

2nd January, 2019

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 2017-18

Scrip Code: 532904/ SUPREMEINFRA

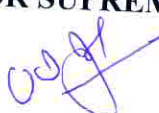
Pursuant to the Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we enclose herewith the Annual Report 2017-18 duly adopted at the 35th Annual General Meeting of the Company held on December 31, 2018 at 11.30 a.m. at Athena Banquet Hall, 8th Floor, B-Wing, Supreme Business Park, Hiranandani, Powai, Mumbai – 400 076 along with Statement on Impact of Audit Qualifications.

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

Thanking you,

Yours faithfully,

FOR SUPREME INFRASTRUCTURE INDIA LIMITED


(VIJAY JOSHI)
COMPANY SECRETARY



Encl. as above

SUPREME INFRASTRUCTURE INDIA LTD.
(AN ISO-9001/14001/OHSAS-18001 CERTIFIED COMPANY)

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 • Website : www.supremeinfra.com
CIN : L74999MH1983PLC029752



SUPREME INFRASTRUCTURE INDIA LTD.

ANNUAL REPORT 2017-2018



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. B. H. Sharma

Executive Chairman

Mr. Vikram Sharma

Managing Director

Mr. Vikas Sharma

Director

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

CHIEF FINANCIAL OFFICER

Mr. Sandeep Khandelwal

COMPANY SECRETARY

Mr. Vijay Joshi

STATUTORY AUDITORS

Walker Chandiok & Co LLP

Chartered Accountants

Ramanand & Associates

Chartered Accountants

BANKERS & INSTITUTIONS

State Bank of India

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,

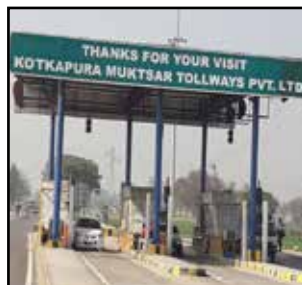
Mumbai 400059

Tel: +91 22 6263 8200

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



- KOTKAPURA MUKTSAR, Punjab
- ₹ 1,170 Million Project Cost
- 99% Supreme Stake
- 30 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



- KOPARGAON AHMEDNAGAR Phase 1, Maharashtra
- 2,880 Million Project Cost
- 100% Supreme Stake
- 23 Kms Road Length
- 42 Kms Road Widening

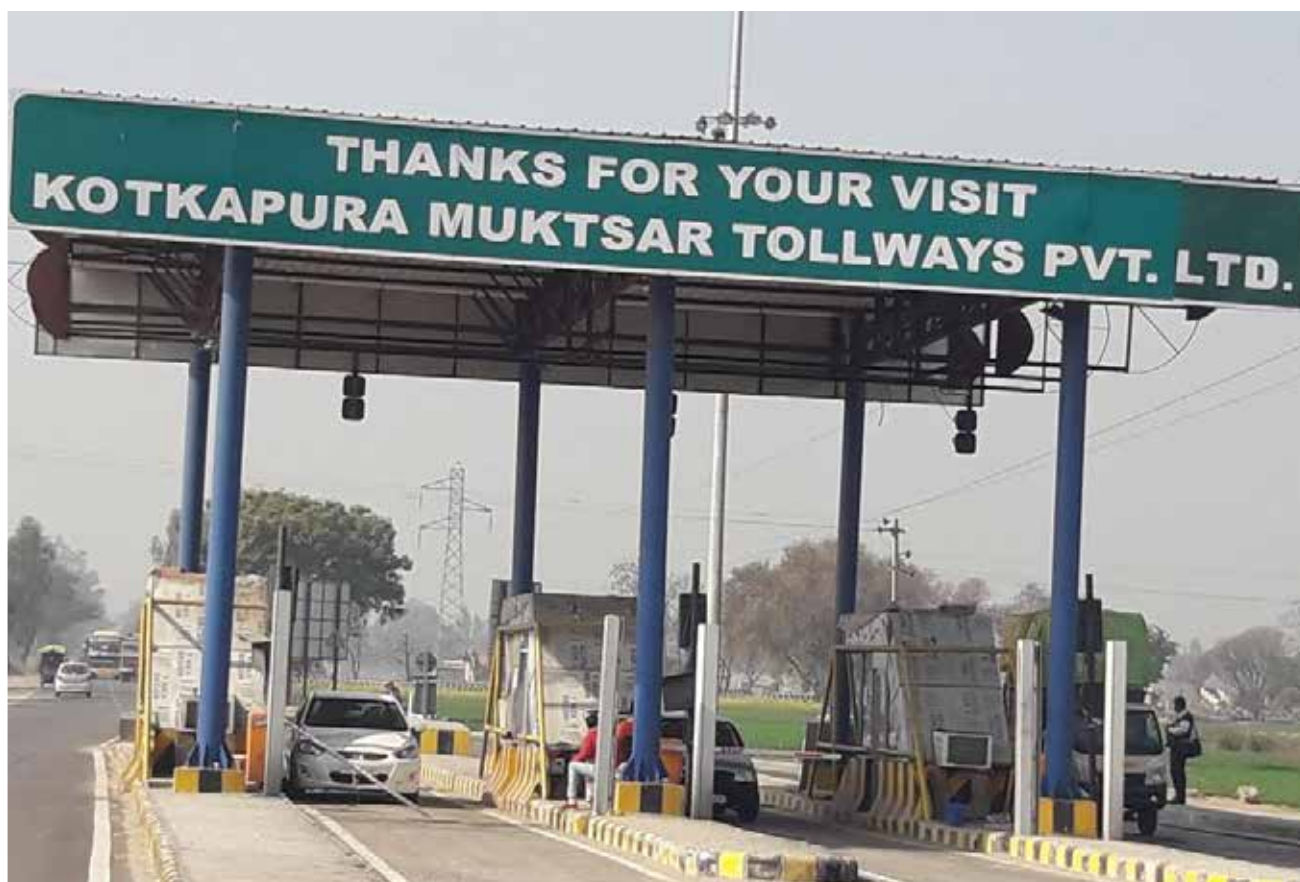


- PATIALA NABHA MALERKOTLA, Punjab
- 930 Million Project Cost
- 100% Supreme Stake
- ₹ 650 Million Sanctioned Debt
- 55.7 Kms Road Length



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

Toll operations commenced during the year



MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY OVERVIEW

The acceleration in global activity that started in 2016 gathered steam in 2017, reflecting firmer domestic demand growth in advanced economies and improved performance in other large emerging market economies. Global growth is expected to sustain for the next couple of years and has also accelerated mainly in the emerging markets and developing economies due to the commodity exporters. Global growth is set to be just over 3.5% in this calendar year 2018, the fastest for seven years, with improved outcomes in both advanced economies and the Emerging Market Economies. The US taxation policy has stimulated the growth in the country primarily driven by increase in investments in USA due to favourable corporate tax rate. Although the global economy has grown at a seven year high in the near term it is expected that the economy will see a sharp turn over the long term horizon and is subjected to substantial downside risk mainly due to increased protectionist policies, possibility of financial stress and rising geo political tensions.

Confidence measures and levels of new orders for businesses have remained strong. This long awaited lift to global growth, supported by policy stimulus, is being accompanied by solid employment gains, a moderate upturn in investment and a pick-up in trade growth. The continued expansion depends on robust global growth and governments' support for right trade policies. However, there are signs that escalating trade tensions may already be affecting business confidence and investment decisions, which could compromise the current outlook.

INDIAN ECONOMY OVERVIEW

Indian economic growth is giving a positive signal for the current and future scenario. It is projected to strengthen to above 7%, gradually recovering from the transitory adverse impact of rolling out the Goods and Services Tax (GST) and measures to choke off the black economy, including demonetization. India's GDP grew 7.2% in the third quarter of FY 2018, surpassing expectations and wresting back the mantle

of fastest growing economy from China on the back of a rebound in industrial activity, especially manufacturing and construction, and an expansion in agriculture. Reserve Bank of India has estimated GDP growth in a range from 7.4% to 7.9% for the Financial Year 2019-2020.

The biggest challenges for 2018 are as to how the economy can maintain its recovery in the face of increasing inflationary pressures, coupled with a higher fiscal deficit as well as an increasing debt burden. The key to this conundrum lies in the revival of consumer demand and private investment.

Fiscal deficit for 2017-18 is revised to INR 5.95 lakh Cr at 3.5% of the GDP, which is approximately the same as 2016-17 in spite of transformation in the economy. In addition to initiatives like; 'Make in India', 'Housing for All', 'Digital India' government has also introduced 'Sagarmala' and 'Bharat Mala' initiatives, which is expected to boost the domestic growth of the country.

INDIA'S INFRASTRUCTURE SECTOR OVERVIEW

The Government of India has taken major steps to empower the economic accreditations of the country and make it one of the powerful economies in the world. It is striving to move steadily to reduce structural and political bottlenecks, attract higher investment and improve the overall economic performance.

Infrastructure is the backbone of our economy and society at large, ranging from the roads, rails to electricity that lights or heats our homes to the water we drink by investing in core infrastructure businesses that deliver essential services throughout the economic cycle. The Government of India is extremely keen on developing the infrastructure sector in the country. This is clearly evident through several initiatives announced for this sector as part of the Budget 2018-19. Infrastructure has become the priority segment in the Union Budget.

1. Roads & Transportation Sector

India has the second largest road network in the world, constituting over a total of 5.6 million km in length. Over 65% of all goods in the country are transported via roads, while 90% of the total passenger traffic uses road network to commute on a day to day basis.

The government's ambitious infrastructure development plan aims to provide significant opportunities for investors and market players to help change the sector and partner India's socio-economic progress.

India has surpassed its own capacities by extending its capabilities beyond the national boundaries via road connectivity. The transportation sector has been highly responsible for propelling India's overall development. The Government of India has intensified its focus on this sector by initiating policies that would ensure time-bound creation of world class infrastructure in the country at a breakneck pace.

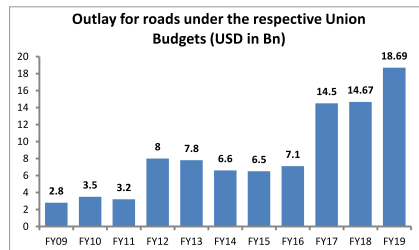
India's total road length includes National Highways (NHs), Expressways, State Highways (SHs), district roads, PWD roads, and project roads.

The network can be sub-divided into three categories for a total length of 5,600,000 km:

- State Highways: They form 3% of the total roads in India totalling a length of 176,166 km.
- National Highways: They form merely 2% of the total roads in India envisaging a total length of 115,530 km.
- District and Rural Roads: They form 95% of the total roads in India envisaging a total length of 5,326,166 km.

Roadways has been the key focus area for budget allocations over the years. As per Union Budget 2018-19, the government provided an outlay of INR 1.21 lakh crore (US\$ 18.69 billion) for the road sector. The graph provided below provides a clear idea of the trend of outlay for roads under the respective Union Budgets.

MANAGEMENT DISCUSSION & ANALYSIS



There were also several policy proposals made in the Budget Speech by the Finance Minister which can be seen as follows below:

Road and infrastructure cess: The existing Road Cess (cess on motor spirit and high speed diesel) has been converted to the Road and Infrastructure Cess. This cess on petrol and high-speed diesel has been increased by INR 2 per litre, while the excise and customs duty have been reduced by the same amount.

Under the Bharatmala Pariyojana, about 35,000 km of roads will be developed in Phase-I at an estimated cost of INR 5,35,000 cr. The Government is planning to introduce toll system on 'pay as you use' basis.

The two key authorities in the road development segment of the country are NHAI and MORTH. In the year 2017, NHAI and MORTH have been awarded 16,000 km of road projects – the highest in the sector's history. The pace of construction of highways also reached 28km/day from 14km/day in 2014.

2. Building Sector

Under the "Housing-For-All by 2022" programme, the government envisages

pucca houses with water connections, toilet facilities, and 24x7 electricity.

Pradhan Mantri Awaas Yojana (PMAY): The government intends to construct 22mn affordable houses by spending INR 3 trillion by 2022. Under this ambitious plan, 12mn units are proposed to be built in urban entailing a cost of INR 1.86 trillion and 10mn units are proposed to be built in rural entailing a cost of INR 1.27 trillion.

3. Rural housing

The government plans to spend INR 3.5 trillion to build 30mn houses under the National Gramin Awaas Mission (NGAM) for the homeless by 2022 in rural areas.

4. Urban housing

The central government has a plan to roll out the following schemes for development:

- This involves redevelopment of slums with the participation of private helped by a central grant of INR 100,000 per beneficiary. State governments can use this grant as viability gap funding for any slum redevelopment scheme.
- An interest subsidy of 6.5% on housing loans up to tenure of 15 years to EWS and LIG beneficiaries will be provided for loan amounts up to INR 600,000.
- Central assistance of INR 150k per beneficiary, to promote housing stock for urban poor with the involvement of private/public sectors – 35% of proposed units to be earmarked for the EWS category.
- Subsidy for beneficiary-led individual construction or enhancement: Central assistance of INR 150,000 each to eligible urban poor beneficiaries to help them build own houses or

undertake improvements to existing ones.



Smart Cities Project

Smart Cities Mission referred to as Smart City Mission is an urban renewal and retrofitting program by the Government of India with the mission to develop 100 cities across the country making them citizen friendly and sustainable.

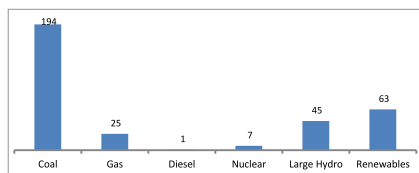
Smart Cities Mission envisions developing an area within 100 cities in the country as model areas based on an area development plan, which is expected to have a spill-over effect on other parts of the city and nearby cities and towns. Cities will be selected based on the Smart Cities challenge, where cities will compete in a countrywide competition to obtain the benefits from this mission. As of January 2018, 99 cities have been selected to be upgraded as part of the Smart Cities Mission after they defeated other cities in the challenges.

5. Power Sector

India's power sector is one of the most diversified sectors in the world. Sources of power generation is notably distinguished between conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional



MANAGEMENT DISCUSSION & ANALYSIS



sources such as wind, solar, and agricultural and domestic waste. In order to meet the increasing demand of electricity in the country, massive addition is needed to the installed generating capacity. In order to address the lack of adequate electricity supply to the people in the country by March 2019, the Government of India has launched a scheme called 'Power for All'. This scheme will ensure continuous and uninterrupted electricity supply to all households, industries and commercial establishments by creating and improving necessary infrastructure. It's a joint collaboration of the Government of India with states to share funding and create overall economic growth. The country's total installed capacity of power plants as on 31st March, 2018 stood at 3,40,527 Mega Watts (MW).

Sector	STATUS	% of total
State Sector	84,517	24.8%
Central Sector	1,03,968	30.5%
Private Sector	1,52,402	44.6%
Total	3,40,527	

WATER INFRASTRUCTURE SEGMENT

India occupies 2 percent of the world's land area, represents 16 percent of the world population and 15 percent of livestock, whereas it has only 4 percent of the water resources of the world. Water demand in next few years till 2025 is expected to grow by over 20 percent, fuelled primarily by the industrial requirements which have been projected to double from 23.2 trillion litres at present, to 47 trillion litres. Domestic demand is expected to grow by 40 percent from 41 to 55 trillion litres, while irrigation will require 14 percent more to 592 trillion litres up from 517 trillion litres being used currently. The standing subcommittee of Ministry of Water Resources has estimated that the water demand will escalate from

813 billion cubic meters (bcm) in 2010 to 1,093 bcm in 2025 to further 1,447 bcm by the year 2050.

Smart Cities Mission and the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) focus on reducing NRW. Metering, instrumentation, equipment supply has a business potential of around \$32 billion in India. More than 80% of available water resources in India is being currently utilised for irrigation purposes where, the average water use efficiency of irrigation projects is assessed to be only of the order of 30-35%. India receives an average annual rainfall of 1170 mm, but stores only 6% of rainwater. India's total water and sanitation sector is worth \$420 million, with an annual growth rate of 18%. Several initiatives have been undertaken by the government to deal with the water and sanitation crisis looming ahead of India.

Major water projects being undertaken by the Government are:

Five-year Namami Gange Programme focuses on cleaning the Ganga

Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

National Water Quality Sub Mission on Arsenic and Fluoride to provide safe drinking water to about 28,000 affected habitations in the country by March 2021 with an outlay of INR250 billion.

'Har Ghar Jal' (water in every household) was another scheme with a mission to provide piped drinking water supply to all households by 2030.

RAILWAY SEGMENT

In the year ending March 2018, Indian Railways were projected to carry 8.26 Bn passengers and transport INR 1.16 Bn tons of freight. In the fiscal year 2017-18, Indian Railway were projected to have earnings of INR 1.874 Trillion (USD 28 Bn), consisting of INR 1.175 Trillion (USD 18 Bn) in freight revenue and INR 501.25 Bn (USD 7.5 Bn) in passenger revenue, with an operating ratio of 96.0 percent.

The initiatives taken by Indian Railways are as follows:

- INR 1.48 lakh Cr has been allocated for Indian Railways. Most of this capex will be dedicated to capacity creation.

- 12,000 wagons, 5160 coaches and 700 locomotives are on the way. A major programme has also been initiated by the government to strengthen infrastructure at the Goods sheds and fast track commissioning of private sidings.
- Government plans to create world-class modern train sets including Train 18 and Train 20. Train 18 and Train 20 will be manufactured at Integral Coach Factory, Chennai, announced in Union Budget 2018.
- Track infrastructure is necessary and for that the government has targeted over 3,600 km for track renewal.
- 600 major stations to be redeveloped by Indian Railway Station Development and escalators will be introduced to railway stations with more than 25,000 footfalls.
- In addition, 150 kilometres of suburban network is being planned at a cost of over INR 40,000 cr, which will include elevated corridors on some sections.

BUSINESS OVERVIEW

Supreme Infrastructure India Limited (SIIL) is a public limited company with its head office near IIT Powai, Mumbai. Being promoted by Mr. Bhawanishankar Sharma, SIIL has gradually attained its trademark of being a diversified infrastructure EPC player with an imminent presence across numerous industries. The company undertakes high-scale projects across roads, bridges, railways, power, buildings, irrigation and sewerage.

The company has a sturdy presence in the roads BOT segment, where it has undertaken 11 projects, out of which 6 projects are operational.

Presently, Supreme Infrastructure India Limited (SIIL) has become an infrastructure conglomerate, providing services across 13 states in India.

Financial Overview - Standalone

- Total Revenues from Operations decreased by 14% to INR 9,040 Mn. on a

MANAGEMENT DISCUSSION & ANALYSIS

YoY basis as compared to INR 10,501 Mn in FY2017.

- EBITDA decreased by 12% to INR 1,889 Mn on a YoY basis as compared to INR 2,150 Mn in FY 2017. (Including Other Income).
- Loss increased to INR 5,001 Mn from INR 2,035 Mn in FY2017.

Opportunities

- India boasts of having one of the largest road networks in the world, spanning over a total of 5.6 million km. The country uses roadways to transport 64.5 per cent of goods and 90 per cent of the total passenger traffic prefers to use road networks for commuting.
- For FY18-19, the Government of India allocated INR 71,000 cr (US\$ 10.97 billion) for the development of national highways across the country, signifying a rising budget allocation for the road sector.
- The value of the total roads and bridges infrastructure in India is estimated to expand at a CAGR of 13.6 per cent over FY09–17 to US\$ 19.2 billion.
- The Government has given a massive boost to infrastructure by allocating INR 5.97 lakh crore (US\$ 92.2 billion) for infrastructure in the Union Budget 2018-19.
- There is a growing participation of the private sector through Public-Private Partnership (PPP).
- The Government of India plans to invest INR 1.45 lakh cr (US\$ 22.40 billion) towards road infrastructure in North-East region between 2018 and 2020.
- The total amount of investments as of December 2017 by Public-Private Partnership (PPP) was INR 73,845 cr (US\$ 11.46 billion).
- There is a 100 per cent FDI sanctioned under automatic route which is subject to applicable laws and regulations.
- As per the Union Budget 2018-19, the Government granted an outlay of INR 1.21 lakh cr (US\$ 18.69 billion) for the road sector.
- Between FY09 and FY19, the budget outlay for road transport and highways increased at a robust CAGR of 20.91 per cent.
- The Ministry of Road Transport and Highways, has set a target of 20,000 km for 2018-19, which is 25 per cent

more than 17,055 km awarded in 2017-18.

- In FY18, construction of national highways attained a record of 26.93 km per day. The Government of India plans to increase the length of national highways from the current record of 122,432 km to 200,000 km.
- In FY17-18, national highways of 9,829 km in length were constructed with 20 per cent growth from 8,231 in FY16-17.
- The Central Government has set a target to complete 300 highways projects by March 2019.

