121 monthly instalments commencing from March 2017. These term loans are secured by way of hypothecation of toll receipts, movable, tangible and intangible assets, receivables, cash, investment and rights, title, interest of the borrower under the concession agreement. These loans are further secured by personal guarantee of Mr. Vikas Sharma and Mr. Vikram Sharma and pledge of 51% equity shares of the borrower.

Term loan from banks include ₹ 4,411.28 lakhs (31 March 2016: ₹ 6,045.91 lakhs) loan availed by Patiala Nabha Infra Projects Private Limited, a subsidiary company carrying interest rate base rate plus 1.75% and is repayable in 126 monthly instalments commencing from January 2014. These term loans are secured by way of hypothecation of intangible assets and fixed assets of the borrower and pledge of 51% of the shares held by the promoters in the paid-up equity capital of the borrower.

Term loan from financial institutions include ₹ 2,996.11 lakhs (31 March 2016: ₹ 3,000.00 lakhs) loan availed by Supreme Infrastructure BOT Private Limited, a subsidiary company is repayable in quarterly instalments over a period of 5 years. These term loans together with all interest, expenses and other monies this agreement is inter alia secured by:

a) Charge on office building- Supreme House situated in Powai, Mumbai;

b) Second charge on equipment hypothecated to Srei Equipment Finance Private Limited by Supreme Infrastructure India Limited and all related entities

c) Undertaking from Supreme Infrastructure India Limited

d) Second pari-passu charge on all current assets, fixed movable and immovable assets of Supreme Infrastructure India Limited

11% Non Convertible Debenture, issued by Supreme Manor wada Bhiwandi Infrastructure Private Limited, a subsidiary company, carries an interest coupon rate of 11% p.a. of which 2% is payable on yearly basis and balance 9% would be accrued and is payable on the date of redemption of debenture. These debentures are redeemable at the end of 15 years from the date of allotment. These debentures are secured by way of:

a) Exclusive charge by way of creation of security interest on:

(i) A first mortgage and charge over all borrower properties and assets, both present and future, excluding the project site (as defined in Concession Agreement);

(ii) A first charge on all intangible assets of the borrower including but not limited to the goodwill, undertaking and uncalled capital of the borrower;

(iii) A first charge/ assignment of all the receivable/ revenues of the borrower from the project;

(iv) A first charge on the borrower's bank account including, without limitation, the Escrow account and each of the other account required to be opened by the borrower under any project document or contract.

b) A first equitable mortgage on the parcel of land admeasuring 178 sq mtrs in Taluka Sudhagad, Raigad

c) Pledge of 51% of each class of shares of the promoters.

d) Pledge of entire CCD's in favour of consortium bankers

e) A first charge by way of assignment or creation of security interest on:

(i) All the rights, titles, interests, benefits, claims and demands whatsoever of the borrower under the Concession Agreement and project documents.

(ii) All the rights, titles, interests, benefits of the borrower in licences, permits, approvals, consent.

(iii) All the rights, titles, interests, benefits, claims and demands whatsoever of the borrower in the insurance contracts/ policies procured by the borrower or procured by any of its contractors favouring the borrower for the project.

(iv) All the rights, titles, interests, benefits, claims and demands whatsoever of the borrower in any guarantees, liquidated damages, letter of credit or performance bond that may be provided by any counter party under any project contract in favour of borrower.

f) Personal Guarantee of Mr. Vikram Sharma and Vikas Sharma

Note 17.11 In respect of Supreme Manor Wada Bhiwandi Infrastructure Private Limited ('SMWBIPL') a subsidiary company, consequent to the notification issued by the Government of Maharashtra (GoM) dated 26 May 2015 exempting Light Motor Vehicles from toll collection and another notification issued during the demonetisation period for suspending toll collection on all the vehicles during the period from 9 November 2016 to 2 December 2016, which resulted in substantial shortfall in revenue, and delay in payment due to its lenders. In order to avoid the classification of borrowings as NPA, lenders have invoked Strategic Debt Restructuring (SDR) with reference date of 24 November 2016. Subsequent to year ended 31 March 2017, the bankers have acquired 51% of equity share capital in SMWBIPL. SMWBIPL's has filed claims with the relevant authority for the compensation towards the loss of revenue due to matters stated as above. The management believes that the matter will be resolved amicably with the lenders including regaining majority stake in this subsidiary once the compensation is received.

Note 17.12 In respect of Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited ('SAKTTPL') a joint venture, the commercial operation date (COD) of the project was delayed due to various reasons attributable to the client primarily due to non-availability of right of way, environmental clearances etc. In order to avoid the classification of borrowings as NPA due to above stated reasons, the lenders have invoked SDR with reference date of 24 October 2016. Subsequent to year ended 31 March 2017, the lenders have subscribed to 51% of equity share capital in SAKTTPL in accordance with the RBI guidelines. Further, SAKTTPL has received an extension of time in respect of COD and hence the management believes that the matter will be resolved amicably with the lenders including regaining majority stake in this joint venture.

Note 18 Other financial liabilities

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Non-current			
Financial guarantees	443.27	508.24	585.19
1% Non cumulative redeemable preference shares of ₹10 each	1,628.05	1,466.71	1,321.36
Total non-current financial liabilities	**2,071.32**	**1,974.95**	**1,906.55**

Rights, preferences, restrictions and conversion terms attached to preference shares issued by the Company The Company had, on 13 May 2011, allotted 2,500,000 non cumulative, non convertible, redeemable preference shares of ₹ 10 each at a premium of ₹ 90 per share to BHS Housing Private Limited. The Preference Shares shall be redeemable at any time

after the expiry of two years but before the expiry of ten years from the date of allotment at a premium of ₹ 90 per share. These preference shares carry preferential right of dividend at the rate of 1%. The holders of Preference Shares have no rights to receive notices of, attend or vote at general meetings except in certain limited circumstances. On a distribution of assets of the Company, on a winding-up or other return of capital (subject to certain exceptions), the holders of Preference Shares have priority over the holders of equity shares to receive the capital paid up on those shares.

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Current			
Current maturities of long-term borrowings (Refer note 17)	27,815.72	20,878.01	25,488.71
Interest accrued and due	32,004.36	10,486.56	3,817.13
Interest accrued and not due	4,258.23	2,476.79	2,541.15
Unclaimed dividends ^	1.76	2.63	4.15
Due for capital expenditure			
- related parties	2,142.31	1,105.39	1,328.69
- others	938.46	1,086.19	1,886.19
Advance towards share application money pending allotment ^^	2,411.14	-	-
Payable for purchase of investments	127.40	127.40	127.40
Financial guarantees	80.84	76.78	76.45
Others			
- Due to employees	827.38	1,032.81	1,570.37
- Book overdraft	23.76	1,905.55	9.38
- Security deposits	20.00	20.00	10.00
Total current financial liabilities	**70,651.36**	**39,198.11**	**36,859.62**
Total other financial liabilities	**72,722.68**	**41,173.05**	**38,766.17**

^ Not due for credit to Investor Education and Protection Fund

^^ Pursuant to resolution passed in Extra Ordinary general meeting held on 27 March 2017, the Company has accepted ₹ 2,411.14 lakhs as an advance towards share application money from Supreme Innovative Building Project Private Limited for creation, issue, offer and allot upto 2,240,000 equity shares fully paid on preferential basis upon conversion of outstanding unsecured loans given by Supreme Innovative Building Project Private Limited at a minimum price of ₹ 107.64 (including a premium of ₹ 97.64) per equity share. The allotment of the said shares is pending as at 31 March 2017.

Other financial liabilities carried at amortised cost	72,722.68	41,173.05	38,766.17
Other financial liabilities carried at FVPL	-	-	-

Note 19 Provisions

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Non-current			
Provision for employee benefits			
- Gratuity	294.87	261.40	286.41
- Leave entitlement and compensated absences	174.72	197.99	266.25
Provision for resurfacing expenses (Refer note 19.1)	2,774.48	2,499.53	2,251.83
Total non-current provisions	**3,244.07**	**2,958.92**	**2,804.49**

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Current			
Provision for employee benefits			
- Gratuity	23.14	26.19	48.79
- Leave entitlement and compensated absences	29.47	29.95	37.27
Proposed dividend on preference shares	-	-	2.50
Tax on proposed dividend	-	-	0.51
Total current provisions	**52.61**	**56.14**	**89.07**
Total provisions	**3,296.68**	**3,015.06**	**2,893.56**

Note 19.1 Resurfacing expenses

The Group has a contractual obligation to maintain, replace or restore infrastructure at the end of each concession period. The Group has recognized the provision in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets i.e. at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Resurfacing expenses are required to be incurred to maintain the road in the same condition and standard as constructed from the date of the work order till it is finally handed over to the Government at the end of the concession period. The actual expense incurred at the end of the period may vary from the above. No reimbursements are expected from any sources against the above obligation.

₹ in Lakhs

Particulars	
As at 1 April 2015	2,251.83
Addition during the year	447.70
Utilized during the year	200.00
As at 31 March 2016	**2,499.53**
Addition during the year	274.95
Utilized during the year	-
As at 31 March 2017	**2,774.48**

Note 20 Current borrowings

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
I. Secured			
Rupee Loan from Banks			
Cash credit facilities (Repayable on demand)	103,184.62	88,744.17	59,112.25
Term loan from banks (Refer notes 17.6, 20.2 and 20.3)	2,379.24	2,573.96	2,622.71
	105,563.86	**91,318.13**	**61,734.96**
II. Unsecured (Repayable on demand)			
Term loan from others	715.00	2,775.00	-
Bank overdraft	15.28	-	-
Loans from related party	3,572.09	1,689.97	-
Total current borrowings (I+II)	**109,866.23**	**95,783.10**	**61,734.96**

Note 20.1 Security for cash credit facilities:

Cash credit facilities availed from bankers are secured by hypothecation charge on the current assets of the Company on first pari passu basis with existing and proposed working capital lenders in consortium arrangement. These facilities are further secured by way of certain collaterals, on pari passu basis, provided by the Company including personal guarantee of Company's directors and corporate guarantee of BHS Housing Private Limited and Supreme Housing Hospitality Private Limited.

The securities towards cash credit facilities also extends to the guarantees given by the banks on behalf of the Company aggregating ₹ 42,208.31 lakhs (31 March 2016: ₹ 46,606.55 lakhs, 1 April 2015: ₹ 66,712.58 lakhs).

Note 20.2 Term loan from banks include ₹ 2,209.95 lakhs (31 March 2016: ₹ 2,209.95 lakhs, 1 April 2015: ₹ 2,200.55 lakhs) which has been classified as Non-Performing Asset during September 2014 as per Reserve Bank of India guidelines. Bank has issued a notice to the Company and the Guarantor (Director) under section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 for recovery of the aforesaid amount and accordingly restrained the Guarantor from transferring any of the assets offered as security in respect of this loan, by way of sale, lease or otherwise without obtaining prior approval of the bank. Further, during the year, Bank has disposed off some of those assets of the Guarantor and adjusted the proceeds against the outstanding loan. The Company is presently in discussion with the banker for regularizing this borrowing. The Company has provided for interest at the reporting dates based on the communication available from the bank and the rate specified in the agreement and believes that provision is adequate and the amount payable will not exceed the liability provided in the books.

Note 20.3 Term loan from banks include ₹ 364.01 lakhs (31 March 2016: ₹ 364.01 lakhs, 1 April 2015: ₹ 422.16 lakhs) which has been classified as Non-Performing Asset during the previous year as per Reserve Bank of India guidelines. Bank has filed an application in the Hon'ble Debt Recovery Tribunal for recovery of the aforesaid amount and accordingly restrained the Company from transferring any of the assets offered as security in respect of this loan, by way of sale, lease or otherwise without obtaining prior approval of the bank. The Company is presently in the process of making necessary submissions with the Hon'ble Debt Recovery Tribunal and is also in discussion with the lender to resolve the matter amicably. The Company has provided for interest at the reporting dates based on the communication available from the bank and believes that the amount payable will not exceed the liability provided in the books.

Note 21 Trade payables

₹ In Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
- Total outstanding dues of Micro Enterprises and Small Enterprises	201.97	-	-
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	19,287.12	11,318.52	14,741.58
Total trade payables	**19,489.09**	**11,318.52**	**14,741.58**

Note 21.1 Trade payables are non-interest bearing and are normally settled as per the payment terms stated in the contract.

Note 22. Other current liabilities

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Advance from contractees	5,794.80	17,352.27	4,717.45
Statutory dues payable	3,916.95	**2,196.15**	**2,674.80**
Other liabilities	58.71	**324.51**	**130.04**
Total other current liabilities	**9,770.46**	**19,872.93**	**7,522.29**

Note 23. Revenue from operations

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Construction and project related revenue	103,663.23	116,315.65
Toll collection	7,633.04	6,173.19
Sale of products	3,520.58	6,030.60

Compensation from government authorities	1,284.41	441.10
Total revenue from operations	**116,101.26**	**128,960.54**

Note 24. Other income

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Interest income		
- interest unwinding on financial assets	93.55	89.25
- interest unwinding on financial guarantees	27.58	27.57
- on loans	358.13	448.97
- on margin money deposits	311.05	425.22
- others	3.55	-
Dividend income from non-current investments	0.51	0.44
Other non-operating income		
- Excess provision no longer required written back	23.74	114.73
- Fair value gain on CCCPS	-	58.47
- Profit on redemption of mutual funds (net)	0.28	17.58
- Fair value gain on mutual funds (valued at FVTPL)	17.48	-
- Profit on sale of property, plant and equipment (net)	34.30	-
- Rental income	94.51	53.14
- Miscellaneous	7.36	4.66
Total other income	**972.04**	**1,240.03**

Note 25 Cost of construction materials consumed

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Stock at beginning of the year	8,457.50	8,546.11
Add: Purchases	33,033.81	31,967.18
	41,491.31	**40,513.29**
Less: Stock at the end of the year	7,774.52	8,457.50
Total cost of construction materials consumed	33,716.79	32,055.79
Total Cost of construction materials consumed	**33,716.79**	**32,055.79**

Note 26. Employee benefits expense

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Salaries and wages	3,150.21	4,129.09
Contribution to provident and other funds	100.97	128.85
Gratuity	77.96	93.16
Staff welfare	119.31	254.49
Total employee benefits expense	3,448.45	4,605.59

Note 27. Finance costs

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Interest on:		
- External commercial borrowings	-	68.58
- Term loans	37,092.33	35,188.04
- Cash credit facilities	11,727.51	7,556.54
- Others	446.08	219.62
Other borrowing costs		
- Bank charges and guarantee commission	1,104.82	1,379.06
	50,370.74	**44,411.84**
Less: Finance costs capitalised under intangible asset under development	(11,515.94)	(10,754.98)
Total finance costs	**38,854.80**	**33,656.86**

Note 28. Depreciation and amortisation expense (Refer notes 3 and 4)

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Depreciation on property, plant and equipment	2,564.08	3,150.84
Amortisation on intangible assets	986.62	1,051.85
Total depreciation and amortisation expense	**3,550.70**	**4,202.69**

Note 29. Other expenses

₹ in Lakhs

		As at 31 March 2017	As at 31 March 2016
Power and fuel		2,985.75	3,880.70
Site related		135.93	209.03
Resurfacing (Refer note 19.1)		274.95	447.70
Rent and hire charges		3,255.70	3,532.97
Transportation charges		1,627.27	2,032.87
Repairs and maintenance		482.19	753.06
Insurance		271.51	460.84
Rates and taxes		29.97	7.72
Toll booth charges		103.60	163.93
Impairment allowance (allowance for doubtful debts)		330.00	1,243.54
Impairment allowance (allowance for doubtful financial assets)		180.00	200.00
Communication expenses		78.10	143.90
Advertisement		0.41	23.30
Printing and stationary		29.18	57.12
Travelling and conveyance		128.75	162.36
Legal and professional		1,073.70	1,422.87
Directors' sitting fees		7.80	7.20
Auditors' remuneration:			
Audit fees	118.02		104.03
Limited review fees	29.00		34.00
Certification fees	3.00		10.00
Reimbursement of out of pocket expenses	4.00		2.25

	154.02	
Fair value loss of mutual funds (valued at FVTPL)	-	16.50
Miscellaneous	1,603.55	1,981.50
Total other expenses	**12,752.37**	**16,897.39**

Note

1. The Company has not incurred any expenditure during the year against the total amount ₹ 134.99 lakhs (31 March 2016 : ₹ 258.71 lakhs) required to be spent for Corporate Social Responsibility.