Concerns

- Credit availability: The private sector is reliant on commercial banks in a bid to raise debts for Public Private Participation (PPP) projects. But with commercial banks constrained by sectoral exposure limits and leveraging for large Indian infrastructure companies, it has become difficult to finance the PPP projects. It is seen in the recent years that credit availability has become one of the most significant threats. The sector has witnessed a curbed financing from banks and other institutions. Mostly, the banks have exhausted their lending limit to companies and in some cases, the parent companies as well. Therefore, attempting to find viable funds has become increasingly difficult. In order to tame the situation, Hybrid Annuity Model (HAM) was introduced with a vision to revitalise and bring order to the sector. But even this method shows a bleak remedy as most of the awarded HAM projects are currently battling for funding and financial closure.
- Business environment changes: Domestically, the business environment remained unfavourable for PPP players. The Government has transferred the mode of delivery from PPP to EPC projects. As per this move, the Company has also ventured into the EPC sector. Since the introduction of GST, the regulation is closely monitored and adhered to as it can have both an ascending and descending consequences for the sector. Other policies put in place, such as, strict control on mining activities and a ban placed on the use of river

sand in many states has the possibility to affect the design of Company's existing projects. Such regulations are expected to be followed by others which might affect the company.

- Market competition: With the Government enthusiastic on promoting EPC contracts, such markets pose a bigger threat to the Company's business. The Company has ventured into the EPC sector and is setting a target to bid for large & complex EPC projects. It is also looking to develop an in-house enterprise such as a construction contractor in a mid-size segment.

The Company is also on the lookout for BOT Toll and Annuity projects bid out by the Government. However, market players have become more cautious due to financial limitations, which have led to more reasonable bids. Many projects that were put out for bids on HAM/BOT Toll & Annuity has failed to attract bidders since most of them were in the form of re-bidding. This was due to non-receipt of bids tendered in the prior bidding process or on the account of termination of concessions granted.

- Dispute resolution and claims settlement: Recently, a minor improvement is witnessed in the claims settlement. However, the pace continues to be slow and tedious. Closure of arbitration and accrual of claims is significant in restoring concessionaire trust and ensuring timely completion. The pathway is set to initiate an independent regulator for the road sector so that this issue is addressed comprehensively.

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

MANAGEMENT DISCUSSION & ANALYSIS

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 2018, the Company had over 483 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 entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Supreme Infrastructure India Limited Annual Report, 2017-18.

DIRECTORS' REPORT

To
The Members of
SUPREME INFRASTRUCTURE INDIA LIMITED

Your Directors have pleasure in presenting their 35th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2018.

1. HIGHLIGHTS/ PERFORMANCE OF THE COMPANY

₹ in Crores

Sr. No.	Particulars	As at 31 March 2018	As at 31 March 2017
1	Income from operation	904.04	1050.12
	Other income	76.25	73.67
	Total Income	980.29	1123.79
2	Profit before Interest, Depreciation & Tax	188.93	215.04
	Less: Interest/ Finance Charges	361.35	280.68
	Depreciation	21.90	24.72
3	Profit / (Loss) before Exceptional Item and Tax	(194.32)	(90.36)
	Exceptional Item	259.49	128.27
	Less: Provision for Tax		
	Current Tax	46.31	0
	Deferred Tax	0	0
	Tax adjustment for earlier years	0	(15.13)
4	Profit After Tax	(500.12)	(203.50)
	Add: Profit at the beginning of the year	618.18	821.44
5	Profit available for appropriation	120.32	618.18
	Appropriations	NIL	NIL
6	Balance carried to Balance Sheet (attributable to equity holders)	120.32	618.18

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 ₹ 980.29 Cr. as compared to ₹ 1123.79 Cr. in the previous year. The Net loss after Tax was ₹ 500.12 Cr. as compared to ₹ 203.50 Crores in the previous year.

No Material changes and commitments have occurred after the close of the financial year till the date of this report, which may materially affect the financial position of the Company.

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, 2018.

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

During the year under review, the Company has credited Rs. 58,896 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, 2018 is ₹ 4.75 Lakhs.

4. SHARE CAPITAL

During the year, the Company increased the Authorised share Capital from ₹ 50 Crores to ₹ 75 Crores consisting of 7,25,00,000 (Seven Crores Twenty Five Lakhs) Equity Shares of ₹ 10/- each aggregating to ₹ 72,50,00,000/- (Rupees Seventy Two Crores Fifty Lakhs only) and 25,00,000 (Twenty Five Lakhs) Preference Shares of ₹ 10/- each aggregating to ₹ 2,50,00,000/- (Rupees Two Crores Fifty Lakhs only).

5. 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 execution of 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.

DIRECTORS' REPORT

S4A SCHEME

During the year under review, the S4A Scheme duly approved by the lenders and the resolutions pertaining to the approval of the SILL S4A Scheme, issuance of securities under the SILL S4A Scheme and other relevant resolutions in this regard were duly approved by the shareholders at their 34th Annual General Meeting held on 30th October, 2017.

After receiving approval from majority of the banks constituting 90% of the debt, the promoters, lenders and trustee executed the Framework Agreement, Debenture Trust Deed and Share Purchase Agreement for implementation of S4A Scheme on 8th December, 2017.

As part of the scheme, it was proposed to issue equity shares and warrants to the promoters and non promoters. Since the proposed allotment to promoters would have triggered the open offer, the promoters made an application to SEBI under regulation 3(1) of SEBI Takeover regulations and exemption in this regard was awaited.

The Reserve Bank of India on February 12, 2018 issued a circular in respect of 'Resolution of Stressed Assets – Revised Framework' vide Circular No. RBI/2017-18/131 according to which all accounts, including such accounts where any of the schemes have been invoked but not yet implemented, shall be governed by the revised framework. Consequently, it was decided not to implement the SILL S4A Scheme which was under implementation. The private placement offers for issuance of Optionally Convertible Debentures, equity shares and warrants as approved by the shareholders pursuant to their resolution dated October 30, 2017 has since then been withdrawn/ abandoned.

In view of the above, it is decided to work on new resolution plan in line with above referred RBI Circular dated 12th February, 2018. The New Resolution Plan is under consideration with the lenders.

6. 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.

7. 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.

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

As on 31st March, 2018, the Company had Fourteen Subsidiaries (Direct & Indirect) of which thirteen are incorporated and based in India & one Overseas. The Company also had one Associate Companies as on 31st March, 2018. 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'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, 2018, SIBPL registered a total income of Rs. 49.19 Lakhs as against 77.91 lakhs in the previous year. SIBPL has the following operative subsidiary companies executing 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 bypass road would attract more road traffic for the main road project. Income from toll collection for the

DIRECTORS' REPORT

year ended 31st March, 2018 was Rs. 4315.40 Lakhs as compared to ₹ 4826.05 Lakhs in the previous year.

During the year, the lenders have invoked Strategic Debt Restructuring (SDR) with reference date of 24 November 2016. The joint lender's forum (JLF) of SMBIPL 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 ₹ 10 each held by its Promoters at par aggregating ₹ 0.51 lakhs on 16 May 2017 representing 51% of the equity share capital of the Company by conversion of outstanding borrowings of an equivalent amount.

ii. Patiala Nabha 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, 2018 was ₹ 1015.20 Lakhs as compared to ₹1047.57 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 ₹ 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, 2018 was Rs. 2718.48 Lakhs as compared to Rs. 3187.43 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 Ahemdagar 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). The project has been executed and the tolling collection started during the current year. Income from toll collection for the year ended 31st March, 2018 was Rs. 1431.34 Lakhs.

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 project has been executed and the tolling collection started during the current year. Income from toll collection for the year ended 31st March, 2018 was Rs. 628.28 Lakhs.

2. SUPREME INFRASTRUCTURE BOT HOLDINGS PRIVATE LIMITED (SIBHPL)

SIBHPL was incorporated during the year 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, 2018, SIBHPL registered a total income of Rs. 10.20 Lakhs as against 68.78 Lakhs in the previous year. SIBHPL has road BOT portfolio housed in the following subsidiaries companies:

i. Supreme Kopergaon 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, 2018 was Rs. 4059.76 Lakhs as compared to Rs. 4619.78 Lakhs in the previous year.

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

DIRECTORS' REPORT

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 Shirol 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. The project is under implementation.

iii. **Supreme Ahmednagar Karmala Tembhurni Tollways Pvt. Ltd. (SAKTPL)**

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.

During the year ended 31 March 2018, the lenders of SAKTPL invoked SDR with reference date of 24 October 2016. The JLF of SAKTPL 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 SAKTPL 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. SPITPL 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 is being loan financed by NHAI. 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, 2018 was Rs. 546.76 Lakhs as compared to Rs. 570.53 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.

ASSOCIATE COMPANIES

A. **ASSOCIATES**

1. **SANJOSE SUPREME TOLLWAYS DEVELOPMENT PRIVATE LIMITED (SSTDPL)**

Sanjose Supreme Tollways Development Private Limited (SSTDPL), a joint venture company, has been incorporated for undertaking the project of six laning of Jaipur Ring Road from Ajmer Road to Agra Road Section in Jaipur (Rajasthan) on DBFOT (Toll) Basis (Project) awarded by Jaipur Development Authority (JDA), Jaipur. During the year under review the project being undertaken by SSTDPL was foreclosed under amicable settlement between SSTDPL and JDA as the project was taken over by NHAI pursuant to declaration of the said project as National Highway in place of State Highway. In furtherance to the same, the project under an amicable settlement was foreclosed.

9. **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.

10. **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.

11. **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,

DIRECTORS' REPORT

Prohibition and Redressal) Act, 2013

12. 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 tested and no reportable material weakness in the operations were observed.

13. 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. Bhawanishankar Sharma, (DIN 01249834) and Mr. Vikas Sharma, (DIN 01344759) 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, Director, Mr. Sandeep Khandelwal as Chief Financial Officer 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.

Familiarisation Program for the Independent Directors

In compliance with the requirement of Listing Regulations, the Company has put in place a Familiarisation Program for the independent directors to familiarize them with their role, rights and responsibility as directors, the working of the Company, nature of the industry in which the Company operates, business model, etc. The details of the Familiarisation Program are explained in the Corporate Governance Report. The said details are also available on the website of the Company www.supremeinfra.com.

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 Seven 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.

14. 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:

- in the preparations of the annual accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 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, 2018 and of the loss of the Company for the year ended on that date;
- 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;
- prepared the annual accounts on a going concern basis;
- 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.
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

Details of loans, guarantees and investments covered under

DIRECTORS' REPORT

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.

17. AUDITORS

A. STATUTORY AUDITORS AND THEIR REPORT

M/s. Walker Chandiok & Co LLP, Chartered Accountants and M/s. Ramanand and Associates, Chartered Accountants, holds office upto the date of ensuing Annual General Meeting. M/s. Walker Chandiok & Co LLP and M/s. Ramanand and Associates, 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. The Company has received letters M/s. Walker Chandiok & Co. LLP and M/s. Ramanand and Associates, 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 re-appoint M/s. Walker Chandiok & Co. LLP and M/s. Ramanand and Associates, Chartered Accountants as Joint Auditors to hold office from the conclusion of the Annual General Meeting of the Company to be held in the year 2019. 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 2017-18. The relevant Para nos. of the report and reply are as under:

Qualification and Management's Reply for Standalone

Audit Report:

1. As stated in Notes 11.2 and 11.3 to the standalone financial statements, the Company's current financial assets as at 31 March 2018 include trade receivables and unbilled work aggregating ₹ 6,616.13 lakhs (31 March 2017: ₹ 6,616.13 lakhs) and ₹ 3,835.47 lakhs (31 March 2017: ₹ 3,074.86 lakhs) respectively, in respect of projects which were closed/terminated by the clients and where the matters are currently under litigation/negotiations and trade receivables aggregating ₹ 55,396.37 lakhs (31 March 2017: ₹ 23,507.17 lakhs) in respect of projects which were closed/ substantially closed and where the receivables have been outstanding for a substantial period. The Management has assessed that no adjustments are required to the carrying value of the aforesaid balances, which is not in accordance with the requirements of Ind AS 109, 'Financial Instruments'. In the absence of sufficient appropriate evidence to support the management's contention of recoverability of these balances, we are unable to comment upon the adjustments, if any, that are required to the carrying value of the aforesaid balances, and consequential impact, if any, on the accompanying standalone financial statements. Our opinion on the standalone financial statements for the year ended 31 March 2017 was also qualified in respect of these matters.
2. As stated in Note 18.4 of the standalone financial statements, the Company's non-current borrowings, short-term borrowings and other current financial liabilities as at 31 March 2018 include balances aggregating to ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 11,510.27 lakhs respectively in respect of which direct confirmations from the respective lenders have not been received. These borrowings have been classified into current and non-current, basis the original maturity terms stated in the agreements which is not in accordance with the terms of the agreements in the event of defaults in repayment of borrowings. Further, whilst we have been able to perform alternate procedures with respect to certain balances, in the absence of confirmations from the lenders, we are unable to comment on the adjustments, if any, that may be required to the carrying value of these balances on account of changes, if any, to the terms and conditions of the transactions, and consequential impact, on the accompanying standalone financial statements.
3. 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 2018:

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

DIRECTORS' REPORT

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 determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statement of the Company as at and for the year ended 31 March 2018 and the material weakness has effected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

Management reply to the above Auditors' qualification:

- 1 Trade receivables and unbilled work (other current financial assets) as at 31 March 2018 include ₹ 6,616.13 lakhs (31 March 2017 : ₹ 6,616.13 lakhs) and ₹ 3,835.47 lakhs (31 March 2017 : ₹ 3,074.86 lakhs), respectively, relating to contracts which the clients terminated 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 previous years, in respect of a party where net claims lodged by the Company by far exceed the amounts recoverable.

Trade receivables as at 31 March 2018 include ₹ 55,396.37 lakhs (31 March 2017 : ₹ 23,507.17 lakhs), in respect of projects which were closed/substantially closed and which are overdue for a substantial period of time. These trade receivables include amounts due from developers aggregating ₹ 4,399.47 lakhs for which the Company has filed/in process of filing winding up petition with the National Company Law Tribunal (NCLT).

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 for matters referred above. 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 period, the management is reasonably confident of recovering these amounts in

full. Accordingly, these amounts have been considered as good and recoverable.

- 2 Non-current borrowings, short-term borrowings and other current financial liabilities as at 31 March 2018 include balances aggregating ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 11,510.27 lakhs, respectively in respect of which direct confirmations from the respective lenders have not been received. Further, out of these balance, non current borrowings, short-term borrowings and other current financial liabilities amounting to ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 3,967.81 lakhs, respectively, represent loans which were classified as Non-Performing Assets (NPAs) by the lenders. In the absence of confirmations from the lenders, the Company has provided for interest and other penal charges [except as stated in II (d) above] on these borrowings based on the latest communication available from the respective lenders at the interest rate specified in the agreement. The Company's management believes that amount payable on settlement will not exceed the liability provided in books in respect of these borrowings. Further, certain lenders have not recalled or initiated recovery proceedings for the existing facilities at present. Accordingly, classification of these borrowings into current and non-current as at 31 March 2018 is based on the original maturity terms stated in the agreements with the lenders.

- 3 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.

The Auditors qualification in respect of Consolidated Financial Statements and Management Response thereof is in line with the above.

Further, other 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 2018-19. 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

DIRECTORS' REPORT

Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Nidhi Bajaj & Associates, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2017-18 is annexed herewith as 'Annexure III'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

18. 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 Corporate Social Responsibility Committee.

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.

19. 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.

20. 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.

21. MANAGEMENT DISCUSSION AND ANALYSIS

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.

22. COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the approval given on April 10, 2015 by Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from July 1, 2015. These secretarial Standards were thereafter revised and made effective from October 1, 2017. The Company is in compliance with the same.

23. REPORTING OF FRAUD

The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or

employees as specified under Section 143(12) of the Act.

24. 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 2018-2019.

25. 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 no foreign exchange outgo as also no foreign exchange earnings.

DIRECTORS' REPORT

26. 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'.

27. 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.

28. 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.

29. 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: June 6, 2018

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:

- 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.
- To align and integrate Social Investments / CSR programmes with the business value chains of the Company and make them outcome oriented.
- 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.
- 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.
- To collaborate with communities and institutions to contribute to the national mission of eradicating poverty and hunger, especially in rural areas.
- 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.

- Eradicating extreme hunger and poverty. ↑

- Promotion of education.
- Promoting gender equality and empowering women.
- Reducing child mortality and improving maternal health.
- Combating human immune-deficiency virus, acquired immune-deficiency syndrome, malaria and other diseases.
- Ensuring environmental sustainability.
- Employment enhancing vocational skills.
- Social business projects and
- 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 2016-18:

₹ (6311.97) Lakhs

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

Not Applicable

5. Details of CSR Spent during the financial year:

(a) Total Amount spent for the financial year: Nil

(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 also affected 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
(Chairman of the CSR Committee & Managing Director)

ANNEXURE II TO DIRECTORS' REPORT

REMUNERATION POLICY OF THE COMPANY

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of Supreme Infrastructure India Limited ("Company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the 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 between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide 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 the Act, 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 the Employees**

The extent of overall remuneration should be sufficient to 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 the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

Bhawanishankar Sharma
Chairman

ANNEXURE III DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

[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

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 ('Audit Period') 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:

We 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, 2018 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 prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - (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, 1992;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents), Regulations, 1993 regarding the Companies Act, 2013 and dealing with Client.

We 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;

During the Audit period the Company has complied with the provisions of above mentioned Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to following observations:

- 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.
- There was no Change in the Composition of the Board of Directors of the Company. during the Audit period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were usually sent sufficiently 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.

We 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 above referred applicable laws, rules, regulations and guidelines.

ANNEXURE III DIRECTORS' REPORT

We further report that during the audit period, the Company has taken following actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. During the audit period the shareholders at their meeting held on 30th October, 2017 approved the resolution for issuance of equity shares and warrants to promoters and non-promoters on preferential basis and issuance of Optionally Convertible Debentures to the lenders of the Company in terms of Scheme for Sustainable Structuring of Stressed Assets (S4A).
2. In terms of the above referred S4A Scheme, it is proposed to issue equity shares and warrants to promoters. Since the proposed allotment to promoters would trigger the open offer, the promoters made an application to SEBI under regulation 3(1) of SEBI Takeover regulations and exemption in this regard is awaited.

3. The Company made an application to SEBI under Regulation 113 of ICDR seeking relaxation from the strict provisions of ICDR in respect of issuance of shares to promoters in terms of the above referred S4A scheme. The Company received the approval from SEBI in this regard
4. The Company increased the authorised Share Capital during the year under review.

For Nidhi Bajaj & Associates
Company Secretaries

Nidhi Bajaj
Proprietor
ACS – 28907, COP - 14596

Date: 6th June, 2018
Place: Mumbai

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 gave their consent to waive the fixed managerial remuneration earned by them for the year 2017-18 i.e. from April, 2017 to March, 2018 aggregating to ₹ 96,00,000/- each and Mr. Vikas Sharma, Director of the Company from April, 2017 to August, 2017 aggregating to ₹ 48,00,000/-. The Total Managerial Remuneration waived off by the Executive Directors is ₹ 240 Lakhs for the F.Y. 2017-18.

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 gave their consent to waive the fixed managerial remuneration earned by them for the year 2017-18 i.e. from April, 2017 to March, 2018 aggregating to ₹ 96,00,000/- each and Mr. Vikas Sharma, Director of the Company from April, 2017 to August, 2017 aggregating to ₹ 48,00,000/-. The Total Managerial Remuneration waived off by the Executive Directors is ₹ 240 Lakhs for the F.Y. 2017-18. Consequently, the percentage increase in managerial remuneration is in negative.

Key Managerial Personnel:

a) Mr. Vijay Joshi – Company Secretary : Nil increase in remuneration

b) Mr. Sandeep Khandelwal – Chief Financial Officer – NA as CFO was appointed from 16th August, 2017.