2. The Company has entered into cancellable operating lease for office premises, machinery and employee accommodation. Tenure of leases generally vary between one year to four years. Terms of the lease include operating terms for renewal, terms of cancellation etc. Lease payments in respect of the above leases are recognised in the statement of profit and loss under the head other expenses (Refer note 29).

Note 30. Exceptional items

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016
Impairment allowance (allowance for bad and doubtful financial assets)	2,291.52	-
Impairment loss - financial assets written off	1,587.13	-
Impairment allowance (allowance for bad and doubtful debts)	6,862.95	-
Impairment loss - bad debts written off	395.77	-
Impairment loss -Unbilled work written off	1,389.26	-
Impairment loss- Inventories written off	300.32	-
Total exceptional items [expense/ (Income)]	**12,826.95**	**-**

Note 31 Earnings per share (EPS)

₹ in Lakhs

Basic and diluted EPS

Profit computation for basic earnings per share of ₹ 10 each			
Net profit/ (loss) as per the Statement of Profit and Loss available for equity shareholders	(₹ lakhs)	(34,041.04)	(14,987.94)
Weighted average number of equity shares for EPS computation	(Nos.)	25,698,372	25,698,372
EPS - Basic and Diluted EPS	(₹)	(132.46)	(58.32)

Note 31.1 Non-cumulative redeemable preference shares do not qualify as potential equity shares outstanding during the periods, based on the present conditions prevalent, and hence have not been considered in the determination of diluted earnings per share.

Note 32 Contingent liabilities and commitments

A. Contingent liabilities

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(i) Claims not acknowledged as debts including cases where petition for winding up has been filed against the Group	1,158.55	115.46	122.75
(ii) Corporate guarantee given to banks on behalf of associates/jointly controlled entities	19,400.00	19,400.00	19,400.00
(iii) Service tax liability that may arise in respect of matters in appeal	7,270.26	7,270.26	7,270.26

B. Commitments

(i) The Group has entered into agreements with various government authorities and semi government corporations to develop roads on Build-Operate-Transfer (BOT) and Public Private Partnership (PPP) basis through certain subsidiary entities, jointly controlled entities and associate company. The Group has a commitment to fund the cost of developing the infrastructure through a mix of debt and equity as per the estimated project cost.

(ii) The Company along with its Jointly controlled entity, Supreme Infrastructure BOT Holdings Private Limited, has given an undertaking to the lenders of a Joint venture Company, not to dilute their shareholding below 51% during the tenure of the loan.

It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings. The Group does not expect any reimbursements in respect of the above contingent liabilities except in respect of matter stated in A (ii) above. Future cash outflows in respect of the above are determinable only on receipt of judgments/ decisions pending with various forums/ authorities. The Group does not expect an outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

Note 33. Interests in other entities

a) Joint operations (incorporated)

The Group's share of interest in joint operations as at 31 March 2017 is set out below . The principal place of business of all these joint operations is in India.

Name of the entity	% of ownership interest held by the Group			Name of the ventures' partner	Principal activities
	As At 31 March 2017	As At 31 March 2016	As At 31 March 2015		
Supreme Infrastructure BOT Holdings Private Limited	51.00	51.00	51.00	Strategic Road Investments Limited	Toll Management
Sanjose Supreme Tollways Development Private Limited	40.00	40.00	40.00	Constructora Sanjose S.A.	Toll Management

i) Classification of joint arrangements

The joint venture agreements in relation to the above mentioned joint operations require unanimous consent from all the parties for all relevant activities. All co-venturers have direct rights to the assets of the joint venture and are also jointly and severally liable for the liabilities incurred by the joint venture. These joint ventures are therefore classified as a joint operations and the Group recognises its direct right to the jointly held assets, liabilities, revenue and expenses. In respect of these contracts, the services rendered to the joint ventures are accounted as income on accrual basis.

ii) Summarised balance sheet

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Total assets	159,772.75	148,229.97	132,511.85
Total liabilities	128,829.81	117,509.54	100,263.82

iii) Summarised statement of profit and loss account

₹ in Lakhs

	Year ended 31 March 2017	Year ended 31 March 2016
Revenue	10,085.19	10,373.86
Other income	-	320.08
Total expenses (including taxes)	14,011.07	12,911.55

b) Joint operations on work sharing basis

Contracts executed in joint venture under work sharing arrangement (consortium) is set out below. The principal place of

business of all these arrangements is in India and are engaged in construction business.

Name of the Joint Venture	Description of interest	Company's share
Supreme - MBL JV	Lead JV partner	60%
Supreme - BKB - Deco JV	Lead JV partner	60%
Supreme - J Kumar JV	Lead JV partner	60%
Supreme Mahavir JV	Lead JV partner	55%
Petron - Supreme JV	Minority JV partner	45%
Supreme Zanders JV	Lead JV partner	51%
Supreme Brahmaputra JV	Equal JV partner	50%
Supreme Modi JV	Lead JV partner	51%
Supreme Siddhi JV	Equal JV partner	50%

Classification of work executed on sharing basis

Contracts executed in joint venture under work sharing arrangement (consortium) is accounted to the extent work executed by the Group as that of an independent contract.

Note 34. 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 and short term deposits, trade and other short term receivables, trade payables, other current 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 Group 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 2017 were as follows:

₹ in Lakhs

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:								
Investments								
Investments in preference shares	6	809.45	13,492.64	-	-	-	14,302.09	14,302.09
Investments in equity shares	6	-	-	-	8,301.60	-	8,301.60	8,301.60
Investments in mutual funds	12	-	-	222.88	-	-	222.88	222.88
Trade receivables	13	102,086.28	-	-	-	-	102,086.28	102,086.28
Loans	7	4,829.25	-	-	-	-	4,829.25	4,829.25
Others financial assets	8	17,523.66	-	-	-	-	17,523.66	17,523.66
Cash and cash equivalents	14	1,436.94	-	-	-	-	1,436.94	1,436.94

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Other bank balances	15	3,419.98	-	-	-	-	3,419.98	3,419.98
Liabilities:								
Borrowings	17,20	380,310.76	-	-	-	-	380,310.76	380,310.76
Trade payables	21	19,489.09	-	-	-	-	19,489.09	19,489.09
Other financial liabilities	18	72,722.68	-	-	-	-	72,722.68	72,722.68

The carrying value and fair value of financial instruments by categories as at 31 March 2016 were as follows:

₹ in Lakhs

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:								
Investments								
Investments in preference shares	6	729.21	9,358.64	-	-	-	10,087.85	10,087.85
Investments in equity shares	6	-	-	-	10,271.51	-	10,271.51	10,271.51
Investments in mutual funds	12	-	-	245.76	-	-	245.76	245.76
Trade receivables	13	119,339.57	-	-	-	-	119,339.57	119,339.57
Loans	7	6,220.03	-	-	-	-	6,220.03	6,220.03
Others financial assets	8	23,055.25	-	-	-	-	23,055.25	23,055.25
Cash and cash equivalents	14	1,665.86	-	-	-	-	1,665.86	1,665.86
Other bank balances	15	2,845.33	-	-	-	-	2,845.33	2,845.33
Liabilities:								
Borrowings	17,20	361,350.36	-	-	-	-	361,350.36	361,350.36
Trade payables	21	11,318.52	-	-	-	-	11,318.52	11,318.52
Other financial liabilities	18	41,173.05	-	-	-	-	41,173.05	41,173.05

The carrying value and fair value of financial instruments by categories as at 1 April 2015 were as follows

₹ in Lakhs

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:								
Investments								
Investments in preference shares	6	656.77	9,200.10	-	-	-	9,856.87	9,856.87
Investments in equity shares	6	-	-	-	12,716.51	-	12,716.51	12,716.51
Investments in mutual funds	12	-	-	310.08	-	-	310.08	310.08
Trade receivables	13	91,590.16	-	-	-	-	91,590.16	91,590.16
Loans	7	3,875.80	-	-	-	-	3,875.80	3,875.80
Others financial assets	8	24,883.91	-	-	-	-	24,883.91	24,883.91
Cash and cash equivalents	14	2,327.22	-	-	-	-	2,327.22	2,327.22
Other bank balances	15	7,678.96	-	-	-	-	7,678.96	7,678.96
Liabilities:								
Borrowings	17,20	296,709.01	-	-	-	-	296,709.01	296,709.01
Trade payables	21	14,741.58	-	-	-	-	14,741.58	14,741.58
Other financial liabilities	18	38,766.17	-	-	-	-	38,766.17	38,766.17

B Fair value hierarchy

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)

₹ in Lakhs

Particulars	31 March 2016			1 April 2015		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investments in preference shares	-	13,492.64	-	-	9,358.64	-	-	9,200.10	-
Investments in equity shares	-	8,301.60	-	-	10,271.51	-	-	12,716.51	-
Investments in mutual funds	222.88	-	-	245.76	-	-	310.08	-	-

Note 35. Disclosure in accordance with Ind-AS 24 Related Party Transactions

A. Names of related parties and nature of relationship

₹ in Lakhs

Name of the entity	Country of incorporation	Company's holding as at (%)			Subsidiary of
		31March 2017	31 March 2016	1 April 2015	
(a) Associates					
Rudranee Infrastructure Limited	India	49.00	49.00	51.00	
Sohar Stones LLC	Oman	30.00	30.00	30.00	
(b) Jointly controlled entities					
Sanjose Supreme Tollways Development Pvt Ltd ^	India	96.10	40.00	40.00	
Supreme Infrastructure BOT Holdings Pvt Ltd^^	India	51.00	51.00	51.00	
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Pvt Ltd^^	India	90.00	90.00	90.00	Supreme Infrastructure BOT Holdings Pvt Ltd
Supreme Ahmednagar Karmala Tembhurni Tollways Pvt Ltd^^	India	100.00	100.00	100.00	Supreme Infrastructure BOT Holdings Pvt Ltd
Supreme Kopargaon Ahmednagar Tollways Private Limited ^^	India	100.00	100.00	100.00	Supreme Infrastructure BOT Holdings Pvt Ltd
(c) Key management personnel (KMP)					
Mr. Bhawanishankar Sharma - Chairman					
Mr. Vikram Sharma - Managing Director					
Mr. Vikas Sharma - Whole-time Director & CFO					
Mr. Vijay Joshi - Company Secretary					
Mr. Sanjay Bafna - CFO (till 28 April 2015)					
(d) Other related parties (where transactions have taken place during the year) Companies in which key management personnel or their relatives have significant influence					
Supreme Housing and Hospitality Private Limited					
Kalyan Sangam Infratech Limited					
Green Hill Barter Private Limited					
BHS Housing Private Limited					
Supreme Innovative Buildings Private Limited					

^ Based on specific shareholders agreement, the management has assessed that the Group has the practical ability to direct the relevant activities along with the other shareholders.

^^ Though the Group's investment in these entities exceed 50% of the total share capital, these entities have been classified as jointly controlled entities. The management has assessed whether or not the group has control over these entities based on whether the group has practical ability to direct relevant activities unilaterally. In these cases, based on specific shareholders agreement, the management concluded that the group does not have practical ability to direct the relevant activities unilaterally but has such ability along with the other shareholders.

Note 35 Disclosure in accordance with Ind AS 24 Related Party Transactions

B. Nature of Transactions

₹ in Lakhs

Transactions with related parties:		Year ended 31 March 2017	Year ended 31 March 2016
Rendering of services			
Supreme Ahmednagar Karmala Tembhurni Private Limited	Jointly controlled entity	-	1,161.91

₹ in Lakhs

Transactions with related parties:		Year ended 31 March 2017	Year ended 31 March 2016
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	Jointly controlled entity	3,821.00	4,737.95
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	2,533.12	2,343.53
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	1,464.18	-
Supreme Housing and Hospitality Private Limited	Other related party	-	15.00
BHS Housing Private Limited	Other related party	238.35	318.43
		8,056.65	**8,576.82**
Interest income			
Rudranee Infrastructure Limited	Associate	358.13	448.97
		358.13	**448.97**
Interest unwinding on financial assets carried at amortised cost			
Kalyan Sangam Infratech Limited	Other related party	36.73	33.17
Green Hill Barter Private Limited	Other related party	43.49	39.28
		80.22	**72.45**
Interest unwinding on financial guarantees			
Rudranee Infrastructure Limited	Associate	6.16	6.16
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	21.42	21.42
		27.58	**27.58**
Fair value gain on financial assets (valued at FVTPL)			
Supreme Infrastructure BOT Holdings Private Limited	Jointly controlled entity	-	58.47
		-	**58.47**
Finance cost on redeemable preference shares			
BHS Housing Private Limited	Other related party	161.34	145.35
		161.34	**145.35**
Investment in equity			
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	14.40	-
		14.40	-
Remuneration to key managerial person			
Mr. Vijay Joshi	KMP	18.19	18.88
		18.19	**18.88**
Loan taken from			
Mr. Bhawanishankar Sharma	KMP	1,489.96	185.96
Mr. Vikram Sharma	KMP	410.30	750.03

₹ in Lakhs

Transactions with related parties:		Year ended 31 March 2017	Year ended 31 March 2016
Mr. Vikas Sharma	KMP	-	754.00
		1,900.26	**1,689.99**
Loan repaid to			
Mr. Vikas Sharma	KMP	18.15	-
		18.15	**-**
Share application money received			
Supreme Innovative Buildings Project Private Limited	Other related party	2,411.14	-
		2,411.14	**-**

C) Outstanding balances:

₹ in Lakhs

		As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Outstanding trade receivables				
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	Jointly controlled entity	206.72	352.30	236.30
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	20.27	6,136.04	4,394.33
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	Jointly controlled entity	-	1,045.34	1,257.84
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	826.61	-	-
Supreme Housing and Hospitality Private Limited	Other related party	761.07	938.48	3,938.48
BHS Housing Private Limited	Other related party	6.80	332.96	3,387.34
		1,821.47	**8,805.12**	**13,214.29**
Loans receivable				
Rudranee Infrastructure Limited	Associate	2,227.40	3,748.03	3,748.04
Supreme Infrastructure BOT Holdings Private Limited	Jointly controlled entity	2,601.85	2,471.99	127.76
		4,829.25	**6,220.02**	**3,875.80**
Interest accrued				
Rudranee Infrastructure Limited	Associate	1,256.87	898.74	449.76
		1,256.87	**898.74**	**449.76**
Outstanding payables				
Short-term borrowings				
Mr. Bhawanishankar Sharma	KMP	1,675.92	185.96	-
Mr. Vikram Sharma	KMP	1,160.32	750.02	-
Mr. Vikas Sharma	KMP	735.84	754.00	-

₹ in Lakhs

		As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
		3,572.09	1,689.98	-
Other current liabilities				
Mr. Vijay Joshi	KMP	4.45	4.72	5.19
		4.45	**4.72**	**5.19**
Share application money pending allotment				
Supreme Innovative Buildings project Private Limited	Other related party	2,411.14	-	-
		2,411.14	**-**	**-**
Advance from contractees				
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	Jointly controlled entity	296.38	4,245.01	1,497.16
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	-	367.49	666.42
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	Jointly controlled entity	4,733.61	5,475.53	-
Supreme Housing and Hospitality Private Limited	Other related party	25.42	25.12	-
		5,055.41	**10,113.15**	**2,163.58**
Corporate guarantees given and outstanding as at the end of the year				
Rudranee Infrastructure Limited	Associate	4,500.00	4,500.00	4,500.00
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	14,900.00	14,900.00	14,900.00
		19,400.00	**19,400.00**	**19,400.00**

Notes:

a) Mr. Bhawanishankar Sharma, Mr. Vikram Sharma and Mr. Vikas Sharma have agreed for waiver of remuneration for the year ended 31 March 2017 and 31 March 2016 in view of the losses incurred by the Company.

b) Refer notes 6 and 17 for personal guarantees provided by Directors, shares pledged and other security created in respect of borrowing by the Company or the related parties.

b) Refer notes 6 and 17 for personal guarantees provided by Directors, shares pledged and other security created in respect of borrowing by the Company or the related parties.