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

Percentage Increase : 4%

4. The number of permanent employees on rolls of the company:
- 483 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 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 4% in remuneration was to partially offset the average inflation of the previous financial year. 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 2017-18 (₹ Lakhs)	₹ 37.36 Lakhs
Revenue (₹ Lakhs)	₹ 98029.92 Lakhs
Remuneration of KMPs (as % of revenue)	0.038%
Profit before Tax (PBT) (₹ in lakhs)	(45380.85) Lakhs
Remuneration of KMP (as % of PBT)	(0.082%)

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 and 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

- a) Variation in the market capitalization of the Company:

The Market capitalization as on March 31, 2018 was Rs. 136.58 Crore (Rs. 223.06 Crore as on March 31, 2017)

- b) Price Earning Ratio of the Company is not applicable being losses in the last two years
- 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. 5,315 as on March 31, 2018 indicating negative Annual Growth Rate of 5.21%. 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): Nil

Average salary Increase for non-KMPs : 4%

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 31.03.2018

[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	8 th 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
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited Add: 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059 Tel: + 91 22 6263 8200 Fax: + 91 22 62638299 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

Sr. NO	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. NO	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	39%	2(87)(i)
8	Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	510, 5th Floor, ABW Tower, IFFCO Chock MG Road, Gurgaon – 122002, Haryana	U45203HR2010PTC045531	Subsidiary	49%	2(87)(i)
9	Supreme Kopergaon 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 Muksar Tollways Private Limited	510, 5th Floor, ABW Tower, IFFCO Chock MG Road, Gurgaon – 122002, Haryana	U45200HR2012PTC047076	Subsidiary	99%	2(87)(ii)
13	Kopergaon 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)

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

ANNEXURE V DIRECTORS' REPORT

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 01.04.2017)				No. of Shares held at the end of the year (as on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) INDIAN									
a) Individual/HUF	6359861	-	6359861	24.75	4765732	-	4765732	18.54	-6.21
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	3350000	-	3350000	13.04	4622171	-	4622171	17.99	4.95
e) Banks/ FT	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A)(1) :	9709861	-	9709861	37.78	9387903	-	9387903	36.53	-1.25
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)	9709861	-	9709861	37.78	9387903	-	9387903	36.53	-1.25
(B) Public shareholding									
1. Institutions									
a) Mutual Funds/ UTI	1478168	-	1478168	5.75	183740	-	183740	0.71	-5.04
b) Banks/FI	2016074	-	2016074	7.85	41350	-	41350	0.16	-7.69
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs/Foreign Portfolio Investors	4348953	-	4348953	16.92	3087299	-	3087299	12.01	-4.90
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(Specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1) :	7843195	-	7843195	30.52	3312389	-	3312389	12.89	-17.63
B 2. Non-institutions									
a) Bodies Corporate									
i) Indian	2426529	-	2426529	9.44	3785679	-	3785679	14.73	5.29
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	2616908	11	2616919	10.18	3547972	11	3547983	13.81	3.63
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	1514920	-	1514920	5.90	3174235	-	3174235	12.35	6.45
c) Others (specify)									
Trusts	5359	-	5359	0.02	-	-	-	-	-0.02
Clearing Member	112897	-	112897	0.44	619150	-	619150	2.41	1.97
Non Resident Indians (NRI)	1465692	-	1465692	5.70	1867033	-	1867033	7.26	1.56
NBFCs Registered with RBI	3000	-	3000	0.01	4000	-	4000	0.02	0.01
Sub-total (B)(2):-	8145305	11	8145316	31.70	12998069	11	12998080	50.58	18.88
Total Public Shareholding (B)=(B)(1)+ (B)(2)	15988500	11	15988511	62.22	16310458	11	16310469	63.47	1.25
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	25698361	11	25698372	100.00	25698361	11	25698372	100.00	0.00

ANNEXURE V DIRECTORS' REPORT

(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	1684755	6.56	6.56	1684755	6.56	6.56	0
2	Vikram Bhavanishankar Sharma	2374724	9.24	8.94	1219724	4.75	4.45	-4.49
3	Vikas Bhawanishankar Sharma	1758753	6.84	6.84	1758753	6.84	6.84	0
4	Rita B Sharma	427000	1.66	0.00	0	0	0.00	-1.66
5	Barkha Vikram Sharma	7500	0.03	0.00	7500	0.03	0.00	0
6	Shweta V Sharma	17129	0.07	0.05	5000	0.02	0.00	-0.05
7	Phool Kanwar H Sharma	90000	0.35	0.00	90000	0.35	0.00	0
8	BHS Housing Private Limited	3350000	13.04	10.97	3350000	13.04	13.04	0
9	Supreme Villa Private Limited	-	-	-	1272171	4.95	0.00	4.95
	Total	9709861	37.79	33.36	9387903	36.54	30.89	-1.25

(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	9709861	37.79		
	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	9387903	36.54		

#

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of Shares at the beginning (01/04/2017)/	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Vikram Sharma	23,74,724	9.24	16/03/2018	(1155000)	Invocation of Pledged shares by lender	1219724	4.75
				31/03/2018			1219724	4.75
2	Shweta Sharma	17,129	0.07	02/06/2017	(12129)	Invocation of Pledged shares by lender	5000	0.02
				31/03/2018			5000	0.02
3	Rita Sharma	4,27,000	1.66	14/07/2017	(427000)	Invocation of Pledged shares by lender	0	0.00
4	Supreme Villa Private Limited	0	0	26/05/2017	1272171	Acquisition of shares from ICICI Bank Ltd in terms of the consent minutes of the Bombay High Court order dated 17/05/2017	1272171	4.95
				31/03/2018			1272171	4.95

ANNEXURE V DIRECTORS' REPORT

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 (01/04/2017)		Date	Increase/ decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company (As on 31/03/2018)
1	Kitara PIIN 1101	23,64,344	9.20	01/04/2017		Nil Movement During the year		
				31/03/2018	714344		23,64,344	9.20
*2	ICICI BANK LIMITED	1,970,004	7.67	01/04/2017				
				07/04/2017	-9443	Transfer	1,960,561	7.63
				14/04/2017	-150	Transfer	1,960,411	7.63
				21/04/2017	-119	Transfer	1,960,292	7.63
				28/04/2017	7770	Transfer	1,968,062	7.66
				05/05/2017	-108	Transfer	1,967,954	7.66
				12/05/2017	2290	Transfer	1,970,244	7.67
				19/05/2017	9084	Transfer	1,979,328	7.70
				26/05/2017	-1281176	Transfer	698,152	2.72
				02/06/2017	-100	Transfer	698,052	2.72
				16/06/2017	-2400	Transfer	695,652	2.71
				07/07/2017	3836	Transfer	699,488	2.72
				28/07/2017	5	Transfer	699,493	2.72
				04/08/2017	486	Transfer	699,979	2.72
				11/08/2017	-5	Transfer	699,974	2.72
				18/08/2017	-55	Transfer	699,919	2.72
				25/08/2017	982	Transfer	700,901	2.73
				01/09/2017	-1400	Transfer	699,501	2.72
				08/09/2017	-33067	Transfer	666,434	2.59
				15/09/2017	-305904	Transfer	360,530	1.40
				22/09/2017	-171807	Transfer	188,723	0.73
				29/09/2017	-179476	Transfer	9,247	0.04
				06/10/2017	6114	Transfer	15,361	0.06
				13/10/2017	-15361	Transfer	0	0.00
				30/10/2017	10000	Transfer	10,000	0.04
				31/10/2017	32218	Transfer	42,218	0.16
				03/11/2017	-40608	Transfer	1,610	0.01
				10/11/2017	-1610	Transfer	0	0.00

ANNEXURE V DIRECTORS' REPORT

Sr. No.	Name	Shareholding at the beginning of the year (01/04/2017)		Date	Increase/ decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company (As on 31/03/2018)
For Each of the Top 10 Shareholders		0	0.00	24/11/2017	20029	Transfer	20,029	0.08
		20,029	0.08	01/12/2017	-667	Transfer	19,362	0.08
		19,362	0.08	15/12/2017	1	Transfer	19,363	0.08
		19,363	0.08	22/12/2017	-3115	Transfer	16,248	0.06
		16,248	0.06	29/12/2017	1893	Transfer	18,141	0.07
		18,141	0.07	05/01/2018	-183	Transfer	17,958	0.07
		17,958	0.07	26/01/2018	184	Transfer	18,142	0.07
		18,142	0.07	02/02/2018	-2817	Transfer	15,325	0.06
		15,325	0.06	09/02/2018	1485	Transfer	16,810	0.07
		16,810	0.07	02/03/2018	-5565	Transfer	11,245	0.04
		11,245	0.04	16/03/2018	-9073	Transfer	2,172	0.01
		2,172	0.01	23/03/2018	-685	Transfer	1,487	0.01
		1,487	0.01	30/03/2018	255	Transfer	1,742	0.01
				31/03/2018			1,742	0.01
*3	ICICI Prudential Child Care Plan - Gift Plan	12,60,000	4.90	01/04/2017				
				31/10/2017	-235282	Transfer	1,024,718	3.99
				03/11/2017	-97921	Transfer	926,797	3.61
				10/11/2017	-35312	Transfer	891,485	3.47
				01/12/2017	-48	Transfer	891,437	3.47
				29/12/2017	-28008	Transfer	863,429	3.36
				05/01/2018	-158076	Transfer	705,353	2.74
				12/01/2018	-23509	Transfer	681,844	2.65
				19/01/2018	-430587	Transfer	251,257	0.98
				26/01/2018	-11162	Transfer	240,095	0.93
				02/02/2018	-3354	Transfer	236,741	0.92
				16/02/2018	-24554	Transfer	212,187	0.83
				23/02/2018	-22864	Transfer	189,323	0.74
				02/03/2018	-5583	Transfer	183,740	0.72
				31/03/2018	0	Transfer	183,740	0.72

ANNEXURE V DIRECTORS' REPORT

Sr. No.	Name	Shareholding at the beginning of the year (01/04/2017)		Date	Increase/ decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company (As on 31/03/2018)
#4	AUM CAPITAL MARKET PRIVATE LIMITED	0		01/04/2017				
				01/09/2017	689	Transfer	689	0.00
				13/10/2017	-689	Transfer	0	0.00
				16/02/2018	1000	Transfer	1,000	0.00
				30/03/2018	1155000	Transfer	1,156,000	4.50
				31/03/2018	0	Transfer	1,156,000	4.50
*5	Eastspring Investments India Infrastructure Equity Open Limited	7,57,056	2.95	01/04/2017				
				16/06/2017	-22652	Transfer	734,404	2.86
				23/06/2017	-66492	Transfer	667,912	2.60
				30/06/2017	-75176	Transfer	592,736	2.31
				07/07/2017	-4152	Transfer	588,584	2.29
				14/07/2017	-588584	Transfer	0	0.00
6	Gagandeep Credit Capital Pvt Ltd	680000	2.65	01/04/2017	Nil Movement During the year			
				31/03/2018			680000	2.65
7	PREMIER INVESTMENT FUND LIMITED	487,630	1.90	01/04/2017				
				27/10/2017	10890	Transfer	498,520	1.94
8	Freny Firoze Irani	324,011	1.26	01/04/2017				
				31/03/2017		Nil Movement During the year	324011	1.26
9	SAMEER MAHENDRA SAMPAT	313235	1.22	01/04/2017				
				31/03/2017		Nil Movement During the year	313235	1.22
10	TRISHAKTI POWER HOLDINGS PRIVATE LIMITED	310026	1.21	01/04/2017				
				14/07/2017	-100000	Transfer	210026	0.82
				30/03/2018	95000	Transfer	305026	1.19
11	DHANESH SUMATILAL SHAH	310000	1.21	01/04/2017				
				31/03/2018		Nil Movement During the year	310000	1.21

ANNEXURE V DIRECTORS' REPORT

Sr. No.	Name	Shareholding at the beginning of the year (01/04/2017)		Date	Increase/ decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company (As on 31/03/2018)
#12	NARESH ARJANDAS CHANDWANI	120150	0.47	01/04/2017				
				26/5/2017	3250	Transfer	123,400	0.48
				2/6/2017	3250	Transfer	126,650	0.49
				16/6/2017	14000	Transfer	140,650	0.55
				23/6/2017	10855	Transfer	151,505	0.59
				30/6/2017	12500	Transfer	164,005	0.64
				14/7/2017	24000	Transfer	188,005	0.73
				21/7/2017	12000	Transfer	200,005	0.78
				15/9/2017	39000	Transfer	239,005	0.93
				13/10/2017	60350	Transfer	299,355	1.16
				31/3/2018	0	Transfer	299,355	1.16
#13	SANKARANARAYANAN SANGAMESWARAN	0	0	01/04/2017				
				19/1/2018	166118	Transfer	166,118	0.65
				26/1/2018	113039	Transfer	279,157	1.09
				9/2/2018	9345	Transfer	288,502	1.12
				31/3/2018	0	Transfer	288,502	1.12

* Ceased to be in the list of Top 10 shareholders as on 31-03-2018. The same is reflected above since the shareholder was one of the top 10 shareholders as on 01-04-2017

Not in the list of top 10 Shareholders as on 01-04-2017. The same has been reflected above since the shareholder was one of the top 10 shareholders as on 31-03-2018.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of Shares at the beginning (01/04/2017)	% of total shares of the Company				No. of Shares	% of total shares of the Company*(as on 31/03/2018)
A.	Directors & Key Managerial Personnel							
1	Bhawanishankar H Sharma	16,84,755	6.56	01/04/2017 To 31/03/2018	0	Nil Movement during the year	16,84,755	6.56
2	Vikram Sharma	23,74,724	9.24	16/03/2018 To 31/03/2018	(1155000)	Invocation of Pledged shares by lender	1219724	4.75
3	Mr. Vikas Sharma	1758753	6.84	01/04/2017 To 31/03/2018	0	Nil 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 (01/04/2017 to 31/03/2018)	
4	Mr. Vishwanath Prasad Singh	0	0.00	01/04/2017 To 31/03/2018	0	Nil Holding/ Movement during the year	0	0.00
5	Mr. Vinod Balmukand Agarwala	0	0.00	01/04/2017 To 31/03/2018	0	Nil Holding/ Movement during the year	0	0.00
6	Mr. Dakshendra Brijballabh Agarwal	0	0.00	01/04/2017 To 31/03/2018	0	Nil Holding/ Movement during the year	0	0.00
7	Mr. Sushil Kumar Mishra	0	0.00	01/04/2017 To 31/03/2018	0	Nil Holding/ Movement during the year	0	0.00
8	Mrs. Nilima Mansukhani	0	0.00	01/04/2017 To 31/03/2018	0	Nil Holding/ Movement during the year	0	0.00
Key Managerial Personnel(KMP's)								
1	Mr. Vijay Joshi (Company Secretary)	0	0.00	01/04/2017 To 31/03/2018	0	Nil Movement during the year	1	0.00
2	Mr. Sandeep Khandelwal (Chief Financial Officer)			01/04/2017 To 31/03/2018	0	Nil Holding/ Movement during the year	0	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	216,822.81	4,302.37	-	221,125.18
ii) Interest due but not paid	18,228.13	-	-	18,228.13
iii)Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	235,050.94	4,302.37	-	239,353.31
Change in Indebtedness during the financial year				
Addition	33,276.52	3,272	-	36,548.39
Reduction	-	-	-	-
Net Change	33,276.52	3,271.87	-	36,548.39
Indebtedness at the end of the financial year				
i)Principal Amount	229,886.14	7,574.24	-	237,460.38
ii) Interest due but not paid	38,441.32	-	-	38,441.32
iii)Interest accrued but not due	-	-	-	-
Total (i+ii)	268,327.46	7,574.24	-	275,901.70

ANNEXURE V DIRECTORS' REPORT

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	Nil	Nil	Nil	Nil
	- as % of profit				
	- others, specify...				
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	5.50	3.70	5.40	4.00	18.60
	-Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total	5.50	3.70	5.40	4.00	18.60

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	3.10	3.10
	-Commission	-	-
	- Others, please specify	-	-
	Total (B)(2)	3.10	3.10
	Total(B) = (B)(1) + (B)(2)	21.70	21.70

ANNEXURE V DIRECTORS' REPORT

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

₹ in Lakhs

Sr. no.	Particulars of Remuneration	Mr. Vijay Joshi (Company Secretary)	Mr. Sandeep Khandelwal (Chief Financial Officer) (appointed w.e.f. 16 August 2017)	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	19.80	17.56	37.36
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity Commission	Nil	Nil	Nil
4	- as % of profit - others, specify...	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total (C)	19.80	17.56	37.36

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					
Punishment			Nil		
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 Six Directors are Non-Executive Directors. The Company has 'Executive Chairman' and there are Four Independent Directors on the Board which represent more than 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, 2018 are 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		No. of Equity Shares held
						Chairmanship	Membership	
Mr. Bhawani shankar Sharma	Executive Chairman	Promoter, Executive Director	Nil	Nil	Nil	Nil	Nil	1684755
Mr. Vikram Sharma	Managing Director	Promoter, Executive Director	Nil	Nil	Nil	1	2	1219724
Mr. Vikas Sharma	Director	Promoter, Director	Nil	Nil	Nil	NIL	Nil	1758753
Mr. V. P. Singh	Director	Independent, Non-executive Director	3	2	Nil	1	Nil	Nil
Mr. Vinod Agarwala	Director	Independent, Non-executive Director	3	2	1	2	2	Nil
Mr. Dakshendra Agarwal	Director	Non-executive Director	Nil	Nil	Nil	Nil	1	Nil
Mr. S.K. Mishra	Director	Independent, Non-executive Director	Nil	Nil	Nil	NIL	2	Nil
Mrs. Nilima Mansukhani	Director	Independent, Non-executive Director	Nil	Nil	Nil	NIL	2	Nil

* Committee means Audit Committee and Stake holders Relationship Committee

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

Seven Board Meetings were held during the financial year 2017-2018 on 30th May, 2017, 11th July, 2017, 14th August, 2017, 26th August, 2017, 5th October, 2017, 10th November, 2017 and 19th February, 2018.

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

During the financial year ended March 31, 2018, Seven 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	6	Yes
Mr. Vikram Sharma	6	Yes
Mr. Vikas Sharma	2	No
Mr. V. P. Singh	7	Yes
Mr. Vinod Agarwala	6	No
Mr. Dakshendra Agarwal	5	No
Mr. S.K. Mishra	4	Yes
Mrs. Nilima Mansukhani	6	Yes

Mr. Bhawanishankar Sharma, Executive Chairman is the father of Mr. Vikram Sharma, Managing Director and Mr. Vikas Sharma, Director of the Company. 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 promoter -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.html> The 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

CORPORATE GOVERNANCE REPORT

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 four Directors of which Three Directors 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 2017- 2018.

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	3

Four meetings of the Audit committee were held during the year 2017-2018 on 30th May, 2017, 14th August, 2017, 10th November, 2017 and 19th February, 2018.

The role of the audit committee includes the following:

- 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;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company ;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - 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;

- Changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 - reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the listed entity with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the listed entity, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - Discussion with internal auditors of any significant findings and follow up thereon;
 - Reviewing the findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

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16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
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 the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit 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, 2018 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	-
2	Mr. Dakshendra Agarwal	Member	Non-Executive Independent Director	1
3	Mr. S. K. Mishra	Member	Non-Executive Independent Director	1

One meeting of the Nomination and Remuneration Committee was held on 10th November, 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 to paid/ due to be paid to Non-Executive Directors for the year ended 31st

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March, 2018 is as follows:

Sr. No.	Name of the Director	Sitting fees ₹	Commission ₹	Total ₹
1	Mr. V.P Singh	550000	Nil	550000
2	Mr. Vinod Agarwala	370000	Nil	370000
3	Mr. S. K. Mishra	540000	Nil	540000
4	Mrs. Nilima Mansukhani	400000	Nil	400000
5	Mr. Dakshendra Agarwal	310000	Nil	310000
	Total	2170000	Nil	2170000

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, Mr. Bhawanishankar Sharma, Executive Chairman, Mr. Vikram Sharma, Managing Director gave their consent to waive the fixed managerial remuneration earned by them for the year 2017-18 i.e. from April, 2017 to March, 2018 aggregating to ₹ 96,00,000/- each and Mr. Vikas Sharma, Director of the Company from April, 2017 to August, 2017 aggregating to ₹ 48,00,000/-. The Total Managerial Remuneration waived off by the Executive Directors is Rs. 240 Lakhs for the F.Y. 2017-18.

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 Nil complaints from the investors and there were no investor complaints pending as on 31st March 2018.

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, 2018.

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

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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 2017-18, one Meeting of the Committee was held on 10th November, 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 and EGM held during the year is given below:

AGM	Date	Venue and Time	Special Resolutions passed
34 th	30 th October, 2017	Athena Banquet Hall, 8th Floor, B-Wing, Supreme Business Park, Hiranandani, Powai, Mumbai – 400 076	1. To approve the implementation of the 'S4A Resolution Plan' of the Company under the Scheme for Sustainable Structuring of Stressed Assets, issued by the Reserve Bank of India in relation to restructuring of the debt of the Company. 2. Issue of Optionally Convertible Debentures ("OCDs") in terms of the SEBI ICDR Regulations pursuant to the Scheme for Sustainable Structuring of Stressed Assets, issued by the Reserve Bank of India in relation to restructuring of the debt of the Company. 3. Issue of Equity Shares/ Convertible Warrants on preferential allotment/ private placement basis to promoters pursuant to the Scheme for Sustainable Structuring of Stressed Assets, issued by the Reserve Bank of India in relation to restructuring of the debt of the Company. 4. Issue of Equity Shares/ Convertible Warrants on preferential allotment/ private placement basis to third party investors. 5. Increase in the limit of shareholding by registered Foreign Portfolio Investors (FPIs) From 24% To 49% of the paid-up Capital of the Company. 6. Increase in the limit of shareholding by Non resident Indians (NRIs) from 10% to 24% of the paid-up Capital of the Company.
33 rd	30 th 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
32 nd	30 th 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.

No Extra Ordinary General Meeting was held during the F.Y. 2017-18. Further, No resolution was passed through Postal Ballot last year

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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.com contains 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 to the 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, 31st December, 2018 at 11.30 a.m. At Athena Banquet Hall, 8th Floor, B-Wing, Supreme Business Park, Hiranandani, Powai, Mumbai – 400 076
3. Financial Year	1 st April to 31 st March
4. Tentative Financial Calendar	
Quarterly results will be declared as per the following tentative schedule:-	
Financial reporting for the quarter ending 30th June, 2018:	by 14th August 2018
Financial reporting for the half year ending 30th September, 2018:	by 14th November 2018
Financial reporting for the quarter ending 31st December, 2018:	by 14th February 2019
Financial reporting for the year ending 31st March, 2019:	by 30th May 2019
5. Dates of Book Closure	24th December, 2018 to 31st December, 2018
6. Dividend	No Dividend is recommended for the year ended 31st March, 2018.
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-400 001 and 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 2018-19 to both the Exchanges.

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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, 2018, 2,56,98,361 Equity Shares of the Company constituting appx. 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 impact on equity as at 31st March, 2018.
16. Plant Locations	Hot Mix Plant, RMC Plant and Crusher Plant located at Padgha, Talvali, Near Vasare Village, Kalyan-Padgha Road, Maharashtra and at various sites and locations.

11. DISTRIBUTION OF SHARE HOLDING

Face value: ₹ 10/- each (as on 31st March 2018)

Range of shares		Number of Shareholders	Percentage of shareholders	Number of Shares	Percentage of Total Capital
1	500	8397	85.40	954512	3.72
501	1000	592	6.02	494038	1.92
1001	2000	291	2.96	453789	1.77
2001	3000	122	1.24	314926	1.22
3001	4000	76	0.77	266790	1.03
4001	5000	69	0.70	325862	1.26
5001	10000	112	1.14	818227	3.19
10001	and above	174	1.77	22070228	85.89
Total		9833	100.00	25698372	100.00

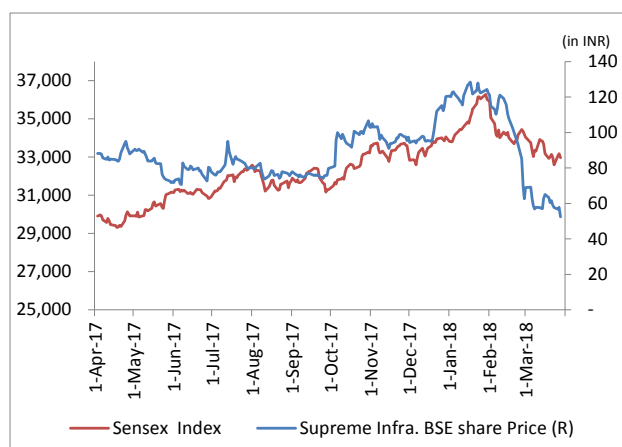
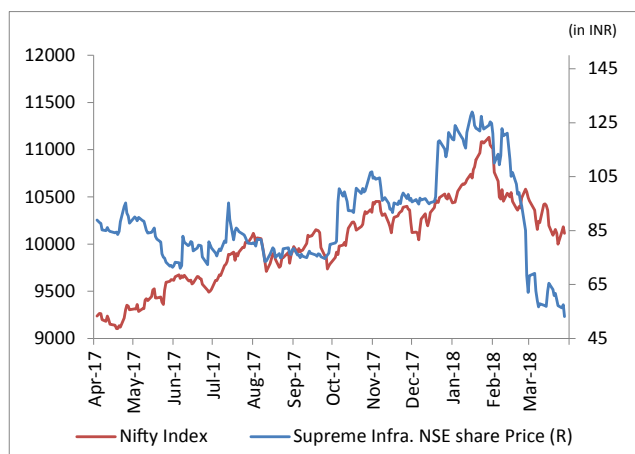
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Shareholding Pattern as on 31st March, 2018

Sr. No.	Category of Shareholders	No. of Shares held	Percentage of Shareholding
1	Promoters & Promoters Group	9387903	36.53
2	Mutual funds/ UTI	183740	0.71
3.	Government Companies, Financial Institutions, Banks and Insurance Companies	1742	0.01
4.	Non Nationalised Banks	39608	0.15
5.	Foreign Portfolio Investors	3087299	12.01
6.	Bodies Corporate	3789679	14.74
7.	NRIs	1867033	7.27
8.	Clearing Member	619150	2.41
9.	Trusts	-	-
10.	Indian Public (Other than above)	6722218	26.17
	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 2017	96.20	83.89	96.43	83.76
May 2017	93.79	72.04	93.14	71.66
June 2017	83.39	70.94	83.78	71.28
July 2017	94.37	76.24	94.72	76.33
August 2017	82.27	73.29	82.05	73.48
September 2017	80.50	74.26	80.34	74.65
October 2017	105.93	80.16	108.13	80.20
November 2017	105.59	90.46	105.90	91.79
December 2017	118.94	94.62	121.48	94.81
January 2018	128.17	117.00	128.63	116.13
February 2018	122.12	65.13	122.30	64.07
March 2018	70.21	55.37	70.41	55.42



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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, 2018 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	59.36
CDSL	40.64
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 2010-11 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 31/03/2018 (₹)	Last date for claiming unclaimed dividend amount (before)	Last date for transfer to IEPF
31/03/2011	30/09/2011	33795.25	6/11/2018	5/12/2018
31/03/2012	28/09/2012	23462.75	4/11/2019	3/12/2019
31/03/2013	26/09/2013	39290	2/11/2020	1/12/2020
31/03/2014	12/9/2014	19386.50	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.

- No penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years. However, in the last three years the stock exchanges levied fine on the Company on account of delay in declaration of financial results in terms of clause 41 of the listing agreement / regulation 33 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in FY 2015-16 and FY 2017-18 and on account of delay in appointment of woman Director in FY 2015-16.
- 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

CORPORATE GOVERNANCE REPORT

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 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
9.	25	Obligations with respect to Independent Directors	- Maximum directorships and tenure - Meetings of Independent Directors - Familiarisation of Independent Directors	Yes

CORPORATE GOVERNANCE REPORT

Sr. No.	Regulation	Particulars	Compliance observed for the following	Compliance Status Yes / No/N.A.
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. Nidhi Bajaj & 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 gave 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 2017-18.

Vikram Sharma
Managing Director

Place: Mumbai
Date: 6th June, 2018

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, 2018, 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, 2018.
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 Nidhi Bajaj & Associates
Practicing Company Secretary

Pritika Surana
Membership No.: 38316

Place: Mumbai
Dated: 6th June, 2018

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, 2018 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

Sandeep Khandelwal
Chief Financial Officer

Place : Mumbai
Date : 6th June, 2018

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 31 March 2018, 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 Standalone Financial 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 and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in 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 and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 are required 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 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 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, as well as evaluating the overall presentation of the standalone 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. As stated in Notes 11.2 and 11.3 to the standalone financial statements, the Company's current financial assets as at 31 March 2018 include trade receivables and unbilled work aggregating ₹ 6,616.13 lakhs (31 March 2017: ₹ 6,616.13 lakhs) and ₹ 3,835.47 lakhs (31 March 2017: ₹ 3,074.86 lakhs) respectively, in respect of projects which were closed/terminated by the clients and where the matters are currently under litigation/negotiations and trade receivables aggregating ₹ 55,396.37 lakhs (31 March 2017: ₹ 23,507.17 lakhs) in respect of projects which were closed/substantially closed and where the receivables have been outstanding for a substantial period. The Management has assessed that no adjustments are required to the carrying value of the aforesaid balances, which is not in accordance with the requirements of Ind AS 109, 'Financial Instruments'. In the absence of sufficient appropriate evidence to support the management's contention of recoverability of these balances, we are unable to comment upon the adjustments, if any, that are required to the carrying value of the aforesaid balances, and consequential impact, if any, on the accompanying standalone financial statements. Our opinion on the standalone financial statements for the year ended 31 March 2017 was also qualified in respect of these matters.

9. As stated in Note 18.4 of the standalone financial statements, the Company's non-current borrowings, short-term borrowings and other current financial liabilities as at 31 March 2018 include balances aggregating to ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 11,510.27 lakhs respectively in respect of which direct confirmations from the respective lenders have not been received. These borrowings have been classified into current and non-current, basis the original maturity terms stated in the agreements which is not in accordance with the terms of the agreements in the event of defaults in repayment of borrowings. Further, whilst we have been able to perform alternate procedures with respect to certain balances, in the absence of confirmations from the lenders, we are unable to comment on the adjustments, if any, that may be required to the carrying value of these balances on account of changes, if any, to the terms and conditions of the transactions, and consequential impact, on the accompanying standalone financial statements.

INDEPENDENT AUDITORS' REPORT

Qualified Opinion

10. In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid standalone 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 including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Material Uncertainty Related to Going Concern

11. We draw attention to Note 38 to the standalone financial statement, which indicates that the Company incurred a net loss of ₹ 50,012.21 lakhs during the year ended 31 March 2018 and, as of that date; the Company's current liabilities exceeded its current assets by ₹ 94,696.26 lakhs. Further, as disclosed in Note 38 to the said financial statements, there have been delays in repayment of principal and interest in respect of borrowings during the current year as the Company is in discussion with the lenders for the restructuring of the loans. These conditions, along with other matters as set forth in the aforesaid note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, based on ongoing discussion with the lenders for restructuring of the loans, revised business plans, further equity infusion by the promoters, and other mitigating factors mentioned in the aforementioned note, management is of the view that going concern basis of accounting is appropriate. Our opinion is not modified in respect of this matter.

Emphasis of Matter

12. We draw attention to Note 4.4 to the accompanying standalone financial statements, regarding the Company's non-current investments in Supreme Infrastructure BOT Private Limited ('SIBPL'), a subsidiary company and Supreme Infrastructure BOT Holdings Private Limited ('SIBHPL'), a joint venture company, aggregating ₹ 142,556.83 lakhs and ₹ 11,096.24 lakhs, respectively, as at 31 March 2018 and current loans due from SIBHPL as on that date aggregating ₹ 17.54 lakhs. Both the above entities have incurred losses during the current year and have accumulated losses as at 31 March 2018. The consolidated net worth of aforesaid entities has been either fully or significantly eroded. Based on the valuation report of an independent valuer and other factors described in the aforementioned note, management has considered these balances as fully recoverable. However, there are certain uncertainties regarding the underlying assumptions used in the valuations such as future business growth prospects, delay in commercial operation date (COD) and outcome of the ongoing discussions with the clients and consortium lenders in certain subsidiaries of SIBHPL and other factors. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. 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 effects/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 effects/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 in agreement with the books of account;
 - d) except for the effects/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 paragraphs 8, 9, 10, 12 and 13 under the Basis for Qualified Opinion paragraph / Material Uncertainty related to Going Concern / Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Company;
 - f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
 - g) the qualification relating to the maintenance of accounts and other matters connected therewith 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 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 6 June 2018 as 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:

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- i. the Company, as detailed in Notes 4.4,11.2,11.3,15.1,15.4,18.2,18.3,18.4, 30(a)(i), 30(a)(iii) and 38 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, provision has been made in the standalone financial statements, as required
 - iii. there are no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm Registration No:
001076N/N500013

per **Rakesh R. Agarwal**
Partner
Membership No: 109632

Mumbai
6 June 2018

For Ramanand & Associates

Chartered Accountants
Firm Registration No:
117776W

per **Santosh Jadhav**
Partner
Membership No: 115983

Mumbai
6 June 2018

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 2018

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 to four 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, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

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	2,764.13	April 2015 to August 2017	Various Dates	Not yet Paid
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	322.71	August 2015 to August 2017	Various Dates	Not yet Paid
Profession Tax Act, 1975	Profession Tax	4.95	April 2016 to August 2017	Various Dates	Not Yet Paid
Employees' State Insurance Act, 1948	Employees' State Insurance Corporation	5.46	April 2016 to August 2017	Various Dates	Not yet Paid
The Central Excise Act, 1944	Excise Duty	81.16	December 2012 to June 2017	Various Dates	Not yet Paid
Goods and Service Tax, 2016	GST	289.33	July 2017 to September 2017	Various Dates	Not yet Paid

- (b) There are no dues in respect of 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 and income tax on account of any dispute, are as follows:

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 2018

Statement of Disputed Dues:

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	7,270.26	-	FY 2008-09 to 2011-12	Custom, Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax, Tax Deducted at Source	7,787.10	-	AY 2007-08 to 2015-16	Income Tax Officer, Commissioner of Income Tax (Appeals), CPC Bengaluru

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

₹ in Lakhs

Banks/Financial Institution	Principal amount of default as on 31 March 2018	Interest amount of default as on 31 March 2018	Total	Period to which the amount relates
SREI Equipment Finance Limited	-	1,585.92	1,585.92	0-180 days
	-	1,994.68	1,994.68	181-365 days
	-	203.91	203.91	> 365 days
SREI Infrastructure Finance Limited	549.98	-	549.98	0-180 days
	893.01	119.98	1,012.99	181-365 days
	-	324.73	324.73	> 365 days
HDFC Bank	70.00	-	70.00	> 365 days
Indian Overseas Bank	68.25	222.22	290.47	> 365 days

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

₹ in Lakhs

Banks/Financial Institution	Principal amount of default as on 31 March 2018	Interest amount of default as on 31 March 2018	Total	Period to which the amount relates
State Bank of India	1,071.15	3,683.10	4,754.25	0-180 days
	1,071.15	3,463.11	4,534.26	181-365 days
	578.68	6,022.88	6,601.56	> 365 days
State Bank of Patiala	423.44	1,613.98	2,037.42	0-180 days
	423.44	1,584.85	2,008.29	181-365 days
	-	2,119.30	2,119.30	> 365 days
Union Bank of India	383.52	1,357.15	1,740.67	0-180 days
	383.52	1,378.67	1,762.19	181-365 days
	197.74	2,092.52	2,290.26	> 365 days
Punjab National Bank	447.89	1,324.57	1,772.46	0-180 days
	447.89	755.67	1,203.56	181-365 days
	173.75	184.03	357.78	> 365 days
Bank of India	129.85	837.22	967.07	0-180 days
	129.85	838.85	968.70	181-365 days
	79.85	1,284.69	1,364.54	> 365 days
Central Bank of India	140.68	689.32	830.00	0-180 days
	140.68	690.66	831.34	181-365 days
	81.52	935.38	1,016.90	> 365 days
Syndicate Bank	95.83	161.41	257.24	0-180 days
	95.83	154.96	250.79	181-365 days
	54.66	351.76	406.42	> 365 days
Canara Bank	120.33	203.98	324.31	0-180 days
	120.33	195.05	315.38	181-365 days
	67.86	330.00	397.86	> 365 days

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 2018

Banks/Financial Institution	Principal amount of default as on 31 March 2018	Interest amount of default as on 31 March 2018	Total	Period to which the amount relates
ICICI Bank	234.57	672.02	906.59	0-180 days
	231.22	680.27	911.49	181-365 days
	231.22	719.85	951.07	> 365 days
Axis Bank	40.82	105.10	145.92	0-180 days
	40.82	105.10	145.92	181-365 days
	40.00	174.78	214.78	> 365 days
HDFC Bank	-	19.11	19.11	0-180 days
	-	32.26	32.26	181-365 days
	294.02	198.24	492.26	> 365 days
Indian Overseas Bank	-	110.84	110.84	0-180 days
	-	110.84	110.84	181-365 days
	1,946.98	486.69	2,433.67	> 365 days
SREI Equipment Finance Limited	1,159.05	192.08	1,351.13	0-180 days
	1,191.25	65.41	1,256.66	181-365 days
	4,002.08	-	4,002.08	> 365 days
SREI Infrastructure Finance Limited	625.00	242.74	867.74	0-180 days
	182.00	315.31	497.31	181-365 days
	-	66.44	66.44	> 365 days
JM Financial Asset Reconstruction	139.45	535.65	675.10	0-180 days
	64.74	504.55	569.29	181-365 days
	13.87	487.34	501.21	> 365 days
L&T Finance Limited	30.95	117.18	148.13	0-180 days
	30.95	117.18	148.13	181-365 days
	24.59	129.23	153.82	> 365 days

- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not obtain any term loan during the year. Accordingly, provisions of clause 3(ix) of the Order are not applicable.
- (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 during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the standalone financial statements, as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP

Chartered Accountants
Firm Registration No: 001076N/N500013

per **Rakesh R. Agarwal**
Partner
Membership No: 109632

Mumbai
6 June 2018

For Ramanand & Associates

Chartered Accountants
Firm Registration No: 117776W

per **Santosh Jadhav**
Partner
Membership No: 115983

Mumbai
6 June 2018

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 2018

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

1. 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 2018, 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

2. 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 operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR 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 IFCoFR and 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 IFCoFR 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 is sufficient and appropriate to provide a basis for our qualified opinion on the Company's IFCoFR.

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 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 IFCoFR as at 31 March 2018:

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.

9. 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

10. In our opinion, the Company has, in all material respects, maintained adequate IFCoFR as at 31 March 2018, 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/possible 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 2018.

11. 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 2018, 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

Chartered Accountants

Firm Registration No: 001076N/N500013

per **Rakesh R. Agarwal**

Partner

Membership No: 109632

Mumbai

6 June 2018

For Ramanand & Associates

Chartered Accountants

Firm Registration No: 117776W

per **Santosh Jadhav**

Partner

Membership No: 115983

Mumbai

6 June 2018

BALANCE SHEET

as at 31 March 2018

₹ in Lakhs

	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3A	20,916.69	23,088.68
Capital work-in-progress		669.30	669.30
Intangible assets	3B	11.61	19.34
Financial assets			
Investments	4	171,090.47	164,752.45
Loans	5	-	2,544.17
Other financial assets	6	432.40	474.71
Deferred tax assets (net)	7	-	-
Income tax assets (net)	7	-	1,594.50
Other non-current assets	8	97.30	569.48
Total non-current assets		193,217.77	193,712.63
Current assets			
Inventories	9	4,679.43	7,774.52
Financial assets			
Investments	10	54.07	222.88
Loans	5	24.53	3,289.74
Trade receivables	11	107,382.89	106,732.29
Cash and cash equivalents	12	215.85	428.12
Other bank balances	13	1,126.98	3,187.88
Other financial assets	6	13,174.22	14,551.53
Other current assets	8	4,688.45	10,149.89
Total current assets		131,346.42	146,336.85
TOTAL ASSETS		324,564.19	340,049.48
EQUITY AND LIABILITIES			
Equity			
Share capital	14	2,569.84	2,569.84
Other equity		12,032.75	61,818.28
Total equity		14,602.59	64,388.12
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	83,083.41	96,716.53
Other financial liabilities	16	556.73	683.86
Provisions	17	278.78	469.59
Total non-current liabilities		83,918.92	97,869.98
Current liabilities			
Financial liabilities			
Borrowings	18	126,726.75	109,866.23
Trade payables	19	14,837.02	20,390.04
Other financial liabilities	16	67,877.56	36,249.80
Other current liabilities	20	13,745.61	11,232.70
Provisions	17	33.34	52.61
Income tax liabilities (net)	7	2,822.40	-
Total current liabilities		226,042.68	177,791.38
TOTAL EQUITY AND LIABILITIES		324,564.19	340,049.48

Notes 1 to 40 form an integral part of the standalone financial statements

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

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

For Ramanand & Associates
Chartered Accountants
Firm Registration No: 117776W

For and on behalf of the Board of Directors

Rakesh R. Agarwal
Partner
M.No. : 109632

Santosh Jadhav
Partner
M.No. : 115983

Vikas Sharma
Director
DIN No : 01344759
Place : Mumbai

Vikram Sharma
Managing Director
DIN No : 01249904
Place : Mumbai

Sandeep Khandelwal
Chief Financial Officer

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 6 June 2018

Place : Mumbai
Date : 6 June 2018

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2018

₹ in Lakhs

	Notes	Year ended 31 March 2018	Year ended 31 March 2017
Income			
Revenue from operations	21	90,404.55	105,011.95
Other income	22	7,625.37	7,366.69
Total income		98,029.92	112,378.64
Expenses			
Cost of construction materials consumed	23	22,063.46	33,699.06
Subcontracting expenses		45,504.51	42,874.81
Employee benefits expense	24	2,621.39	2,988.69
Finance costs	25	36,134.52	28,068.39
Depreciation and amortisation expense	26	2,190.97	2,471.50
Other expenses	27	8,946.85	11,312.52
Total expenses		117,461.70	121,414.97
Profit/ (loss) before exceptional items and tax		(19,431.78)	(9,036.33)
Exceptional items	28	25,949.07	12,826.95
Profit/ (loss) before tax		(45,380.85)	(21,863.28)
Tax expense/ (credit)	7		
Current income tax		4,631.36	(1,513.33)
Deferred income tax		-	-
		4,631.36	(1,513.33)
Profit/ (loss) for the year (A)		(50,012.21)	(20,349.95)
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		226.68	24.47
- Income tax effect on above		-	-
Other comprehensive income for the year, net of tax (B)		226.68	24.47
Total comprehensive income/ (loss) for the year, net of tax (A+B)		(49,785.53)	(20,325.48)

Earnings per equity share of nominal value ₹ 10 each

Basic and diluted (in ₹)	29	(194.61)	(79.19)
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Notes 1 to 40 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 Chandio & Co LLP