Note 36. Interest in other entities

Note 36.1 Subsidiaries

The Group's subsidiaries as at 31 March 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

₹ in Lakhs

Name of the entity	Country of incorporation	Ownership interest held by the group			Ownership interest held by non controlling interests			Principal activities
		31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015	
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	India	49.00%	49.00%	49.00%	51.00%	51.00%	51.00%	Toll management
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Toll management
Kotkapura Muktsar Tollway s Private Limited	India	99.00%	74.00%	74.00%	1.00%	26.00%	26.00%	Toll management
Patiala Nabha Infra Projects Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Toll management
Mohol Kurul Kamati Mandrup Tollways Private Limited	India	49.00%	49.00%	49.00%	51.00%	51.00%	51.00%	Toll management
Supreme Infrastructure BOT Private Limited (SIBPL)	India	100.00%	100.00%	100.00%	-	-	-	Construction
Supreme Infrastructure Overseas LLC	Oman	60.00%	60.00%	60.00%	40.00%	40.00%	40.00%	Construction
Supreme Mega Structures Private Limited	India	60.00%	60.00%	60.00%	40.00%	40.00%	40.00%	Construction
Supreme Panvel Indapur Tollways Private Limited	India	64.00%	64.00%	64.00%	36.00%	36.00%	36.00%	Toll management
Supreme Suyog Funicular Ropeways Private Limited	India	98.00%	98.00%	98.00%	2.00%	2.00%	2.00%	Toll management
Supreme Vasai Bhiwandi Tollways Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Toll management
Supreme Tikamgarh Orchaa Annuity Private Limited ^	India	10.00%	10.00%	100.00%	90.00%	90.00%	-	Toll management

^ Ceased to be a subsidiary on 30 March 2016

36.2 Non-controlling interests (NCI)

The following table summarises the information relating to each of the subsidiaries that has NCI. The amounts disclosed for each subsidiary are before intra-group eliminations

₹ in Lakhs

Particulars	Supreme Infrastructure Oversea LLC			Supreme Mega Structures Private Limited		
	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015
Non-current assets	514.10	520.84	660.81	450.97	550.81	655.80
Current assets	852.23	856.77	886.77	137.69	1,522.82	3,190.45
Non-current liabilities	-	-	-	13.44	17.98	31.15
Current liabilities	2,011.18	1,977.35	1,929.71	194.09	1,699.68	3,460.11
Net assets	**(644.85)**	**(599.74)**	**(382.13)**	**381.13**	**355.97**	**354.99**
Net assets attributable to NCI	**(257.94)**	**(239.90)**	**(152.85)**	**152.45**	**142.39**	**142.00**
Revenue	13.37	-	*^	563.77	697.20	*^
Other Income	-	-	*^	6.76	0.03	*^
Construction Cost	22.29	-	*^	17.73	53.11	*^
Subcontracting expenses	-	-	*^	147.29	127.84	*^

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2017

₹ in Lakhs

Particulars	Supreme Infrastructure Oversea LLC			Supreme Mega Structures Private Limited		
	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015
Employee cost	9.03	26.80	*^	84.95	75.11	*^
Finance cost	0.08	23.64	*^	0.13	19.76	*^
Depreciation	6.74	12.36	*^	86.87	86.91	*^
Other expenses	20.67	27.96	*^	197.16	288.57	*^
Profit for the year	**(45.44)**	**(90.76)**	***^**	**36.40**	**45.93**	***^**
Tax expenses	-	-	*^	11.25	44.99	*^
Net profit after tax	**(45.44)**	**(90.76)**	***^**	**25.15**	**0.94**	***^**
Other comprehensive income	-	-	*^	-	-	*^
Total comprehensive income	**-**	**-**	***^**	**-**	**-**	***^**
Profit/(Loss) allocated to NCI	(18.18)	(36.30)	*^	10.06	0.38	*^
Dividend paid to NCI	-	-	*^	-	-	*^
OCI allocated to NCI	-	-	*^	-	-	*^
Total comprehensive income allocated to NCI	-	-	*^	-	-	*^
Cash flow from operating activities	*^	*^	*^	17.49	1,166.32	*^
Cash flow from investing activities	*^	*^	*^	(18.42)	(1,110.17)	*^
Cash flow from financing activities	*^	*^	*^	(2.49)	(50.91)	*^
Net increase/ (decrease) in cash and cash equivalents	*^	*^	*^	(3.41)	5.24	*^

₹ in Lakhs

Particulars	Supreme Manor Wada Bhiwandi Infrastructure Private Limited			Kotkapura Muktsar Tollways Private Limited		
	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015
Non-current assets	54,407.11	56,899.91	56,054.28	13,637.29	9,353.47	6,430.91
Current assets	1,506.55	685.24	428.90	85.42	43.56	57.23
Non-current liabilities	36,956.54	37,019.86	35,479.06	8,198.79	5,954.74	3,197.38
Current liabilities	5,496.57	4,209.73	2,676.42	2,310.00	613.54	448.96
Net assets	**13,460.55**	**16,355.56**	**18,327.70**	**3,213.92**	**2,828.75**	**2,841.80**
Net assets attributable to NCI	**6,864.88**	**8,341.34**	**9,347.13**	**32.14**	**735.48**	**738.87**
Revenue	4,812.90	3,220.01	*^	2,985.25	3,600.84	*^
Other Income	13.15	18.99	*^	-	-	*^
Construction Cost	155.82	111.50	*^	-	-	*^
Operating and maintenance expenses	1,784.45	118.25	*^	2,985.25	3,600.84	*^
Employee cost	161.30	194.83	*^	-	-	*^
Finance cost	4,574.99	4,156.50	*^	14.25	11.33	*^
Depreciation	509.55	330.72	*^	-	-	*^
Other expenses	534.95	299.34	*^	0.58	1.72	*^
Profit for the year	**(2,895.01)**	**(1,972.14)**	***^**	**(14.83)**	**(13.05)**	***^**
Tax expenses	-	-	*^	-	-	*^
Net profit after tax	**(2,895.01)**	**(1,972.14)**	***^**	**(14.83)**	**(13.05)**	***^**
Other comprehensive income	-	-	*^	-	-	*^
Total comprehensive income	-	-	*^	-	-	*^
Profit/(Loss) allocated to NCI	**(1,476.46)**	**(1,005.79)**	***^**	**(0.15)**	**(3.39)**	***^**
Dividend paid to NCI	-	-	*^	-	-	*^
OCI allocated to NCI	-	-	*^	-	-	*^

₹ in Lakhs

Particulars	Supreme Manor Wada Bhiwandi Infrastructure Private Limited			Kotkapura Muktsar Tollways Private Limited		
	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015
Total comprehensive income allocated to NCI	-	-	*^	-	-	*^
Cash flow from operating activities	1,042.55	1,940.17	*^	10.22	(88.23)	*^
Cash flow from investing activities	1,144.83	(242.54)	*^	(2,705.71)	(2,590.01)	*^
Cash flow from financing activities	(2,495.27)	(1,633.74)	*^	2,737.36	2,664.56	*^
Net increase/ (decrease) in cash and cash equivalents	**(307.89)**	**63.89**	*^	**41.87**	**(13.68)**	*^

₹ in Lakhs

Particulars	Supreme Suyog Funicular Ropeways Private Limited			Supreme Panvel Indapur Tollways Private Limited		
	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015
Non-current assets	10,624.06	9,309.51	8,367.93	123,369.52	108,034.48	95,407.00
Current assets	558.53	18.43	459.00	329.61	188.82	257.47
Non-current liabilities	5,872.11	4,968.00	4,580.00	89,213.89	75,717.90	66,863.12
Current liabilities	1,403.13	1,047.12	925.96	7,002.37	6,415.93	5,605.81
Net assets	**3,907.35**	**3,312.82**	**3,320.97**	**27,482.87**	**26,089.47**	**23,195.54**
Net assets attributable to NCI	**78.15**	**66.26**	**66.42**	**9,893.83**	**9,392.21**	**8,350.39**
Revenue	660.30	105.90	*^	11,812.80	2,123.00	*^
Other Income	-	-	*^	-	-	*^
Construction Cost	660.30	105.90	*^	-	-	*^
Operating and maintenance expenses	-	-	*^	11,480.72	1,869.40	*^
Employee cost	-	-	*^	1.69	60.63	*^
Finance cost	4.90	6.41	*^	18.36	12.46	*^
Depreciation	-	-	*^	0.93	1.02	*^
Other expenses	0.58	1.72	*^	317.69	185.54	*^
Profit for the year	**(5.48)**	**(8.13)**	*^	**(6.59)**	**(6.05)**	*^
Tax expenses	-	-	*^	-	-	*^
Net profit after tax	**(5.48)**	**(8.13)**	*^	**(6.59)**	**(6.05)**	*^
Other comprehensive income	-	-	*^	-	-	*^
Total comprehensive income	-	-	*^	-	-	*^
Profit/(Loss) allocated to NCI	**(0.11)**	**(0.16)**	*^	**(2.37)**	**(2.18)**	*^
Dividend paid to NCI	-	-	*^	-	-	*^
OCI allocated to NCI	-	-	*^	-	-	*^
Total comprehensive income allocated to NCI	-	-	*^	-	-	*^
Cash flow from operating activities	20.49	327.05	*^	7,810.00	412.00	*^
Cash flow from investing activities	(986.69)	(903.82)	*^	(22,679.00)	(12,213.00)	*^
Cash flow from financing activities	1,514.12	573.36	*^	14,896.00	11,755.00	*^
Net increase/ (decrease) in cash and cash equivalents	**547.92**	**(3.41)**	*^	**27.00**	**(46.00)**	*^

₹ in Lakhs

Particulars	Mohol Kurul Kamati Mandrup Tollways Private Limited		
	31March 2017	31 March 2016	1 April 2015
Non-current assets	80.68	80.68	64.29
Current assets	2.00	2.00	2.37
Non-current liabilities	-	-	-
Current liabilities	86.60	86.01	68.27
Net assets	**(3.92)**	**(3.33)**	**(1.61)**
Net assets attributable to NCI	**(2.00)**	**(1.70)**	**(1.61)**
Revenue	-	-	*^
Other Income	-	-	*^
Construction Cost	-	-	*^
Operating and maintenance expenses	-	-	*^
Employee cost	-	-	*^
Finance cost	0.03	-	*^
Depreciation	-	-	*^
Other expenses	0.58	1.72	*^
Profit for the year	**(0.61)**	**(1.72)**	***^**
Tax expenses	-	-	*^
Net profit after tax	**(0.61)**	**(1.72)**	***^**
Other comprehensive income	-	-	*^
Total comprehensive income	-	-	*^
Profit/(Loss) allocated to NCI	**(0.31)**	**(0.88)**	***^**
Dividend paid to NCI	-	-	*^
OCI allocated to NCI	-	-	*^
Total comprehensive income allocated to NCI	**-**	**-**	***^**
Cash flow from operating activities	0.03	(4.25)	*^
Cash flow from investing activities	-	(16.39)	*^
Cash flow from financing activities	(0.03)	20.27	*^
Net increase/ (decrease) in cash and cash equivalents	**-**	**(0.37)**	***^**

*^ Indicates disclosures that are not required 36.3 Interest in associates and joint venture

36.3 Interest in associates and joint venture

₹ in Lakhs

Particulars	Note	Carrying amount as at		
		31March 2017	31 March 2016	1 April 2015
Interest in associates	See (A) below	1,128.56	1,134.32	2,457.02
Interest in joint ventures	See (B) below	6,365.16	8,329.30	9,451.60
		7,493.72	9,463.62	11,908.62

(A) Interest in associates

The Group's associates as at 31 March 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

₹ in Lakhs

Name of the entity	Country of incorporation	Ownership interest	Carrying amount as at*			Principal activities
			31 March 2017	31 March 2016	1 April 2015	
Rudranee Infrastructure Limited	India	49.00%	634.67	640.43	1,835.52	Construction
Sohar Stones LLC	Oman	30.00%	493.89	493.89	621.50	Construction
			1,128.56	1,134.32	2,457.02	

*Unlisted entity - no quoted price available

Refer Note 36.4 for the summarised financial information for associates. The information disclosed reflects the amount presented in the financial statement of the relevant associates and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including fair value adjustments at the time of acquisition and modifications for difference in accounting policies.

Refer Note 32 for the Group share of capital commitment and contingent liability in relation to its interest in associates

(B) Interest in joint ventures

The Group's joint ventures as at 31 March 2017 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

₹ In Lakhs

Name of the entity	Country of incorporation	Ownership interest ***	Carrying amount as at*			Principal activities
			31 March 2017	31 March 2016	1 April 2015	
Sanjose Supreme Tollways Development Private Limited (SSTDPL)	India	97.00%	(58.76)	(12.02)	-	Toll management
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	India	100.00%	-	-	-	Toll management
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	India	90.00%	-	-	-	Toll management
Supreme Infrastructure BOT Holdings Private Limited	India	51.00%	6,309.92	8,227.32	9,337.60	Construction
Supreme Kopargaon Ahmednagar Tollways Private Limited	India	100.00%	114.00	114.00	114.00	Toll management
			6,365.16	**8,329.30**	**9,451.60**	

*Unlisted entity - no quoted price available

Refer Note 36.5 for the summarised financial information for joint ventures. The information disclosed reflects the amount presented in the financial statement of the relevant joint venture and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including fair value adjustments at the time of acquisition and modifications for difference in accounting policies.

During the years ended 31 March 2017 and 31 March 2016, the Group did not receive dividends from any of its joint ventures

Note 36.4 Table below provide summarised financial information for associates ₹ In Lakhs

Particulars	Rudranee Infrastructure Limited			Sohar Stones LLC		
	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015
Non-current assets	2,838.71	1,791.20	1,686.82	514.10	520.84	660.81
Current assets	22,416.87	23,598.90	24,935.79	852.23	856.77	886.77
Non-current liabilities	4,267.81	2,812.31	2,501.96	-	-	-
Current liabilities	16,881.21	18,459.47	17,660.88	2,011.18	1,977.35	1,929.71
Net assets	**4,106.56**	**4,118.32**	**6,459.77**	**(644.85)**	**(599.74)**	**(382.13)**
Group share of net assets	**2,012.21**	**2,017.98**	**3,165.29**	**(193.46)**	**(179.92)**	**(114.64)**
Revenue	12,446.33	12,814.94	*^	13.37	-	*^
Other Income	55.71	39.07	*^	-	-	*^
Construction Cost	10,322.68	11,983.75	*^	22.29	-	*^
Employee cost	142.06	141.88	*^	9.03	26.80	*^
Finance cost	1,647.09	2,387.57	*^	0.08	23.64	*^
Depreciation	56.53	65.69	*^	6.74	12.36	*^
Other expenses	345.45	714.07	*^	20.67	27.96	*^
Profit/ (loss) for the year	**(11.77)**	**(2,438.95)**	***^**	**(45.44)**	**(90.76)**	***^**
Tax expenses	-	-	*^	-	-	*^
Profit/ (loss) for the year after tax	**(11.77)**	**(2,438.95)**	***^**	**(45.44)**	**(90.76)**	***^**
Other comprehensive income	-	-	*^	-	-	*^
Total comprehensive income	**-**	**-**	***^**	**-**	**-**	***^**
Group share of profit/ (loss)	**(5.76)**	**(1,195.08)**	***^**	**(13.63)**	**(27.23)**	***^**
Group share of OCI	-	-	*^	-	-	*^
Group share of total comprehensive income	**-**	**-**	***^**	**-**	**-**	***^**
Dividend received	**-**	**-**	***^**	**-**	**-**	***^**