Chartered Accountants

Firm Registration No. 001076N / N500013

For Ramanand & Associates

Chartered Accountants

Firm Registration No: 117776W

For and on behalf of the Board of Directors

Rakesh R. Agarwal

Partner

M.No. : 109632

Santosh Jadhav

Partner

M.No. : 115983

Vikas Sharma

Director

DIN No : 01344759

Place : Mumbai

Vikram Sharma

Managing Director

DIN No : 01249904

Place : Mumbai

Sandeep Khandelwal

Chief Financial Officer

Vijay Joshi

Company Secretary

Place : Mumbai
Date : 6 June 2018

Place : Mumbai
Date : 6 June 2018

CASH FLOW STATEMENT

for the year ended 31 March 2018

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (loss) / profit before tax	(45,380.85)	(21,863.28)
Adjustments for		
Depreciation and amortisation expense	2,190.97	2,471.50
Finance costs	36,134.52	28,068.39
Interest income	(7,538.55)	(7,195.27)
Dividend from current investments	(0.10)	(0.51)
Impairment allowance (allowance for doubtful financial assets)	10,783.53	11,449.50
Impairment loss - financial assets written off	15,716.74	1,587.13
Impairment loss - Inventories written off	-	300.32
Gratuity and compensated absences	99.84	77.96
Excess provision no longer required written back	-	(23.74)
Profit on redemption of mutual funds (net)	(17.42)	(0.28)
Impairment provision on investments	701.54	-
Interest unwinding on financial assets	(7,039.57)	(6,386.54)
Fair value gain on mutual funds (valued at FVTPL)	(2.75)	(17.48)
Profit on sale of property, plant and equipment (net)	-	(34.30)
Operating profit before working capital changes	5,647.90	8,433.40
Adjustments for changes in working capital:		
Increase in trade receivables	(11,434.13)	(2,970.11)
Decrease / (increase) in loans and advances / other advances	4,843.99	4,286.26
Decrease in inventories	3,095.10	382.66
(Decrease) / Increase in trade and other payables	(11,745.68)	(5,595.34)
Cash generated from / (used in) operations	(9,592.82)	4536.88
Direct taxes paid (net of refunds received)	(214.46)	(367.02)
Net cash (used in) / from generated from operating activities	(9,807.28)	4,169.86
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(11.25)	(57.67)
Proceeds from sale of property, plant and equipment	-	489.76
Proceeds from sale of current investments	188.98	39.60
Investment in non-current investments	-	(110.49)
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	2,060.91	(280.23)
Interest received	140.45	633.32
Dividend received	0.10	0.51
Net cash (used in) / generated from investing activities	2,379.19	714.80

CASH FLOW STATEMENT

for the year ended 31 March 2018

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	-	90.00
Repayment of long-term borrowings	(1,509.50)	(10,688.62)
Proceeds from short-term borrowings (net)	13,204.70	14,098.40
Interest paid	(4,479.38)	(8,879.15)
Dividend paid	-	(0.87)
Net cash (used in) / generated from financing activities	7,215.82	(5,380.24)
Net decrease in cash and cash equivalents (A+B+C)	(212.27)	(495.58)
Cash and cash equivalents at the beginning of the year	412.84	908.42
Cash and cash equivalents at the end of the year (Refer note 12 and 18)	200.57	412.84
Components of cash and cash equivalents considered only for the purpose of cash flow statement		
In bank current accounts in Indian rupees	155.36	357.84
Cash on hand	60.49	70.28
Bank/ book overdraft	(15.28)	(15.28)
	200.57	412.84

Note :

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows. Effective 1 April 2017, the Company adopted the amendment to Ind AS 7, which require 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.
- Additions to property, plant and equipment include movements of capital work-in-progress, capital advances and capital creditors respectively during the year.

Notes 1 to 40 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 Chandio & Co LLP
Chartered Accountants
Firm Registration No. 001076N / N500013

Rakesh R. Agarwal
Partner
M.No. : 109632

Place : Mumbai
Date : 6 June 2018

For Ramanand & Associates
Chartered Accountants
Firm Registration No: 117776W

Santosh Jadhav
Partner
M.No. : 115983

For and on behalf of the Board of Directors

Vikas Sharma
Director
DIN No : 01344759
Place : Mumbai

Sandeep Khandelwal
Chief Financial Officer

Place : Mumbai
Date : 6 June 2018

Vikram Sharma
Managing Director
DIN No : 01249904
Place : Mumbai

Vijay Joshi
Company Secretary

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2018

a) Equity share capital

Particulars	Number	₹ lakhs
Equity shares of ₹ 10 each issued, subscribed and paid		
As at 1 April 2016	25,698,372	2,569.84
Issue of equity shares	-	-
As at 31 March 2017	25,698,372	2,569.84
Issue of equity shares	-	-
As at 31 March 2018	25,698,372	2,569.84

b) Other equity

₹ in Lakhs

Particulars	Equity component on fair valuation of preference shares	Reserves and surplus			Total equity attributable to equity holders
		Securities premium reserve	General reserve	Retained earnings	
As at 1 April 2016	1,619.54	25,291.56	3,033.82	52198.84	82143.76
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	31,873.36	61,818.28
Profit/ (loss) for the year	-	-	-	(50,012.21)	(50,012.21)
Other comprehensive income for the year	-	-	-	226.68	226.68
As at 31 March 2018	1,619.54	25,291.56	3,033.82	(17,912.17)	12,032.75

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.

Notes 1 to 40 form an integral part of the standalone financial statements

This is the statement of changes in equity referred to in our audit report of even date

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

For Ramanand & Associates
Chartered Accountants
Firm Registration No: 117776W

For and on behalf of the Board of Directors

Rakesh R. Agarwal
Partner
M.No.: 109632

Santosh Jadhav
Partner
M.No.: 115983

Vikas Sharma
Director
DIN No : 01344759
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

Sandeep Khandelwal
Chief Financial Officer

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 6 June 2018

Place : Mumbai
Date : 6 June 2018

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the standalone financial statements
for the year ended 31 March 2018

Note 1. Corporate Information

Supreme Infrastructure India Limited ("the Company") having CIN L74999MH1983PLC029752, 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 2018 were authorised for issue in accordance with resolution of the Board of Directors on 6 June 2018.

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 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.

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 Operating cycle for current and non-current classification:

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.

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.

iv Key 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

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the standalone financial statements
for the year ended 31 March 2018

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/ joint ventures

The Company has performed valuation for its investments in equity of subsidiaries / joint ventures 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.

v. Fair value measurement

The Company measures financial instruments, at fair value at each balance sheet date. (Refer Note 34)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, In the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the standalone financial statements
for the year ended 31 March 2018

(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).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

vi. 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.

vii 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.

viii 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 in the nature of 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.

The estimated useful lives are as below:

Building : 60 years

Plant and equipment: 5 - 12 years

Office equipment : 5 years

Furniture and fixtures :10 years

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the standalone financial statements
for the year ended 31 March 2018

Vehicles : 6 years

Computers : 3 years

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.

ix 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.

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.

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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

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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.

x 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.

xi 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.

xii 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.

xiii Segment Reporting

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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.

xiv 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.

xv 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.

xvi. 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'.

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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.

Other Income

a. Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable Effective Interest Rate (EIR).

d. Dividend Income

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

c. Other Income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

xvii. 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.

xviii. 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.

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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.

xix. 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.

xx 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.

xxi. 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.

xxii. 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.

xxiii. 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

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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).

xxiv. 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 nonoccurrence 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 disclosed where an inflow of economic benefits is probable.

xv. 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

1) Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant.

2) Ind AS 115, Revenue from Contract with Customers:

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- i) Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ii) Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (cumulative catch - up approach) The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant

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Note 3. Property, plant and equipment

A. Tangible assets

₹ in Lakhs

Gross carrying value	Freehold land	Leasehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
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
Additions	-	-	-	10.83	-	-	0.42	-	11.25
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	6,835.67	54.70	5,709.18	15,324.07	297.11	262.95	75.44	29.17	28,588.29
Accumulated depreciation									
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
Depreciation charge	-	-	101.59	1,968.05	42.10	54.51	14.08	2.91	2,183.24
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	-	-	304.75	6,985.35	129.91	169.92	53.84	27.83	7,671.60
Net carrying value									
Balance as at 31 March 2017	6,835.67	54.70	5,506.02	10,295.94	209.30	147.54	35.26	4.25	23,088.68
Balance as at 31 March 2018	6,835.67	54.70	5,404.43	8,338.72	167.20	93.03	21.60	1.34	20,916.69

B. Intangible assets

₹ in Lakhs

Gross carrying value (at deemed cost)

	Computer software	Total
Balance as at 1 April 2016	53.71	53.71
Additions	-	-
Disposals	-	-
Balance as at 31 March 2017	53.71	53.71
Additions	-	-
Disposals	-	-
Balance as at 31 March 2018	53.71	53.71
Accumulated amortisation		
Balance as at 1 April 2016	21.48	21.48

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	Computer software	Total
Amortisation charge	12.89	12.89
Balance as at 31 March 2017	34.37	34.37
Amortisation charge	7.73	7.73
Balance as at 31 March 2018	42.10	42.10
Net carrying value		
Balance as at 31 March 2017	19.34	19.34
Balance as at 31 March 2018	11.61	11.61

Note 4. Non-current investments

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
I. Investments valued at deemed cost		
Investment in equity shares		
- In subsidiaries	4.71	216.63
- In joint venture	9,337.60	9,352.40
- In associate	-	1,799.52
Investment in preference shares		
- In joint venture	1,758.64	1,758.64
Investment in other instruments		
Corporate guarantee		
- In subsidiaries	1,177.95	1,177.95
- In joint venture	114.00	114.00
- In associates	-	36.00
Debt instruments		
- In subsidiaries	85,058.33	85,058.33
II. Investments valued at amortised cost		
Investment in preference shares		
- In other companies	411.36	809.44
Investment in debentures		
- In subsidiaries	70,620.47	63,621.65
III. Investments valued at fair value through profit and loss		
Investment in equity shares		
- In other companies	2,607.41	807.89
Total non-current investments	171,090.47	164,752.45

Note 4.1 Detailed list of non-current investments

Face value of ₹ 10 each, unless otherwise stated

	As at 31 March 2018		As at 31 March 2017	
	Nos	₹ Lakhs	Nos	₹ 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 (Refer note 4.4)	10,000	1.00	10,000	1.00

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	As at 31 March 2018		As at 31 March 2017	
	Nos	₹ Lakhs	Nos	₹ Lakhs
Supreme Panvel Indapur Tollways Private Limited	26,000	2.60	26,000	2.60
Supreme Mega Structures Private Limited	6,000	0.60	6,000	0.60
Kotkapura Muktsar Tollways Private Limited	5,099	0.51	5,099	0.51
- outside India				
Supreme Infrastructure Overseas LLC (Face Value of Omani Riyal 1 each)	150,000	211.92	150,000	211.92
Less : Impairment provision		(211.92)		-
		4.71		216.63
ii) Investments in joint venture in India				
Supreme Infrastructure BOT Holdings Private Limited (Refer note 4.4)	790,000	9,337.60	790,000	9,337.60
Sanjose Supreme Tollways Development Private Limited (Refer note 4.4)	147,998	14.80	1 47,998	14.80
Less : Impairment provision		(14.80)		-
		9,337.60		9,352.40
iii) In an associate				
Rudranee Infrastructure Limited		-	12,183,648	1,799.52
		-		1,799.52
b) Investments in preference shares:				
In other joint venture in India				
Supreme Infrastructure BOT Holdings Private Limited (Refer note 4.4) 0.001% Compulsorily Convertible Cumulative Participatory Preference shares	1 00,789.00	1,758.64	100,789.00	1,758.64
		1,758.64		1,758.64
c) Investments in other instruments:				
Corporate guarantees				
(i) In subsidiaries in India				
Supreme Vasai Bhiwandi Tollways Private Limited		134.00		134.00
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited		147.94		147.94
Patiala Nabha Infra Projects Private Limited		57.00		57.00
Supreme Suyog Funicular Ropeways Private Limited		5 1.72		5 1.72
Supreme Panvel Indapur Tollways Private Limited		715.49		715.49
Kotkapura Mukstar Tollways Private Limited		7 1.80		7 1.80
		1,177.95		1,177.95
(ii) In joint ventures in India				
Supreme Kopargaon Ahmednagar Tollways Private Limited		114.00		114.00

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	As at 31 March 2018		As at 31 March 2017	
	Nos	₹ Lakhs	Nos	₹ Lakhs
		114.00		114.00
(iii) In associates				
Rudranee Infrastructure Limited		-		36.00
		-		36.00
Others				
In subsidiaries in India				
Supreme Infrastructure BOT Private Limited (Refer note 4.4)		8 0,101.71		80,101.71
Supreme Panvel Indapur Tollways Private Limited		4,956.62		4,956.62
		85,058.33		85,058.33
II. Investments valued at amortised cost				
a) Investments in preference shares In other companies in India				
Kalyan Sangam Infratech Limited	609,375	411.36	609,375	370.60
Green Hill Barter Private Limited [Face value of ₹ 600 each]	100,000	438.84	100,000	438.84
Less : Impairment provision		(438.84)		
		411.36		809.44
b) Investments in debentures In a subsidiary companies in India				
Supreme Infrastructure BOT Private Limited (Refer note 4.4)	806,000,000	62,454.12	806,000,000	56,264.57
0.001% Optionally Convertible Debenture				
Supreme Panvel Indapur Tollways Private Limited	98,000,000	8,166.35	98,000,000	7,357.08
0.001% Compulsory Convertible Debenture				
		70,620.47		63,621.65
III. Investments valued at fair value through profit and loss, fully paid up, unquoted Investments in equity shares				
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
Rudranee Infrastructure Limited	12,183,648	1,799.52		-
		2,607.41		807.89
Total non-current investments		171,090.47		164,752.45

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Details	As at 31 March 2018	As at 31 March 2017
Aggregate of non-current investments:		
(i) Book value of investments (net of impairment allowance)	171,090.47	164,752.45
(ii) Market value of investments	171,090.47	164,752.45
(i) Investments carried at deemed cost	97,451.22	99,513.47
(ii) Investments carried at amortised cost	71,031.83	64,431.09
(iii) Investments carried at fair value through profit and loss	2,607.41	807.89
	171,090.47	164,752.45

Note 4.2 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 2018	31 March 2017
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	8,462,385
Kotkapura Muktsar Tollways Private Limited	5,099	5,099
Sanjose Supreme Tollways Development Private Limited	72,540	72,540
Kalyan Sangam Infratech Limited	390,625	390,625

Name of the Company	No. of preference shares pledged 31 March 2018	31 March 2017
Supreme Infrastructure BOT Holdings Private Limited	100,789	100,789
Kalyan Sangam Infratech Limited	609,375	609,375

Name of the Company	No. of debentures pledged 31 March 2018	31 March 2017
Supreme Panvel Indapur Tollways Private Limited	98,000,000	98,000,000
Supreme Infrastructure BOT Private Limited	806,000,000	806,000,000

Note 4.3 Also, the Company has given a "Non Disposal Undertaking" to the lenders to the extent of 1,899 (31 March 2017: 1,899) equity shares of Supreme Infrastructure BOT Private Limited.

Note 4.4 The Company, as at 31 March 2018, has non-current investments in Supreme Infrastructure BOT Private Limited ('SIBPL'), a subsidiary company, and Supreme Infrastructure BOT Holdings Private Limited ('SIBHPL'), a joint venture company, amounting to ₹ 142,556.83 lakhs and ₹ 11,096.24 lakhs, respectively and current loans as on that date recoverable from SIBHPL aggregating ₹ 17.54 lakhs. SIBPL and SIBHPL are having various Build, Operate and Transfer (BOT) SPVs under its fold. While SIBPL and SIBHPL have incurred losses during its initial years and have accumulated losses, causing the net worth of these entities to be either fully or significantly eroded as at 31 March 2018, the underlying projects are expected to achieve adequate profitability on substantial completion of the underlying projects. The net-worth of these entities does not represent its true market value as the value of the underlying investments/ assets, based on valuation report of an independent valuer, is higher. Further, commercial operation date (COD) in respect of the projects carried out by certain subsidiaries of SIBHPL has been delayed due to various reasons attributable to the clients primarily due to non-availability of right of way, environmental clearances etc. Management is in discussion with the respective client for the availability of right of way and other required clearances and is confident of resolving the matter without any loss to the respective companies. Therefore, based on certain estimates like future business plans, growth prospects, ongoing discussions with the clients and consortium lenders and other factors and also the valuation report of an independent valuer, the management believes that the realizable amount of these entities is higher than the carrying value of the non-current investments and other receivables as at 31 March 2018 and due to which these are considered as good and recoverable.

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Note 5 Loans

Unsecured, considered good

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Non-current		
Loans to related parties (Refer note 35)		
- considered doubtful	2,544.17	2,544.17
Less : Impairment loss provision	(2,544.17)	-
Total non-current loans	-	2,544.17
Current		
Advance to related party (Refer note 35)	17.54	935.48
Security and other deposits	6.99	2,354.26
Total current loans	24.53	3,289.74
Total loans	24.53	5,833.91

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.

Name of the entity	Outstanding balance		Maximum balance outstanding during the year	
	As At 31 March 2018	As at 31 March 2017	Year ended 31 March 2018	Year ended 31 March 2017
Supreme Infrastructure BOT Private Limited [^]	40,954.14	40,954.14	40,954.14	40,954.14
Supreme Infrastructure Overseas LLC	316.77	316.77	316.77	316.77
Rudranee Infrastructure Limited	2,227.40	2,227.40	2,227.40	3,748.03
Supreme Infrastructure BOT Holdings Private Limited [^]	17.54	935.48	2,000.00	2,290.25
Total	43,515.85	44,433.80	45,498.31	47,309.19

[^] 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.

^{^^} Subsidiary as per the Act, however classified as a joint venture under Ind AS

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 2018	As at 31 March 2017
Investments in preference shares		
0.001% CCPS of Sanjose Supreme Tollways Development Private Limited	11,734.00	11,734.00
Investments in debentures		
0.001% CCD of Kotkapura Muktsar Tollways Private Limited	3,098.00	3,098.00
0.001% CCD of Supreme Manor Wada Bhiwandi Infrastructure Private Limited	17,245.00	17,245.00
0.001% CCD of Supreme Panvel Indapur Tollways Private Limited	17,700.00	17,700.00

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Name of the Company	As at 31 March 2018	As at 31 March 2017
0.001% CCD of Supreme Vasai Bhiwandi Tollways Private Limited	6,000.00	6,000.00
0.001% CCD of Supreme Suyog Funicular Ropeways Private Limited	3,900.00	3,900.00
0.001% CCD of Kopargaon Ahmednagar Phase-I Private Limited	9,200.00	9,200.00
0.001% CCD of Patiala Nabha Infra Projects Private Limited	2,995.00	2,995.00
Investment in equity shares		
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	1.00	1.00
Manor Wada Bhiwandi Infrastructure Private Limited	4.90	4.90
Supreme Panvel Indapur Tollways Private Limited	3.80	3.80
Patiala Nabha Infra Projects Private Limited	1.00	1.00
Supreme Suyog Funicular Ropeways Private Limited	9.80	9.80
Supreme Vasai Bhiwandi Tollways Private Limited	1.00	1.00
Supreme Tikamgarh Orcha Annuity Private Limited	1.00	1.00
Mohol Kurul Kamti Tollways Private Limited	0.49	0.49
Kotkapura Muktsar Tollways Private Limited	49.98	49.98
	71,944.97	71,944.97
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
0.001% CCD in Supreme Kopargaon Ahmednagar Tollways Private Limited	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
Investments in equity shares		
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	2,701.00	2,701.00
Supreme Kopargaon Ahmednagar Tollways Private Limited	1.00	1.00
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	4.50	4.50
	33,465.50	33,465.50
Supreme Infrastructure Overseas LLC has invested in following:		
Investment in partnership firm		
Sohar Stone LLC (Refer note ii)	493.89	493.89
	493.89	493.89

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

Note 6 Other financial assets

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Non-current		
Margin money deposits (Refer note below)	418.57	460.84
Interest receivables on deposits	13.83	13.87
Total non-current financial assets	432.40	474.71

SUMMARY OF SIGNIFICANT ACCOUNTING

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₹ In Lakhs

	As at 31 March 2018	As at 31 March 2017
Current		
Unbilled work [Refer note 11.2]	12,543.12	12,831.95
Receivable from related party (refer note 35)	360.31	-
Interest accrued on deposits/ advances		
- from related parties (Refer note 35)	-	1,352.25
- on deposits	42.16	162.84
Employee advances		
- considered good	228.63	204.49
- considered doubtful	249.20	180.00
	13,423.42	14,731.53
Less: impairment loss provision	(249.20)	(180.00)
Total current financial assets	13,174.22	14,551.53
Total other financial assets	13,606.63	15,026.24

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.

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 2018	As at 31 March 2017
a) Income tax assets	15,806.04	17,085.17
b) Current income tax liabilities	18,628.44	15,490.67
Net income tax assets/(liabilities)	(2,822.40)	1,594.50

ii. The gross movement in the current tax asset/ (liability) for the years ended 31 March 2018 and 31 March 2017 is as follows:

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Net current income tax assets/ (liabilities) at the beginning	1,594.50	(285.85)
Tax adjustments for earlier years	(4,631.36)	-
Income tax paid	214.46	1,880.35
Net current income tax assets/ liabilities at the end	(2,822.40)	1,594.50

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

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Current income taxes	4,631.36	(1,513.33)
Deferred income taxes	-	-
Income tax expenses/ (income) (net)	4,631.36	(1,513.33)

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	As at 31 March 2018	As at 31 March 2017
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	(45,380.85)	(21,863.28)
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	-	-
Tax adjustments for earlier years	4,631.36	(1,513.33)
Reversal of deferred tax assets in absence of reasonable certainty	-	-
Income tax (income)/ expense charged to the Statement of Profit and Loss	4,631.36	(1,513.33)

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

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Deferred income tax asset		
Impairment loss provision of financial assets	5,596.29	5,339.49
Provision for employee benefits	109.07	180.73
Unpaid bonus	8.91	-
Unabsorbed depreciation and loss	16,854.13	6,806.09
Deferred tax assets	22,568.41	12,326.32
Deferred income tax liability		
Timing difference on tangible and intangible assets depreciation and amortisation	(662.22)	(882.56)
Timing difference on recognition of margin on the projects initiated post 1 April 2016	-	(203.84)
Timing difference on disputed claims excluded for tax purpose	(2,884.26)	-
Deferred tax liability	(3,546.48)	(1,086.40)
Deferred tax assets recognized to the extent of liabilities (Refer note below)	3,546.48	1,086.40
Deferred tax assets (net)	-	-

Note 7.1 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 2018	As at 31 March 2017
Non-current		
Capital advances	-	82.00
Balances with government authorities	-	195.58
Prepaid expenses	97.30	291.90
Total other non-current assets	97.30	569.48

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	As at 31 March 2018	As at 31 March 2017
Current		
Advance to suppliers and sub-contractors		
- considered good	4,409.53	9,821.54
- considered doubtful	3,055.52	3,055.52
Balances with government authorities	84.32	133.75
Prepaid expenses	194.60	194.60
Total other current assets	7,743.97	13,205.41
Less : Impairment loss provision	(3,055.52)	(3,055.52)
	4,688.45	10,149.89
Total other assets	4,785.75	10,719.37

Note 9. Inventories

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Construction materials	4,679.43	7,774.52
Total inventories	4,679.43	7,774.52

Note 10. Current investments

₹ in Lakhs

	As at 31 March 2018		As at 31 March 2017	
	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)	250	2.52	2 39	2.40
S.B.I. Gold Fund - I-Growth Plan	250,000	24.53	250,000	23.34
Axis Bank Long Term Equity Fund	25,091	10.12	67,398	23.00
Axis Multicap Growth Fund	168,500	16.9	-	-
Axis Hybrid Fund - Series 8 Dividend Plan	-	-	309,142	38.91
Axis Hybrid Fund - Series 8 Growth Plan	-	-	50,000	6.00
Axis Hybrid Fund - Series 12 Growth Plan	-	-	280,000	33.00
Axis Hybrid Fund - Series 13 Growth Plan	-	-	175,000	19.50
Axis Hybrid Fund - Series 14 Growth Plan	-	-	687,265	76.73
Total current investments		54.07		222.88

[^] Face value of ₹ 10 each, unless otherwise stated

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Note 11 Trade receivables

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
(Unsecured, Considered good unless stated otherwise)		
Trade receivables (Refer note below)		
- considered good	99,973.41	98,750.31
- considered doubtful	9,500.58	12,169.98
Receivables from related parties (Refer note 35)	7,409.46	7,981.98
	116,883.45	118,902.27
Less : Impairment provision	(9,500.58)	(12,169.98)
	(9,500.58)	(12,169.98)
Total trade receivables	107,382.89	106,732.29
11.1 Includes retention money	7,682.28	9,992.92

11.2 Trade receivables and unbilled work (other current financial assets) as at 31 March 2018 include ₹ 6,616.13 lakhs (31 March 2017 : ₹ 6,616.13 lakhs) and ₹ 3,835.47 lakhs (31 March 2017 : ₹ 3,074.86 lakhs), respectively, relating to contracts which the clients terminated 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 previous years, in respect of a party where net claims lodged by the Company by far exceed the amounts recoverable.

11.3 Trade receivables as at 31 March 2018 include ₹ 55,396.37 lakhs (31 March 2017 : ₹ 23,507.17 lakhs), in respect of projects which were closed/substantially closed and which are overdue for a substantial period of time. These trade receivables include amounts due from developers aggregating ₹ 4,399.47 lakhs for which the Company has filed/in process of filing winding up petition with the National Company Law Tribunal (NCLT).

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 for matters referred above.

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 period, the management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable.

11.4 Trade receivables as at 31 March 2018 includes ₹ 7,409.48 lakhs (31 March 2017: ₹ 7,981.98 lakhs) due from private companies in which the Company's director is a director or a member.

11.5 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 2018	As at 31 March 2017
Balances with banks		
- Current accounts in Indian rupees	155.36	357.84
Cash on hand	60.49	70.28
Total cash and cash equivalents	215.85	428.12

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Note 13 Other bank balances

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Earmarked balances with banks for:		
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months	1,125.81	3,177.61
Bank deposits with maturity of more than 3 months but less than 12 months	-	8.51
Balances with bank for unclaimed dividend (refer note 13.1)	1.17	1.76
Total other bank balances	1,126.98	3,187.88

Note 13.1 There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2018.

Note 14 Share capital

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Authorised share capital		
72,500,000 Equity shares of ₹10 each (Refer note (e) below) (31 March 2017: 47,500,000 equity shares of ₹ 10 each)	7,250.00	4,750.00
2,500,000 1% Non cumulative redeemable preference shares of ₹ 10 each (31 March 2017: 2,500,000 preference shares of ₹ 10 each)	250.00	250.00
Total authorised share capital	7,500.00	5,000.00

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 15.7).

	As at 31 March 2018	As at 31 March 2017
Issued, subscribed and paid-up equity share capital		
25,698,372 Equity shares of ₹ 10 each fully paid up (31 March 2017: 25,698,372, equity shares of ₹ 10 each)	2,569.84	2,569.84
Total issued, subscribed and paid-up equity share capital	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 2016	25,698,372	2,569.84
Issued during the year	-	-
As at 31 March 2017	25,698,372	2,569.84
Issued during the year	-	-
As at 31 March 2018	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.

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c. Shareholding of more than 5%

Name of the Shareholder	As 31 March 2018		As 31 March 2017	
	% held	No. of Shares	% held	No. of shares
Promoter				
Bhawanishankar H Sharma	6.56%	1,684,755	6.56%	1,684,755
BHS Housing Private Limited	13.04%	3,350,000	13.04%	3,350,000
Vikram B Sharma	4.75%	1,219,724	9.24%	2,374,724
Vikas B Sharma	6.84%	1,758,753	6.84%	1,758,753
Non-promoter				
Kitara PIIN 1101	9.20%	2,364,344	9.20%	2,364,344
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:

- Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash - Nil
 - Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
 - Aggregate number and class of shares bought back - Nil
- e. The shareholders of the Company at the Annual General Meeting held on 30 October 2017 approved the increase in Authorized Share capital from ₹ 5,000 lakhs consisting of 47,500,000 equity shares of ₹ 10 each and 2,500,000 preference shares of ₹ 10 each to 7,500 lakhs consisting of 72,500,000 equity shares of ₹ 10 each and 2,500,000 preference shares of ₹ 10 each.
- f. 7,937,334 (31 March 2017: 8,573,795) equity shares held by the promoters of the Company as at 31 March 2018 are pledged as security in respect of amounts borrowed by the Company and its Group Companies.
- g. During the year ended 31 March 2018, one of the lender has invoked 427,000 pledged equity shares of Ms. Rita Sharma aggregating ₹ 325.96 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	As at 31 March 2018	As at 31 March 2017
(A) Restructured rupee term loans (RTL)			
(i) From Banks (Refer note 15.1 and 18.4)	12.61%-13.62%	12,986.23	13,507.17
(ii) From Others (Refer note 18.4)	12.73%-13.25%	5,842.32	6,188.01
(B) Working capital term loan (WCTL) from banks (Refer note 15.1)	11.95%-13.00%	36,585.06	41,026.43
(C) Funded interest term loan (FITL)			
(i) From Banks (Refer note 15.1 and 18.4)	11.95%-13.63%	22,387.81	25,287.40
(ii) From Others	12.73%-13.26%	1,401.49	1,580.43
(D) Other rupee term loans			
(i) From Banks (Refer note 18.4)	10.35%-12.75%	2,073.36	2,216.14
(ii) From Others (Refer note 18.4)	15.81%	-	5,282.90

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Non-current portion: Secured	Effective interest rate	As at 31 March 2018	As at 31 March 2017
Liability component of financial instruments [refer note 15.7 below]			
1% Non cumulative redeemable preference shares of ₹ 10 each (2,500,000 non cumulative, non convertible, redeemable preference shares of ₹ 10)		1,807.14	1,628.05
Total non-current borrowings		83,083.41	96,716.53

₹ in Lakhs

Current maturities of long-term borrowings Secured	Effective interest rate	As at 31 March 2018	As at 31 March 2017
(A) Restructured rupee term loans (RTL)			
(i) From Banks (Refer note 15.1 and 18.4)	12.61%-13.62%	1,854.70	1,091.02
(ii) From Others (Refer note 18.4)	12.73%-13.25%	776.44	436.12
(B) Working capital term loan (WCTL) from banks (Refer note 15.1)	11.95%-13.00%	9,047.22	4,448.22
(C) Funded interest term loan (FITL)			
(i) From Banks (Refer note 15.1)	11.95%-13.63%	6,216.86	2,940.72
(ii) From Others (Refer note 18.4)	12.73%-13.26%	382.90	186.06
(D) Other rupee term loans			
(i) From Banks (Refer note 18.4)	10.35%-12.75%	280.12	188.20
(ii) From Others (Refer note 18.4)	15.81%	9,091.98	5,252.08
Total current maturities of long-term borrowings		27,650.22	14,542.42
Total borrowings		110,733.63	111,258.95

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. Considering, the classification of borrowing as NPA, certain lenders are not accruing interest while providing account statements of the borrowings, whereas the Company, on prudence, has accrued interest expenses at rates specified in the agreement with the respective lenders/ latest available sanction letters received from such lenders. (Also, refer note 38)

Note 15.2 Contractual loan principal amounting to ₹ 17,383.02 lakhs (31 March 2017: ₹ 8,241.97 lakhs) and the interest amount of ₹ 38,441.32 lakhs (31 March 2017: ₹ 18,228.13 lakhs) respectively is due and outstanding to be paid as at 31 March 2018.

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 (11% as at 31 March 2018) 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.

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Working capital term loan (WCTL)

These loans carry an interest rate of SBI Base Rate+1% plus interest tax (11 % as at 31 March 2018) to be reset after a moratorium period of 2 years. These loans are repayable in 20 structured uarterly instalments commencing 31 December 2016 and ending on 30 September 2021.

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

(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 2017: 474,829 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 2,173,000 equity shares (31 March 2017 : 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 4.2 and 4.3
- (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 3,642,332 equity shares held by promoters (including 2,173,000 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.

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- (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.13/2 and 13/1 (part) and CTS No. 27, Survey No. 14 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. 13/2 and 13/1(part) and CTS No. 27, Survey No. 14 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 External Commercial Borrowing (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, Maharashtra.
 - Flat No. 510 on 5th Floor of ABW Tower located at IIFCO Chowk, Sukhrawli 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 lakhs (31 March 2017: ₹ 16,842.00 lakhs) as at the year end.

Note 15.5 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 15.6 Term loans from others:

Loans from other carries interest @ base rate (18% as at 31 March 2018) 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 15.7 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

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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.

Note 15.8 Net Debt Reconciliation

An analysis of net debt and the movement in net debt for the year ended 31 March 2018 is as follows:

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Cash and Cash equivalents	215.85	428.12
Liquid Investments	54.07	222.88
Current borrowings (including interest accrued)	(144,322.61)	(118,215.57)
Non-current borrowings (including interest accrued and current maturities of long term borrowings)	(131,579.09)	(121,137.74)
Net debt	(275,631.78)	(238,702.31)

	Other assets		Liabilities from financing activities		Total
	Cash and Cash equivalents	Liquid investments	Non-current borrowings	Total equity attributable to equity holders	
Net debt as at 1 April 2017	428.12	222.88	(121,137.74)	(118,215.57)	(238,702.31)
Cash flows	(212.27)	(168.81)	1,401.79	(11,662.71)	(10,642.01)
Interest expense	-	-	(16,100.30)	(14,666.55)	(30,766.86)
Interest paid	-	-	4,257.16	222.22	4,479.38
Net debt as at 31 March 2018	215.85	54.07	(131,579.09)	(144,322.61)	(275,631.78)

Note 16 Other financial liabilities

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Non-current		
Financial guarantees	556.73	683.86
Total non-current financial liabilities	556.73	683.86

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Current		
Current maturities of long-term borrowings (Refer note 15)	27,650.22	14,542.42
Interest accrued and due	38,441.32	18,228.13
Unclaimed dividends ^	1.17	1.76
Advance towards share application money pending allotment ^^	-	2,411.14
Payable for purchase of investment	-	127.40
Financial guarantees	127.13	129.02

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	As at 31 March 2018	As at 31 March 2017
Others		
- Due to employees	1,641.93	789.93
- Security deposits	15.79	20.00
Total current financial liabilities	67,877.56	36,249.80
Total other financial liabilities	68,434.29	36,933.66

^ Not due for credit to Investor Education and Protection Fund

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Other financial liabilities carried at amortised cost	68,434.29	36,933.66
Other financial liabilities carried at FVTPL	-	-

Note 17 Provisions

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Non-current		
Provision for employee benefits (Refer note 33)		
- Gratuity	165.15	294.87
- Leave entitlement and compensated absences	113.63	174.72
Total non-current provisions	278.78	469.59
Current		
Provision for employee benefits (Refer note 33)		
- Gratuity	14.15	23.14
- Leave entitlement and compensated absences	19.19	29.47
Total current provisions	33.34	52.61
Total provisions	312.12	522.20

Note 18 Current borrowings

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
I. Secured		
Rupee Loan from Banks		
Cash credit facilities (Repayable on demand)	116,911.52	103,184.62
Term loan from banks (Refer notes 15.5, 18.2, 18.3 and 18.4)	2,240.99	2,379.24
	119,152.51	105,563.86
II. Unsecured (Repayable on demand)		
Term loan other than banks	-	715

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	As at 31 March 2018	As at 31 March 2017
Bank overdraft	15.28	15.28
Loans from related parties (Refer note 35)	7,558.96	3,572.09
Total current borrowings (I+II)	126,726.75	109,866.23

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 ₹ 24,894.09 lakhs (31 March 2017: ₹ 39,178.60 lakhs).

Note 18.2 Term loan from banks include ₹ 1,697.18 lakhs (31 March 2017: ₹ 1,817.00 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 previous year, The lender 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 ₹ 543.81 lakhs (31 March 2017: ₹ 562.24 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 18.4 Non-current borrowings, short-term borrowings and other current financial liabilities as at 31 March 2018 include balances aggregating ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 11,510.27 lakhs, respectively in respect of which direct confirmations from the respective lenders have not been received. Further, out of these balance, non current borrowings, short-term borrowings and other current financial liabilities amounting to ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 3,967.81 lakhs, respectively, represent loans which were classified as Non-Performing Assets (NPAs) by the lenders. In the absence of confirmations from the lenders, the Company has provided for interest and other penal charges on these borrowings based on the latest communication available from the respective lenders at the interest rate specified in the agreement. The Company's management believes that amount payable on settlement will not exceed the liability provided in books in respect of these borrowings. Further, certain lenders have not recalled or initiated recovery proceedings for the existing facilities at present. Accordingly, classification of these borrowings into current and non-current as at 31 March 2018 is based on the original maturity terms stated in the agreements with the lenders.

Note 19. Trade payables

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 19.1)	122.20	201.97
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	14,714.82	20,188.07
Total trade payables	14,837.02	20,390.04

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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)

The disclosure pursuant to the said Act is as under:

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Principal amount due to suppliers under MSMED Act	30.33	160.10
Interest accrued and due to suppliers under MSMED Act on the above amount	91.87	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	91.87	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 2018	As at 31 March 2017
Advance from contractees (Refer note 35)	5,008.49	8,376.65
Statutory dues payable	8,737.12	2,856.05
Total other current liabilities	13,745.61	11,232.70

Note 21 Revenue from operations

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Contract revenue	88,384.94	101,491.37
Sale of products	2,019.61	3,520.58
Total revenue from operations	90,404.55	105,011.95

Note 22 Other income

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Interest income		
- interest unwinding on financial assets	7,270.97	6,775.12
- interest unwinding on financial guarantees	127.13	126.56
- on margin money deposits	140.45	293.59
Dividend from current investments	0.10	0.51
Other non-operating income		

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	Year ended 31 March 2018	Year ended 31 March 2017
- Excess provision no longer required written back	-	23.74
- Profit on redemption of mutual funds (net)	17.42	0.28
- Fair value gain on mutual funds (valued at FVTPL)	2.75	17.48
- Profit on sale of property, plant and equipment (net)	-	34.3
- Rental income	66.55	94.51
- Miscellaneous	-	0.6
Total other income	7,625.37	7,366.69

Note 23 Cost of construction materials consumed

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Stock at beginning of the year	7,774.52	8,457.50
Add: Purchases	18,968.37	33,016.08
	26,742.89	41,473.58
Less: Stock at the end of the year	4,679.43	7,774.52
Total cost of construction materials consumed	22,063.46	33,699.06

Note 24 Employee benefits expense

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Salaries and wages	2,348.99	2,710.06
Contribution to provident and other funds (Refer note 33)	79.85	100.97
Gratuity (Refer note 33)	99.84	77.96
Staff welfare	92.71	99.70
Total employee benefits expense	2,621.39	2,988.69

Note 25 Finance costs

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Interest on:		
- Term loans	16,100.30	14,818.38
- Cash credit facilities	14,666.55	11,727.51
- Others	3,616.98	519.51
Other borrowing costs		
- Bank charges and guarantee commission	1,750.69	1,002.99
Total finance costs	36,134.52	28,068.39

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

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Depreciation on tangible assets	2,183.24	2,458.61
Amortisation on intangible assets	7.73	12.89
Total depreciation and amortisation expense	2,190.97	2,471.50

Note 27 Other expenses

	Year ended 31 March 2018	Year ended 31 March 2017
Power and fuel	2,001.42	2,948.63
Rent and hire charges	2,349.50	3,800.68
Transportation charges	1,243.36	1,581.10
Repairs and maintenance	123.19	135.38
Insurance	144.43	95.48
Rates and taxes	14.96	29.97
Impairment allowance (financial assets)	469.20	510.00
Impairment loss (financial asset written off)	82.00	-
Communication expenses	46.04	64.63
Advertisement	24.88	0.41
Printing and stationery	22.90	24.80
Travelling and conveyance	72.77	90.05
Legal and professional	1,306.00	844.15
Directors' sitting fees	20.00	7.80
Auditors' remuneration:		
i) Audit fees	98.50	94.00
ii) Limited review fees	36.50	29.00
iii) Certification fees	-	3.00
iv) Reimbursement of out of pocket expenses	3.50	4.00
Miscellaneous	887.70	1,049.44
Total other expenses	8,946.85	11,312.52

Note

- The Company has not incurred any expenditure during the year against the total amount Nil (31 March 2017 : ₹ 134.99 lakhs) required to be spent for Corporate Social Responsibility.
- 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 2018	Year ended 31 March 2017
Impairment allowance including expected credit loss allowance (allowance for doubtful investment, loans, trade receivable and other financial assets)	10,314.33	10,939.50
Financial assets written off (trade receivable, other financial assets and loans written off)	15,634.74	1,587.13
Impairment loss - Inventories written off	-	300.32
Total exceptional items [expense/ (Income)]	25,949.07	12,826.95

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Note 29 Earnings per share (EPS) Basic and diluted EPS

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Profit computation for basic earnings per share of ₹ 10 each		
Net profit/ (loss) as per the Statement of Profit and Loss (₹ lakhs)	(50,012.21)	(20,349.95)
available for equity shareholders		
Weighted average number of equity shares for EPS computation (Nos.)	25,698,372	25,698,372
EPS - Basic and Diluted EPS (₹)	(194.61)	(79.19)

Note: Non-cumulative redeemable preference shares and amount pending share allotment 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

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
(i) Claims not acknowledged as debts including cases where petition for winding up has been filed against the Company	691.32	1,158.55
(ii) Corporate guarantee given to banks on behalf of subsidiaries/ jointly controlled entities	163,815.69	163,815.69
(iii) Service tax liability that may arise in respect of matters in appeal	7,270.26	7,270.26

B. Commitments

- 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 and jointly controlled entities. 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.
- 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 contracts

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Contract revenue for the year	88,384.94	101,491.37
Aggregate amount of cost incurred and recognized profits less recognized losses up to the reporting date on contract under progress	234,688.30	371,659.38
Advances received from customer	5,008.49	8,376.65
Retention money	7,682.28	9,992.92
Gross amount due from customer for contract work (net of retention)	121,744.29	121,741.30
Gross amount due to customer for contract work	-	-

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Note 32 Interests in other entities

a) Joint operations (incorporated)

The Company's share of interest in joint ventures is set out below. The principal place of business of all these joint ventures is in India.