*^ Indicates disclosures that are not required

₹ in Lakhs

Particulars	Sanjose Supreme Tollways Development Private Limited			Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited			Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited		
	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015
Non-current assets	38,001.80	33,935.70	29,186.32	67,862.04	61,815.08	54,590.39	39,788.16	35,875.77	28,320.76
Current assets	289.53	126.90	926.53	0.79	28.91	63.83	753.50	103.17	73.89
Non-current liabilities	24,033.09	24,417.10	21,989.36	46,257.76	43,896.01	39,127.35	28,786.06	24,699.27	18,615.85
Current liabilities	2,010.48	1,393.29	531.21	5,968.97	2,150.48	2,290.60	2,542.51	1,982.47	1,806.28
Net assets	**12,247.76**	**8,252.21**	**7,592.28**	**15,636.10**	**15,797.50**	**13,236.27**	**9,213.09**	**9,297.20**	**7,972.52**
Group share of net assets	**11,880.33**	**8,004.64**	**7,364.51**	**15,636.10**	**15,797.50**	**13,236.27**	**8,291.78**	**8,367.48**	**7,175.27**
Revenue	1,121.20	981.70	*^	846.30	1,301.76	*^	3,429.13	4,604.53	*^
Interest Income	-	-	*^	-	-	*^	-	-	*^
Construction Expenses	-	-	*^	846.30	1,301.76	*^	3,429.11	4,604.54	*^
Operating expenses	1,270.05	1,007.17	*^	-	-	*^			*^
Finance cost	-	-	*^	147.48	130.75	*^	124.92	97.04	*^
Other expenses	4.00	4.58	*^	13.94	8.02	*^	9.20	8.26	*^
Profit/ (Loss) for the year before tax	**(152.85)**	**(30.05)**	***^**	**(161.42)**	**(138.77)**	***^**	**(134.10)**	**(105.31)**	***^**
Income tax expenses	-	-	*^	-	-	*^	-	-	*^

Particulars	Sanjose Supreme Tollways Development Private Limited			Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited			Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited		
	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015
Profit/ (Loss) for the year	**(152.85)**	**(30.05)**	*^	**(161.42)**	**(138.77)**	*^	**(134.10)**	**(105.31)**	*^
Other comprehensive income	-	-	*^	-	-	*^	-	-	*^
Total comprehensive income	**-**	**-**	*^	**-**	**-**	*^	**-**	**-**	*^
Group share of profit/ (Loss)	**(148.27)**	**(29.15)**	*^	**(161.42)**	**(138.77)**	*^	**(120.69)**	**(94.78)**	*^
Group share of OCI	**-**	**-**	*^	**-**	**-**	*^	**-**	**-**	*^
Group share of total comprehensive income	**-**	**-**	*^	**-**	**-**	*^	**-**	**-**	*^

₹ in Lakhs

Particulars	Supreme Infrastructure BOT Holdings Private Limited			Supreme Kopargaon Ahmednagar Tollways Private Limited		
	31March 2017	31 March 2016	1 April 2015	31March 2017	31 March 2016	1 April 2015
Non-current assets	33,656.04	33,622.63	29,642.35	9,583.97	15,214.49	18,081.70
Current assets	200.74	86.80	511.72	3,216.02	356.91	50.77
Non-current liabilities	3,999.42	4,316.85	-	6,201.61	9,457.06	12,070.93
Current liabilities	663.73	154.55	868.74	8,959.90	5,042.76	3,093.49
Net assets	**29,193.63**	**29,238.03**	**29,285.33**	**(2,361.52)**	**1,071.58**	**2,968.05**
Group share of net assets	**14,888.75**	**14,911.40**	**14,935.52**	**(2,361.52)**	**1,071.58**	**2,968.05**
Revenue	68.78	75.40	*^	4,619.78	3,410.47	*^
Other income	-	-	*^	-	320.08	*^
Subcontracting expenses	40.25	46.76	*^	-	-	*^
Operating and maintenance expenses	-	-	*^	2,137.23	964.19	*^
Employee cost	39.00	39.10	*^	129.97	101.58	*^
Finance cost	-	0.35	*^	1,757.32	1,656.88	*^
Depreciation and amortisation	15.30	18.47	*^	3,716.77	2,629.75	*^
Other expenses	18.63	12.55	*^	311.60	274.62	*^
Profit/ (Loss) for the year before tax	**(44.40)**	**(41.83)**	*^	**(3,433.11)**	**(1,896.47)**	*^
Income tax expenses	-	-	*^	-	-	*^
Profit/ (Loss) for the year after tax	**(44.40)**	**(41.83)**	*^	**(3,433.11)**	**(1,896.47)**	*^
Other comprehensive income	-	-	*^	-	-	*^
Total comprehensive income	-	-	*^	-	-	*^
Group share of profit/ (Loss)	**(22.64)**	**(21.33)**	*^	**(3,433.11)**	**(1,896.47)**	*^
Group share of OCI	**-**	**-**	*^	**-**	**-**	*^
Group share of total comprehensive income	**-**	**-**	*^	**-**	**-**	*^

*^ Indicates disclosures that are not required

Note 37 Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group'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 comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk includes loans and borrowings.

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's total debt obligations with floating interest rates.

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 Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

₹ In Lakhs

	31 March 2017	31 March 2016
Increase in basis points	50 basis points	50 basis points
Effect on loss before tax, increase by	1,962.73	1,756.84
Decrease in basis points	50 basis points	50 basis points
Effect on loss before tax, decrease by	1,962.73	1,756.84

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

b. Foreign currency risk

The Group does not have significant outstanding balances in foreign currency and consequently the Group's exposure to foreign exchange risk is less. Although, the exchange rate between the rupee and foreign currencies has changed substantially in recent years, it has not affected the results of the Group. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The following table analysis foreign currency risk from financial instruments as at 31 March 2017:

₹ In Lakhs

The following table analysis foreign currency risk from financial instruments as at 31 March 2017:			**31 March 2016**		**1 April 2015**	
			USD	**EUR**	**USD**	**EUR**
Liabilities						
External commercial borrowings	-	-	-	-	27.90	-
	-	**-**	**-**	**-**	**27.90**	**-**
Net liabilities	**-**	**-**	**-**	**-**	**27.90**	**-**

Sensitivity analysis

The Group's exposure in foreign currency is not material and hence the impact of any significant fluctuation in the exchange rates is not expected to have a material impact of the operating profits of the Group.

c. Equity price risk

The Group's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

ii. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, unbilled work-in-progress, cash and cash equivalents and receivable from group companies.

a. Credit risk on trade receivables and unbilled work is limited as the customers of the Group mainly consists of the government promoted entities having a strong credit worthiness. For other customers, the Group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Group's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from government promoted agencies and others.

	31 March 2017%	31 March 2016%
Revenue from government promoted agencies	63.15	47.67
Revenue from others	36.85	52.33
	100.00	**100.00**

The following table gives details in respect of contract revenues generated from the top customer and top 5 customers for the year ended:

₹ in Lakhs

	31 March 2017	31 March 2016
Revenue from top customer	6,363.50	10,124.32
Revenue from top five customers	21,267.27	32,814.44

For the years ended 31 March 2017 and 31 March 2016, none of the customer, individually, accounted for more than 10% of the revenue.

The movement of the allowance for lifetime expected credit loss is stated below: ^ ₹ in Lakhs

	31 March 2017	31 March 2016
Balance at the beginning of the year	5,741.03	4,297.49
Balance at the end of the year	15,405.50	5,741.03

^ The Group has written off ₹ 3,672.48 lakhs and ` Nil towards amounts not recoverable from trade receivables, advances, inventory and unbilled work during the years ended 31 March 2017 and 31 March 2016, respectively.

b Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings.

iii Liquidity risk

Liquidity is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

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

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2017					
Borrowings (including interest accrued)	107,486.99	66,457.55	104,274.36	166,170.17	444,389.07
Trade payables	-	19,489.09	-	-	19,489.09
Other financial liabilities	-	8,644.37	-	-	8,644.37
	107,486.99	**94,591.00**	**104,274.36**	**166,170.17**	**472,522.53**

₹ in Lakhs

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
As at 31 March 2016					
Borrowings (including interest accrued)	93,209.14	36,415.32	100,613.41	164,953.85	395,191.72
Trade payables	-	11,318.52	-	-	11,318.52
Other financial liabilities	-	7,331.69	-	-	7,331.69
	93,209.14	**55,065.54**	**100,613.41**	**164,953.85**	**413,841.94**
As at 1 April 2015					
Borrowings (including interest accrued)	59,112.25	34,469.70	78,481.90	156,492.15	328,556.00
Trade payables	-	14,741.58	-	-	14,741.58
Other financial liabilities	-	6,919.18	-	-	6,919.18
	59,112.25	**56,130.46**	**78,481.90**	**156,492.15**	**350,216.76**

Note 38 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The Group 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 Group 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 Group may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Group monitors its capital using the gearing ratio which is total debt divided by total equity attributable to owners of the parent plus total debts.