Name of the entity	% of ownership interest held by the Company		Name of the ventures' partner	Principal activities
	31 March 2018	31 March 2017		
Supreme Infrastructure BOT Holdings Private Limited	51.00	51.00	Strategic Road Investments Limited	Toll Management
Sanjose Supreme Tollways Development Private Limited	96.10	96.10	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. 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 2018	As at 31 March 2017
Total assets	121,145.78	159,772.75
Total liabilities	113,768.12	128,829.81

iii) Contingent liability and capital commitment as at reporting date

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Capital commitment	-	79,417.88

iv) Summarised statement of profit and loss account

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Revenue	4,877.00	10,085.19
Other income	8.02	-
Total expenses (including taxes)	28,479.47	14,011.07

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%

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Classification of work executed on sharing basis

Contracts executed in joint operation 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.

	Year ended 31 March 2018	Year ended 31 March 2017
a) Changes in defined benefit obligations		
Present value of obligation as at the beginning of the year	318.01	287.59
Interest cost	24.70	24.03
Current service cost	60.14	53.93
Remeasurements - Net actuarial (gains)/ losses	(226.67)	(24.47)
Benefits paid	(11.88)	(23.07)
Past Service Cost	15.00	-
Present value of obligation as at the end of the year	179.30	318.01

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
b) Expenses recognised in the Statement of Profit and Loss		
Interest cost	24.70	24.03
Current service cost	60.14	53.93
Past Service Cost	15.00	-
Total	99.84	77.96

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
c) Remeasurement (gains)/ losses recognised in OCI		
Actuarial changes arising from changes in financial assumptions	(9.94)	16.45
Actuarial changes arising from changes in demographic assumptions	(4.56)	(5.64)
Experience adjustments	(212.18)	(35.28)
Total	(226.68)	(24.47)

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2016
d) Actuarial assumptions		
Discount rate	7.83% p.a.	7.34% p.a.
Salary escalation rate - over a long-term	8.00% p.a.	8.50% p.a.
Mortality rate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate

The attrition rate varies from 1% to 8% (31 March 2017: 1% to 6%) 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.

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₹ in Lakhs

e) Quantities sensitivity analysis for significant assumption is as below:	As at 31 March 2018	As at 31 March 2017
		1% increase
i. Discount rate	(16.34)	(29.11)
ii. Salary escalation rate - over a long-term	16.71	29.73
		1% increase
i. Discount rate	17.25	30.80
ii. Salary escalation rate - over a long-term	(16.35)	(29.24)

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 2018	As at 31 March 2017
Within the next 12 months	14.70	23.98
Between 2 and 5 years	77.89	1.44
Between 6 and 10 years	87.29	2.37
Total expected payments	179.88	27.79

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 2018	As at 31 March 2017
(i) Contribution to provident fund	66.17	94.91
(ii) Contribution to ESIC	13.69	6.06
	79.86	100.97

b) The expenses for leave entitlement and compensated absences is recognized in the same manner as gratuity and provision of ₹ 132.82 lakhs (31 March 2017: ₹ 204.19 lakhs) has been made as at 31 March 2018.

₹ in Lakhs

C Current/ non-current classification	As at 31 March 2018	As at 31 March 2017
Gratuity		
Current	14.15	23.14
Non-current	165.15	294.87
	179.30	318.01
Leave entitlement (including sick leave)		
Current	19.19	29.47
Non-current	113.63	174.72
	132.82	204.19

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,

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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 2018 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	411.36	-	-	-	-	411.36	411.36
Investment in debentures	4	70,620.47	-	-	-	-	70,620.47	70,620.47
Investments in equity istruments	4	-	2,607.41	-	-	-	2,607.41	2,607.41
Investments in mutual funds	10	-	54.07	-	-	-	54.07	54.07
Trade receivables	11	107,382.89	-	-	-	-	107,382.89	107,382.89
Loans	5	24.53	-	-	-	-	24.53	24.53
Others financial assets	6	13,606.63	-	-	-	-	13,606.63	13,606.63
Cash and cash equivalents	12	215.85	-	-	-	-	215.85	215.85
Other bank balances	13	1,126.98	-	-	-	-	1,126.98	1,126.98
Liabilities:								
Borrowings	15,18	237,460.38	-	-	-	-	237,460.38	237,460.38
Trade payables	19	14,837.02	-	-	-	-	14,837.02	14,837.02
Other financial liabilities	16	40,227.34	-	-	-	-	40,227.34	40,227.34

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	-	-	-	-	809.44	809.44
Investment in debentures	4	63,621.65	-	-	-	-	63,621.65	63,621.65
Investments in equity instruments		-	807.89	-	-	-	807.89	807.89

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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	5,833.91	-	-	-	-	5,833.91	5,833.91
Others financial assets	6	15,026.24	-	-	-	-	15,026.24	15,026.24
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	221,125.18	-	-	-	-	221,125.18	221,125.18
Trade payables	19	20,390.04	-	-	-	-	20,390.04	20,390.04
Other financial liabilities	16	21,707.38	-	-	-	-	21,707.38	21,707.38

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:

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
		31 March 2018	31 March 2017	
a) Subsidiaries				
Supreme Infrastructure BOT Private Limited	India	100	100	Supreme Infrastructure India Limited
Supreme Panvel Indapur Tollways Private Limited	India	64	64	Supreme Infrastructure India Limited
Supreme Mega Structures Private Limited	India	60	60	Supreme Infrastructure India Limited
Supreme Infrastructure Overseas LLC	Oman	60	60	Supreme Infrastructure India Limited
Supreme Manor Wada Bhiwandi Infrastructure Private Limited ^	India	49	49	Supreme Infrastructure BOT Private Limited
Patiala Nabha Infra Projects Private Limited	India	100	100	Supreme Infrastructure BOT Private Limited
Supreme Suyog Funicular Ropeways Private Limited	India	98	98	Supreme Infrastructure BOT Private Limited
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	India	100	100	Supreme Infrastructure BOT Private Limited
Supreme Vasai Bhiwandi Tollways Private Limited	India	100	100	Supreme Infrastructure BOT Private Limited
Mohul Kurul Kamti Mandrup Tollways Private Limited ^	India	49	49	Supreme Infrastructure BOT Private Limited
Kotkapura Muktsar Tollways Private Limited	India	99	99	Supreme Infrastructure BOT Private Limited

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(b) Associates

	Country of incorporation	Company's holding as at (%)		Subsidiary of
		31 March 2018	31 March 2017	
Rudranee Infrastructure Limited	India	49.00	49.00	

(c) Jointly controlled entities

	Country of incorporation	Company's holding as at (%)		Subsidiary of
		31 March 2018	31 March 2017	
Sanjose Supreme Tollways Development Private Limited ^^	India	96.10	96.10	
Supreme Infrastructure BOT Holdings Private Limited ^^^	India	51.00	51.00	
Supreme Best Value Kolhapur (Shirol) Sangli Tollways Private Limited ^^^	India	45.90	45.90	Supreme Infrastructure BOT Holdings Private Limited
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited ^^^	India	51.00	51.00	Supreme Infrastructure BOT Holdings Private Limited
Supreme Kopargaon Ahmednagar Tollways Private Limited ^^^	India	51.00	51.00	Supreme Infrastructure BOT Holdings Private Limited

(d) Key management personnel (KMP)

Mr. Bhawanishankar Sharma - Chairman
Mr. Vikram Sharma - Managing Director
Mr. Vikas Sharma - Director (Whole Time Director and CFO till 16 August 2017)
Mr. Vijay Joshi - Company Secretary
Mr. Sandeep Khandelwal - CFO (w.e.f 16 August 2017)
Mr. V.P. Singh - Independent Director
Mr. Vinod Agarwala - Independent Director
Mr. S.K. Mishra - Independent Director
Mrs. Nilima Mansukhani - Independent Director
Mrs Rita Sharma - Wife of Bhawanishankar Sharma

(e) 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

^ 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.

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^^^ 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 2018	Year ended 31 March 2017
Rendering of services			
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	22,775.08	11,877.88
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	Jointly controlled entity	633.41	-
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	Jointly controlled entity	-	3,821.00
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	-	2,533.12
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	91.17	603.30
Kotkapura Muktsar Tollways Private Limited	Subsidiary	-	2,202.27
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	Subsidiary	450.42	543.58
BHS Housing Private Limited	Other related party	-	238.35
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	986.80	1,464.18
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	228.95	551.00
Supreme Manorwada Bhiwandi Infrastructure Private Limited	Subsidiary	2,000.71	-
			-
		27,166.54	23,834.68
Interest income			
Rudranee Infrastructure Limited	Associate	-	358.13
Supreme Infrastructure Overseas LLC	Subsidiary	-	31.52
		-	389.65
Interest unwinding on financial assets carried at amortised cost			
Supreme Infrastructure BOT Private Limited	Subsidiary	6,189.55	5,576.17
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	809.28	729.08
Kalyan Sangam Inftratech Limited	Other related party	40.77	36.73
Green Hill Barter Private Limited	Other related party	-	43.49
		7,039.60	6,385.47
Interest unwinding on financial guarantees			
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	11.96	11.96
Kotkapura Muktsar Tollways Private Limited	Subsidiary	5.65	5.36
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited	Subsidiary	22.90	22.87
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	49.06	49.06
Supreme Infra Projects Private Limited	Subsidiary	5.38	5.38
Rudranee Infrastructure Limited	Associate	6.16	6.16

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₹ in Lakhs

Transactions with related parties:		Year ended 31 March 2018	Year ended 31 March 2017
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	21.42	21.42
Supreme Suyog Furnicular Private Limited	Subsidiary	4.60	4.35
		127.13	126.56
Receipt of services			
Supreme Mega Structures Private Limited	Subsidiary	552.69	563.77
		552.69	563.77
Finance cost on redeemable preference shares			
BHS Housing Private Limited	Other related party	179.09	161.34
		179.09	161.34
Investment in equity			
Supreme Infrastructure BOT Private Limited ^	Subsidiary	-	30,521.01
Kotkapura Muksar Tollways Private Limited	Subsidiary	-	4.29
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited	Subsidiary	-	4.47
Supreme Suyog Furnicular Private Limited	Subsidiary	-	8.72
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	-	14.40
		-	30,552.89

Note 35 Disclosure in accordance with Ind-AS 24 Related Party Transactions

₹ in Lakhs

Transactions with related parties:		Year ended 31 March 2018	Year ended 31 March 2017
Remuneration to key managerial person			
Mr. Vijay Joshi	Key Managerial Personnel	19.80	18.19
Mr. Sandeep Khandelwal	Chief financial officer	17.56	-
Mr. V.P. Singh	Key Managerial Personnel	5.50	2.00
Mr. Vinod Agarwala	Key Managerial Personnel	3.70	1.80
Mr. S.K. Mishra	Key Managerial Personnel	5.40	2.00
Mrs. Nilima Mansukhani	Key Managerial Personnel	4.00	1.40
		55.96	25.39
Loan taken from			
Mr. Bhawanishankar Sharma	Key Managerial Personnel	594.04	1,489.96
Mr. Vikram Sharma	Key Managerial Personnel	-	410.30
Mrs. Vikas Sharma	Key Managerial Personnel	16.42	-
Supreme Innovative Buildings Private Limited	Other related parties	3,396.85	-
		4,007.31	1,900.26
Loan repaid to			
Mr. Vikas Sharma	Key Managerial Personnel	20.98	18.15
		20.98	18.15

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C) Outstanding balances:

₹ in Lakhs

		As at 31 March 2018	As at 31 March 2017
Outstanding trade receivables			
Supreme Mega Structures Private Limited	Subsidiary	-	145.56
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	895.30	466.26
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	Subsidiary	313.35	1,481.33
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	Jointly controlled entity	-	206.72
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	558.72	858.47
Supreme Housing and Hospitality Private Limited	Other related party	653.43	761.07
BHS Housing Private Limited	Other related party	-	6.80
Patiala Nabha Infra Projects Private Limited	Subsidiary	1,345.92	1,349.24
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	Subsidiary	1,665.71	1,076.84
Kotkapura Muktsar Tollways Private Limited	Subsidiary	498.75	589.41
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	852.47	826.61
Mohul Kurul Kamti Mandrup Tollways Private Limited	Subsidiary	1.28	1.28
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	135.18	212.39
Kalyan Sangam Infratech Limited	Other related party	489.36	-
		7,409.47	7,981.98
Loans receivable			
Rudranee Infrastructure Limited	Associate	2,227.40	2,227.40
Supreme Infrastructure BOT Holdings Private Limited	Jointly controlled entity	17.54	935.48
Supreme Infrastructure Overseas LLC	Subsidiary	316.77	316.77
		2,561.71	3,479.65
Other financial assets			
Receivable from related party			
Supreme Suyog Funicular Ropeways Private Limited		360.31	-
		360.31	-

₹ in Lakhs

		As at 31 March 2018	As at 31 March 2017
Interest accrued			
Rudranee Infrastructure Limited	Associate	-	1,256.87
Supreme Infrastructure Overseas LLC	Subsidiary	-	95.39
		-	1,352.26

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		As at 31 March 2018	As at 31 March 2017
Outstanding Payables			
Short-term borrowings			
Mr. Bhawanishankar Sharma	Key Managerial Personnel	2,269.96	1,675.92
Mr. Vikram Sharma	Key Managerial Personnel	1,161.44	1,160.32
Mr. Vikas Sharma	Key Managerial Personnel	730.71	735.84
Supreme Innovative Buildings Private Limited	Other related parties	3,396.85	-
		7,558.96	3,572.08
Trade payable			
Supreme Mega Structures Private Limited	Subsidiary	189.20	37.96
		189.20	37.96
Other current liabilities			
Mr. Vijay Joshi	Key Managerial Personnel	9.80	4.45
Mr. Sandeep Khandelwal	Chief financial officer	8.78	-
Mr. V.P. Singh	Independent Directors	3.15	2.00
Mr. Vinod Agarwala	Independent Directors	2.70	2.00
Mr. S.K. Mishra	Independent Directors	2.79	2.00
Mrs. Nilima Mansukhani	Independent Directors	0.99	2.00
		28.21	12.45
Share application money pending allotment			
Supreme Innovative Buildings 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	254.29	296.38
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	-	1,218.74
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	-	13.47
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	637.21	918.11
Supreme Housing and Hospitality Private Limited	Other related party	25.42	25.42
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	Jointly controlled entity	3,054.17	4,733.61
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	Subsidiary	-	326.13
		3,971.09	7,531.86
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
Kotkapura Muktsar Tollways Private Limited	Subsidiary	8,500.00	8,500.00
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited	Subsidiary	18,000.00	18,000.00
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	90,000.00	90,000.00

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		As at 31 March 2018	As at 31 March 2017
Patiala Nabha Infra Projects Private Limited	Subsidiary	6,537.69	6,537.69
Rudranee Infrastructure Limited	Associate	4,500.00	4,500.00
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	14,900.00	14,900.00
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	6,000.00	6,000.00
		163,815.69	163,815.69

Notes:

- Mr. Bhawanishankar Sharma, Mr. Vikram Sharma and Mr. Vikas Sharma have agreed for waiver of remuneration for the years ended 31 March 2018 and 31 March 2017 in view of the losses incurred by the Company.
- Refer notes 4.2, 4.3, 15.3 and 18.1 for personal guarantee provided by Directors, shares pledged and other security created in respect of borrowing by the Company or the related parties.
- 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:

	31 March 2018	31 March 2017
Increase in basis points	50 basis points	50 basis points
Effect on loss before tax, increase by	1,187.30	1,105.63
Decrease in basis points	50 basis points	50 basis points
Effect on loss before tax, decrease by	1,187.30	1,105.63

₹ in Lakhs

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.

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The following table analysis foreign currency risk from financial instruments :

Particulars	31 March 2018		31 March 2017	
	USD	EUR	USD	EUR
Assets				
Inter corporate deposits and interest thereon	-	-	4.97	0.19
Net assets	-	-	4.97	0.19

₹ In Lakhs

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.

- 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 2018 %	31 March 2017 %
Revenue from government promoted agencies	67.08	81.53
Revenue from others	32.92	18.47
	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:

Particulars	31 March 2018	31 March 2017
Revenue from top customer	22,775.08	11,886.63
Revenue from top five customers	45,038.26	29,803.83

₹ in Lakhs

For the year ended 31 March 2018, One (31 March 2017: One) customer, individually, accounted for more than 10% of the revenue.

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for the year ended 31 March 2018

The movement of the allowance for lifetime expected credit loss is stated below: [^]

₹ in Lakhs

Particulars	31 March 2018	31 March 2017
Balance at the beginning of the year	15,405.50	5,741.00
Balance at the end of the year	12,805.30	15,405.50

[^] The Company has written off ₹ 10,799.10 lakhs and ₹ 3,372.16 lakhs towards amounts not recoverable from trade receivables, advances and unbilled work during the years ended 31 March 2018 and 31 March 2017, 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.

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 2018					
Borrowings	124,485.77	29,891.21	72,573.27	10,510.14	237,460.38
Trade payables	-	14,837.02	-	-	14,837.02
Other financial liabilities	-	40,784.06	-	-	40,784.06
Total	124,485.77	85,512.29	72,573.27	10,510.14	293,081.46
As at 31 March 2017					
Borrowings	107,486.99	16,921.66	84,424.52	12,292.01	221,125.18
Trade payables	-	20,390.04	-	-	20,390.04
Other financial liabilities	16,600.08	5,791.16	-	-	22,391.24
Total	124,087.07	43,102.86	84,424.52	12,292.01	263,906.46

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 2018	As at 31 March 2017
Total debts	237,460.38	221,125.18
Total equity	14,602.59	64,388.12
Total debts to equity ratio (Gearing ratio)	94.21%	77.45%

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the standalone financial statements
for the year ended 31 March 2018

In the long run, the Company's strategy is to maintain a gearing ratio between 60% to 75%.

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 has incurred net loss of ₹ 50,012.21 lakhs during the year ended 31 March 2018 and has also suffered losses from operations during the preceding financial years and as of that date, its current liabilities exceeded its current assets by ₹ 94,696.26 lakhs. The Company also has external borrowings from banks and financial institutions, principal and interest repayment of which has been delayed. 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 other lenders, the JLF decided to incorporate one-time restructuring under the JLF mode of the entire borrowings of the Company. During the year 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 NPA. Consequent to the classification of borrowings as NPA by SBI, borrowings from other consortium lenders were also classified as NPA during the year ended 31 March 2017. On 11 July 2017, the Overseeing Committee (OC) approved the implementation of Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) recommended by the Joint Lenders Forum. The S4A framework agreement, dated 8 December 2017, had been signed by requisite majority of the lenders with reference date as 31 December 2016. As per the approved S4A scheme, out of the total estimated debts aggregating ₹ 235,904.00 lakhs existing as on the reference date, ₹ 125,834.00 lakhs was to be classified as sustainable debt to be serviced as per the existing terms and conditions of these debts and remainder is to be converted into fully paid up equity shares and optionally convertible debentures. During the course of implementation of the S4A scheme, RBI vide its circular dated 12 February 2018, withdrew all restructuring schemes including the S4A scheme as a result of which the lenders are presently in the process of formulating a revised resolution plan. Pursuant to the discussion at the lenders meeting held on 11 March 2018, the Promoters of the Company, post year end, have arranged ₹ 10,000.00 lakhs as part of the resolution plan. Basis this, the management has prepared the standalone financial statements on a "Going Concern" basis.

Note 39 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 40 Disclosure of unhedged foreign currency exposure as at 31 March 2018

Particulars	Currency	31 March 2018		31 March 2017	
		Foreign currency in Lakhs	₹ Lakhs	Foreign currency in lakhs	₹ Lakhs
Assets					
Inter corporate deposits					
- Non-current	USD	-	-	4.97	257.14
	EUR	-	-	0.19	12.45
Net assets		-	-	5.16	269.59

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

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

For Ramanand & Associates
Chartered Accountants
Firm Registration No: 117776W

For and on behalf of the Board of Directors

Rakesh R. Agarwal
Partner
M.No. : 109632

Santosh Jadhav
Partner
M.No. : 115983

Vikas Sharma
Director
DIN No : 01344759
Place : Mumbai

Vikram Sharma
Managing Director
DIN No : 01249904
Place : Mumbai

Sandeep Khandelwal
Chief Financial Officer

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 6 June 2018

Place : Mumbai
Date : 6 June 2018

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 2018, 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 for maintenance 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 Rules 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 paragraphs 14 of the Other Matters paragraph, 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) and (c) to the consolidated financial statements, the Holding Company's current financial assets as at 31 March 2018 include trade receivables and unbilled work aggregating ₹ 6,616.13 lakhs (31 March 2017: ₹ 6,616.13 lakhs) and ₹ 3,835.47 lakhs (31 March 2017: ₹ 3,074.86 lakhs) respectively, in respect of projects which were closed / terminated by the clients and where the matters are currently under litigation/negotiations and trade receivables aggregating ₹ 55,396.37 lakhs (31 March 2017: ₹ 23,507.17 lakhs) in respect of projects which were closed/substantially closed and where the receivables have been outstanding for a substantial period. Management has assessed that no adjustments are required to the carrying value of the aforesaid balances, which is not in accordance with the requirements of Ind AS 109, 'Financial Instruments'. In absence of sufficient appropriate evidence to support Management's contention of recoverability of these balances, we are unable to comment upon the adjustments, if any, that are required to the carrying value of the aforesaid balances, and consequential impact, if any, on the accompanying consolidated financial statements. Our opinion on the consolidated financial statements for the year ended 31 March 2017 was also qualified in respect of this matter.