₹ in Lakhs

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Total debts	362,338.56	320,286.62	292,309.75
Equity attributable to owners of the parent	21,474.35	55,490.59	70,347.98
Total debts to equity ratio (Gearing ratio)	**94.40%**	**85.23%**	**80.60%**

In the long run, the Group's strategy is to maintain a gearing ratio between 60% to 95%.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. Subsequent to restructuring of the borrowings as stated in note 17, there have been no communications from the banks in this regard which might have a negative impact on the gearing ratio.

Note 39 . The Group has disclosed business segment as the primary segment. Segments have been identified taking into account the nature of activities of the parent company, its subsidiaries and joint ventures, the differing risks and returns, the organization structure and internal reporting system. Also, refer note 37(ii) for information on revenue from major customers.

The Group's operations predominantly relate to 'Engineering and Construction' and 'Road Infrastructure'.

The segment revenue, segment results, segment assets and segment liabilities include respective amounts identifiable to each of the segment and also amounts allocated on a reasonable basis.

₹ in Lakhs

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the consolidated financial statements
for the year ended 31 March 2017

Particulars	As at 31 March 2017	As at 31 March 2016
Segment revenue		
Engineering and construction	105,589.09	121,667.04
Road Infrastructure	26,853.97	18,753.80
Less: Inter segment revenue	(16,341.80)	(11,460.30)
Total Revenue	**116,101.26**	**128,960.54**
Segment profit/ (loss) before tax, finance cost and exceptional item		
Engineering and construction	19,041.58	25,486.60
Road Infrastructure	(2,406.00)	(4,518.72)
Less: Un-allocable expenditure net of unallocable income	-	-
Total	**16,635.58**	**20,967.88**
Less: Exceptional items		
- Engineering and construction	12,826.95	-
Profit/ (loss) before finance cost, share of profit/ (loss) of associates and joint ventures and tax	**3,808.63**	**20,967.88**
Segment Assets		
Engineering and construction	308,041.89	318,563.42
Road Infrastructure	166,695.89	146,784.93
Unallocable corporate assets	30,022.77	26,484.52
	504,760.55	**491,832.87**
Segment Liabilities		
Engineering and construction	37,346.50	14,975.10
Road Infrastructure	1,315.55	7,475.30
Unallocable corporate liabilities	446,941.06	414,721.43
	485,603.11	**437,171.83**

Note 39.1 Segment asset excludes current and non-current investments, deferred tax assets and advance payment of income tax.

Note 39.2 Segment liabilities excludes borrowings (including current borrowings) and current maturities of long term borrowing, share application money deferred tax liability, accrued interest and non-controlling interests.

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

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No. 001076N / N500013

Adi P. Sethna
Partner
Membership No. : 108840

For Shah & Kathariya
Chartered Accountants
Firm Registration No: 115171W

P. M. Kathariya
Partner
Membership No. : 031315

For and on behalf of the Board of Directors

B. H. Sharma
Chairman
DIN No : 01249834
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

Vikas Sharma
Whole Time Director & CFO
DIN No : 01344759
Place : New Delhi
Date : 30 May 2017

Vijay Joshi
Company Secretary
ACS : 7298
Place : Mumbai

Place : Mumbai
Date : 30 May 2017

FORM AOC-I

Statement pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC -1 relating to subsidiary, joint venture and associate companies

(₹ in Lacs)

A. Subsidiary Companies

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Invest-ments	Turnover	Profit before Taxation	Prvision for taxation	Profit After Taxation	Proposed Dividend	% Shareholding
1	Supreme Infrastructure BOT Pvt. Ltd.	INR	1	6710.92	125,354	125354	71,944.97	77.91	-6952.58	0	-6,952.58	0	100%
2	Supreme Panvel Indapur Tollways Pvt Ltd	INR	10	27472.9	131833.93	131833.93	11.5	22678.78	-6.59	0	-6.59	0	64%
3	Supreme Mega Structures Pvt Ltd	INR	1	380.12	588.66	588.66	0	570.53	36.42	11.25	25.17	0	60%
4	Supreme Manor Wada Bhiwandi Infrastructure Pvt Ltd	INR	10	13450.56	55913.67	55913.67	0	4826.05	-2,895.01	0	-2,895.01	0	49%
5	Patiala Nabha Infra Projects Pvt Ltd (Formerly known as Supreme Infra Projects Pvt Ltd)	INR	1	-694.81	8106.97	8,106.97	0	1047.57	-673.15	0	-673.15	0	100%
6	Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Pvt Ltd.	INR	5	-386.91	40541.66	40,541.66	0	3429.11	-134.12	0	-134.12	0	90%
7	Supreme Ahmednagar Karmala Tembhurni Tollways Pvt Ltd.	INR	28	2109.08	67862.81	67,862.81	0	846.29	-161.42	0	-161.42	0	100%
8	Supreme Infrastructure BOT Holdings Pvt. Ltd. (SIBHPL)	INR	154.9	28743.74	33856.78	33,856.78	33,515.50	68.78	-44.4	0	-44.40	0	51%
9	Supreme Kopargaon Ahmednagar Tollways Private Limited	INR	1	-10077.53	12799.99	12,799.99	0	4619.78	-3,433.11	0	-3,433.11	0	100%
10	Supreme Suyog Funicular Ropeways Private Limited	INR	10	3897.45	11182.59	11,182.59	0	660.3	-5.47	0	-5.47	0	98%
11	Kopargaon Ahmednagar Tollways (Phase I) Private Limited	INR	1	9249.63	30121.14	30,121.14	0	2291	-27.87	0	-27.87	0	100%
12	Supreme Infrastructure Overseas LLC	*OMR											
13	Supreme Vasai Bhiwandi Tollways Private Limited	INR	1	730.44	27466.08	27,466.08	0	3187.43	-3156.1	0	-3,156.10	0	100%
14	Kotkapura Muktsar Tollways Private Limited	INR	51	3111.97	13722.71	13,722.71	0	2985.25	-14.82	0	-14.82	0	74%
15	Mohol Kurul Kamati Mandrup Tollways Private Limited	INR	1	-4.93	82.68	82.68	0	0	-0.60	0	-0.60	0	49%

Notes:

i The Financial Statements of all subsidiaries are drawn upto the same reporting date as that of the Parent Company, i.e. March 31, 2017

ii * The Financial statements of subsidiary Co. - Supreme Infrastructure Overseas LLC is converted into Indian Rupees on the basis of exchange rate as at the closing day of the financial year.

B. Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

₹ in Lakhs

	Name of Associates/ Joint Ventures	Rudranee Infrastructure Limited	Sanjose Supreme Tollways Private Limited	Sohar Stones LLC
1	Latest Audited Balance sheet Date	31/03/2017	31/03/2017	31/03/2017
2	Shares of Associate/ Joint Ventures held by the company on the year end			
	No. of shares - Equity	1,21,83,648	1,47,998	-
	- Preference	-	7,60,000	-
	Amount of Investment in Associates/ Joint Venture -	1799.52	7614.79	493.89
	Extent of Holding %	49%	96.10%	30%
3	Discription of how there is significant influence	Singnificant influence over Share Capital	Singnificant influence over Share Capital	Singnificant influence over Share Capital
4	Reason why the associate/ joint venture is not consolidated	Consolidated	Consolidated	Consolidated
5	Networth attributable to shareholding as per latest audited Balance sheet	-	-	-
6	Profit/ Loss of the year			
	i considered in Consolidation	-	-	-
	ii Not consideration in consolidation	-	-	-





SUPREME
THE POWER OF EXCELLENCE
SUPREME INFRASTRUCTURE INDIA LTD.

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