INDEPENDENT AUDITORS' REPORT

b) As stated in Note 20.4 to the consolidated financial statements, the Holding Company's non-current borrowings, short-term borrowings and other current financial liabilities as at 31 March 2018 include balances aggregating ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 11,510.27 lakhs, respectively in respect of which direct confirmations from the respective lenders have not been received. These borrowings have been classified into current and non-current, basis the original maturity terms stated in the agreements which is not in accordance with the terms of the agreements in the event of defaults in repayment of borrowings. Further, whilst we have been able to perform alternate procedures with respect to certain balances, in the absence of confirmations from the lenders, we are unable to comment on the adjustments, if any that may be required to the carrying value of these balances on account of changes, if any, to the terms and conditions of the transactions, and consequential impact, on the consolidated financial statements.

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 effects of 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 2018, and their consolidated loss (consolidated financial performance including other comprehensive income), its consolidated cash flows and consolidated changes in equity for the year ended on that date.

Material Uncertainty Related to Going Concern

10. We draw attention to Note 40 to the consolidated financial statements, which indicates that the Group has incurred a net loss of ₹ 97,446.97 lakhs during the year ended 31 March 2018 and, as of that date, the Group's current liabilities exceeded its current assets by ₹ 160,888.26 lakhs. Further as disclosed in Note 40 to the said consolidated financial statements, there have been delays in repayment of principal and interest in respect of borrowings during the current year as the Holding Company is in discussion with the lenders for the restructuring of the loans. These conditions, along with other matters as set forth in the aforesaid note, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. However, based on ongoing discussion with the lenders for restructuring of the loans, revised business plans, further equity infusion by the promoters, and other mitigating factors mentioned in the aforementioned notes, the management is of the view that the going concern basis of accounting is appropriate. Our opinion is not modified in respect of this matter.

Emphasis of Matter

11. We draw attention to:
- (i) Note 6.4 to the consolidated financial statements regarding the Group's non-current investments in Supreme Infrastructure BOT Holdings Private Limited ('SIBHPL'), a joint venture company, amounting to ₹ 11,096.24 lakhs and current loans as at that date include dues from SIBHPL aggregating ₹ 17.54 lakhs as at 31 March 2018, being considered good and recoverable by the Group's management. The consolidated net worth of the aforesaid joint venture has been significantly eroded as at 31 March 2018. The underlying projects in the SIBHPL are in the early stages of development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. Management, based on certain estimates like future business plans, growth prospects, ongoing discussions with the clients and consortium lenders and other factors and also the valuation report of an independent valuer, is of the view that, no adjustments are required to the carrying value of these investments and loans as at 31 March 2018. Our audit opinion is not modified in respect of this matter.
12. We draw attention to the following emphasis of matters / material uncertainty related to going concern included in the audit opinion on the consolidated financial statements of Supreme BOT Holdings Private Limited ('SIBHPL'), a joint venture company, issued by one of the joint auditors, Messers Walker Chandio & Co. LLP, Chartered Accountants, vide their audit report dated 6 June 2018, and reproduced by us as under:
- (i) Note 41.1 to the consolidated financial statements:
- "Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited ('SAKTTPPL') a subsidiary company, has incurred net loss of ₹ 6,304.18 lakhs during the year ended 31 March 2018 and, as at that date, its current liabilities exceeded its current assets by ₹ 14,210.11 lakhs. These conditions, along with other matters as set forth in the aforesaid note, indicate a material uncertainty, which cast a significant doubt about the SAKTTPPL's ability to continue as a going concern. However, basis the factors mentioned in the aforesaid note, management is of the view that going concern basis of accounting is appropriate. Our opinion is not modified in respect of this matter."
- (ii) Note 41.2 to the consolidated financial statements:
- "SAKTTPPL's intangible assets under development (IAUD) as at 31 March 2018 aggregating ₹ 63,985.08 lakhs, which is substantially being carry forward from earlier years, in respect of cost incurred for construction of road under the BOT scheme. Based on the valuation report obtained and other matters as set forth in the aforesaid note, the management

INDEPENDENT AUDITORS' REPORT

believes that no adjustment is required to the carrying value of the aforesaid balance. Our opinion is not modified in respect of this matter."

(iii) Note 42.1 to the consolidated financial statements:

"Supreme Best Value Kolhapur (Shirol) Sangli Tollways Private Limited (SBVKSTPL), a subsidiary company, has incurred net loss of ₹ 4,593.14 lakhs during the year ended 31 March 2018 and, as of that date, its current liabilities exceeded its current assets by ₹ 6,449.75 lakhs. SBVKSTPL has initiated arbitration proceedings against the client. These conditions, along with other matters as set forth in the aforesaid note, indicate a material uncertainty, which cast significant doubt about the Company's ability to continue as a going concern. However, basis the factors mentioned in the aforesaid note, management is of the view that going concern basis of accounting is appropriate. Our opinion is not modified in respect of this matter."

(iv) Note 42.2 to the consolidated financial statements:

"SBVKSTPL's intangible assets under development as at 31 March 2018 aggregating ₹ 38,426.86 lakhs which is being substantially carry forward from earlier years in respect of cost incurred for construction of road under the BOT scheme. Based on the valuation report obtained and other matters as set forth in the aforesaid note, management believes that no adjustment is required to the carrying value of the aforesaid balance. Our opinion is not modified in respect of this matter."

13. We draw attention to the following emphasis of matter included in the audit opinion on the standalone financial statements of Sanjose Supreme Tollways Development Private Limited ("SSTDPL"), a joint venture of the Holding Company, issued by an independent firm of Chartered Accountants, vide their audit report dated 28 May 2018, and reproduced by us as under:

(i) Note 42.3 to the consolidated financial statements:

"The project undertaken by SSTDPL foreclosed under amicable settlement between the SSTDPL and JDA as the project was taken over by National Highways Authority of India (NHAI) pursuant to declaration of the said project as National Highway in place of State Highway.

In view of the above, going concern assumption is not appropriate and financial statements have been drawn accordingly."

Other Matters

14. a) We did not audit the financial statements of ten subsidiaries, whose financial statements reflect total assets of ₹ 418,588.40 lakhs and net assets of ₹ 33,105.62 lakhs as at 31 March 2018 and total revenues of ₹ 36,363.15

lakhs and net cash outflows of ₹ 529.21 lakhs for the year ended on that date, as considered in these consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 9,450.36 lakhs for the year ended 31 March 2018, as considered in the consolidated financial statements in respect of a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by 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 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 and joint venture, is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements and our report on other legal regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by, and the reports of the, other auditors.

b) The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 6,783.64 lakhs for the year ended 31 March 2018, as considered in the consolidated financial statements, 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, Messers Walker Chandio & Co LLP, Chartered Accountants, whose reports have been furnished to us by 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 report of Messers Walker Chandio & Co LLP.

Our opinion on the consolidated financial statements and our report on other legal regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by, and the reports of the, joint auditors.

15. We did not audit the financial information of a subsidiary, whose financial information reflect total assets of ₹ 1,359.59 lakhs and net liabilities of ₹ 690.29 lakhs as at 31 March 2018, and total revenues of ₹ 13.37 lakhs and net cash inflows of ₹ 529.21 lakhs for the year ended on that date, as considered in these consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 45.44 lakhs for the year ended 31 March 2018, as considered in the consolidated financial statements, in respect of an associate company, 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 these subsidiary and associate, 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 and associate is based solely on such unaudited financial information. In our opinion and according to the information and explanations given by the management, this financial information's are not material to the Group.

Our opinion on the consolidated financial statements and our report on other legal regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the management.

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 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 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 Paragraph 8 of the Basis for Qualified Opinion paragraph with respect to the financial statements of the Holding Company;
 - c) With respect to the financial statement of the Holding Company; 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 paragraph 8, 10, 11, 12 and 13 under the Basis for Qualified Opinion paragraph, Material Uncertainty related to Going Concern and Emphasis of Matters paragraphs in our opinion, may have an adverse effect on the functioning of the Holding Company, SIBHPL and SSTDPL joint venture companies 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 2018 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 Paragraph 8 of the Basis for Qualified Opinion paragraph with respect to the Holding Company;
- h) With respect to the adequacy of internal controls over financial reporting of the Holding Company, its subsidiaries, associate company and joint venture companies covered 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 6.4, 13(b), 13(c), 17.1, 17.4, 20.2, 20.3, 20.4, 32 (A)(i), 32 (A)(iii), 40, 41 and 42 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 derivatives contracts, as detailed in note 2.1 xvi (a) to the consolidated financial statements.
 - (iii) There are no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate company and joint venture

-
- companies covered under the Act;
- (iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from

8 November 2016 to 30 December 2016 which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable

For Walker Chandiok & Co LLP

Chartered Accountants
Firm Registration No: 001076N/N500013

per **Rakesh R. Agarwal**
Partner
Membership No: 109632

Mumbai
6 June 2018

For Ramanand & Associates

Chartered Accountants
Firm Registration No: 117776W

per **P.M. Kathariya**
Partner
Membership No: 115983

Mumbai
6 June 2018

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 2018

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of 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 ventures as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, its ten subsidiary companies and five joint venture companies, which are companies covered under the Act, as that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its ten subsidiary companies and five joint venture companies which are companies covered under the Act, 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 its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary companies, its associate companies and joint venture companies as 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 IFCoFR and 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 IFCoFR reporting and their operating effectiveness. Our audit of IFCoFR includes 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 ten subsidiary companies and five 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 IFCoFR as at 31 March 2018:

The Holding 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

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 2018

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 and based on the consideration of the reports of the other auditors on IFCoFR of ten subsidiaries and five joint venture companies, except for the possible effects of the material weakness described above in the Basis for Qualified Opinion paragraph, the Holding Company, its ten subsidiary companies and five joint venture companies, which are companies covered under the Act, have, in all material respects, adequate IFCoFR and such controls were operating effectively as at 31 March 2018, 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.
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 and joint venture companies, which are companies covered under the Act as at and for the year ended 31 March 2018, and the material weakness has affected our opinion on the consolidated financial statements of Group and joint venture companies, which are companies covered under the Act and we have issued a qualified opinion on the consolidated financial statements.

Other Matters

11. We did not audit the IFCoFR in so far it relates to ten subsidiaries, which are companies covered under the Act, whose financial statements/financial information reflect total assets of ₹418,588.40 lakhs and net assets of ₹33,105.62 lakhs as at 31 March 2018 and total revenues of ₹36,363.15 lakhs and net cash outflows of ₹529.21 lakhs for the year ended on that date, as considered in these consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹9,450.36 lakhs for the year ended 31 March 2018, in respect of a joint venture, which are companies covered under the Act, whose IFCoFR have

not been audited by us. The IFCoFR in so far it relates to such subsidiary companies and joint venture companies which have been audited by other auditors whose reports have been furnished to us by management and our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its ten subsidiary companies and five joint venture companies, as aforesaid, under section 143(3)(i) of the Act in so far as it relates to such subsidiary companies and joint venture companies is based solely on the reports of the auditors of such companies.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by, and on the reports of the, other auditors.

12. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹6,783.64 lakhs for the year ended 31 March 2018, in respect of four joint venture companies, which are companies covered under the Act, whose IFCoFR have not been audited by us. The IFCoFR in so far it relates to such joint venture companies 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 report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its ten subsidiary companies and five joint venture companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to the aforesaid joint venture companies, is based solely on the reports of Messrs Walker Chandiok & Co LLP.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by, and on the reports of the, other auditors.

For Walker Chandiok & Co LLP For Ramanand & Associates

Chartered Accountants
Registration No:
001076N/N500013

per **Rakesh R. Agarwal**

Partner
Membership No: 109632
Mumbai
6 June 2018

Chartered Accountants Firm
Firm Registration No:
117776W

per **Santosh Jadhav**

Partner
Membership No: 115983
Mumbai
6 June 2018

CONSOLIDATED BALANCE SHEET

as at 31 March 2018

₹ in Lakhs

	Notes	As at 31 March 2018	As at 31 March 2017
Assets			
Non-Current Assets			
Property, Plant And Equipment	3	21,362.48	23,633.59
Capital Work-In-Progress		669.30	669.30
Goodwill	4	270.42	270.42
Intangible Assets	4	109,735.78	71,884.46
Intangible Assets Under Development	5	175,183.49	181,915.66
Financial assets			
Investments	6	4,891.41	22,661.45
Loans	7	84.10	2,334.64
Other Financial Assets	8	624.81	474.71
Deferred Tax Assets (Net)	9	2.00	-
Income Tax Assets (Net)	9	-	1,594.50
Other Non-Current Assets	10	48,833.03	53,354.10
Total Non-Current Assets		361,656.82	358,792.83
Current Assets			
Inventories	11	4,679.43	7,774.52
Financial Assets			
Investments	12	54.07	222.88
Trade Receivables	13	108,524.68	102,086.28
Cash And Cash Equivalents	14	695.49	1,436.94
Bank Balances Other Than Above	15	1,130.88	3,419.98
Loans	7	873.91	4,987.60
Other Financial Assets	8	13,092.12	14,555.96
Other Current Assets	10	6,217.97	11,557.11
Total Current Assets		135,268.55	146,041.27
Total Assets		496,925.37	504,834.10
Equity And Liabilities			
Equity			
Share Capital	16	2,569.84	2,569.84
Other Equity		(76,281.47)	18,904.51
Equity Attributable To Owners Of The Parent		(73,711.63)	21,474.35
Non-Controlling Interests		(4,351.22)	(2,316.91)
Total Equity		(78,062.85)	19,157.44
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	17	273,092.98	272,072.58
Other Financial Liabilities	18	148.90	443.27
Provisions	19	5,589.53	3,244.07
Deferred Tax Liabilities (Net)	9	-	13.44
Total Non-Current Liabilities		278,831.41	275,773.36
Current Liabilities			
Financial Liabilities			
Borrowings	20	131,625.00	109,866.23

CONSOLIDATED BALANCE SHEET

as at 31 March 2017

	Notes	As at 31 March 2018	As at 31 March 2017
Trade Payables	21	16,739.37	19,547.80
Other Financial Liabilities	18	128,753.73	70,709.12
Other Current Liabilities	22	16,147.01	9,711.75
Provisions	19	33.34	52.61
Current Tax Liabilities (Net)	9	2,858.36	15.79
Total Current Liabilities		296,156.81	209,903.30
Total Equity And Liabilities		496,925.37	504,834.10

Notes 1 to 43 form an integral part of the consolidated financial statements

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

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

For Ramanand & Associates
Chartered Accountants
Firm Registration No: 117776W

For and on behalf of the Board of Directors

Rakesh R. Agarwal
Partner
M.No. : 109632

Santosh Jadhav
Partner
M.No. : 115983

Vikas Sharma
Director
DIN No : 01344759
Place : Mumbai

Vikram Sharma
Managing Director
DIN No : 01249904
Place : Mumbai

Sandeep Khandelwal
Chief Financial Officer

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 6 June 2018

Place : Mumbai
Date : 6 June 2018

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

for the year ended 31 March 2018

₹ in Lakhs

	Notes	Year ended 31 March 2018	Year ended 31 March 2017
Income			
Revenue from operations	23	100,567.71	116,101.26
Other income	24	647.26	972.04
Total Income		101,214.97	117,073.30
Expenses			
Cost of construction materials consumed	25	22,074.11	33,716.79
Subcontracting expenses		48,298.86	46,969.41
Employee benefits expense	26	3,370.11	3,448.45
Finance costs	27	47,628.93	38,854.80
Depreciation and amortisation expense	28	6,689.39	3,550.70
Other expenses	29	12,127.33	12,752.37
Total Expenses		140,188.73	139,292.52
Profit/ (loss) before share of profit/(loss) from associate and joint venture, exceptional items and tax		(38,973.76)	(22,219.22)
Share of loss from associate and joint venture		(16,234.00)	(1,984.31)
Exceptional items	30	(37,597.59)	12,826.95
Profit/ (loss) before tax		(92,805.35)	(37,030.48)
Tax expense/ (credit)	9		
Current income tax		4,657.06	(1,497.54)
Deferred income tax		(15.44)	(4.54)
		4,641.62	(1,502.08)
Profit/ (loss) for the year (A)		(97,446.97)	(35,528.40)
Attributable to:			
Non-controlling interests		(2,034.31)	(1,487.36)
Owners of the parent		(95,412.66)	(34,041.04)
Other comprehensive income (OCI)			
Items not to be reclassified subsequently to profit or loss (net of tax)		226.68	24.47
- Gain on fair value of defined benefit plans as per actuarial valuation		-	-
Items to be reclassified subsequently to profit			
Other comprehensive income for the year, net of tax (B)		226.68	24.47
Total comprehensive income/ (loss) for the year, net of tax (A+B)		(97,220.29)	(35,503.93)

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

for the year ended 31 March 2018

	Notes	Year ended 31 March 2018	Year ended 31 March 2017
Attributable to:			
Non-controlling interests		(2,034.31)	(1,487.36)
Owners of the parent		(95,185.98)	(34,016.57)
Earnings per equity share of nominal value ₹ 10 each			
Basic and diluted (in ₹)	31	(371.28)	(132.46)

Notes 1 to 43 form an integral part of the consolidated financial statements

This is the consolidated 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

For Ramanand & Associates
Chartered Accountants
Firm Registration No: 117776W

For and on behalf of the Board of Directors

Rakesh R. Agarwal
Partner
M.No. : 109632

Santosh Jadhav
Partner
M.No. : 115983

Vikas Sharma
Director
DIN No : 01344759
Place : Mumbai

Vikram Sharma
Managing Director
DIN No : 01249904
Place : Mumbai

Sandeep Khandelwal
Chief Financial Officer

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 6 June 2018

Place : Mumbai
Date : 6 June 2018

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2018

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before tax	(92,805.35)	(37,030.48)
Adjustments for		
Depreciation and amortisation expense	6,689.39	3,550.70
Finance costs	47,628.93	38,854.80
Interest income	(560.44)	(793.86)
Dividend from current investments	(0.10)	(0.51)
Resurfacing expense	2,536.27	274.95
Impairment allowance - (allowance for doubtful financial assets)	10,336.85	11,449.50
Impairment loss - financial assets written off	15,457.35	1,587.13
Impairment loss- Inventories written off	-	300.32
Impairment loss- Investments written off	12,272.59	-
Share of loss from associates and joint ventures	16,234.00	1,984.31
Provision for gratuity	326.52	77.96
Excess provision no longer required written back	-	(23.74)
Profit on redemption of mutual funds (net)	(17.42)	(0.28)
Fair value gain on mutual funds (valued at FVTPL)	(2.75)	(17.48)
Profit on sale of property, plant and equipment (net)	-	(34.30)
Operating profit before working capital changes	18,095.83	20,179.02
Adjustments for changes in working capital:		
(Increase) / decrease in trade receivables	(24,658.46)	9,664.57
Decrease in loans, other financial assets and other assets	10,297.33	10,672.32
Decrease in inventories	3,095.05	382.66
(Decrease) / increase in trade payable, provisions and other financial liabilities	(2,021.09)	218.75
Cash generated from operations	4,808.67	41,117.32
Direct taxes paid (net of refunds received)	(219.99)	(505.09)
Net cash generated from operating activities	4,588.68	40,612.23
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(35,537.43)	(48,027.89)
Proceeds from sale of property, plant and equipment, intangible assets	-	2,298.03
Proceeds from sale of current investments	188.98	39.60
Net proceeds/(investments in) from bank deposits (having original maturity of more than three months)	2,289.10	(291.89)
Purchase of non-current investments	-	(4,349.76)
Interest received	681.16	869.01

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2018

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Dividend received	0.10	0.51
Net cash used in investing activities	(32,378.08)	(49,462.38)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long-term borrowings	15,372.81	23,722.54
Repayment of long-term borrowings	(1,509.50)	(13,188.62)
Proceeds from short-term borrowings (net)	21,758.77	14,067.85
Interest paid	(8,550.38)	(14,113.16)
Dividend paid	-	(0.87)
Net cash generated from financing activities	27,071.70	10,487.74
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(717.70)	1,637.59
Cash and cash equivalents at the beginning of the year	1,397.90	(239.69)
Cash and cash equivalents at the end of the year	680.21	1,397.90
Components of cash and cash equivalents considered only for the purpose of cash flow statement		
In bank current accounts in Indian rupees	602.06	1,256.45
Cash on hand	93.43	180.49
Bank/ book overdraft	(15.28)	(39.04)
	680.21	1,397.90

Notes : 1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash flows. Effective 1 April 2017, the Company adopted the amendment to Ind AS 7, which require 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.

2. Additions to property, plant and equipment include movements of capital work-in-progress, capital advances and capital creditors respectively during the year. Notes 1 to 43 form an integral part of the consolidated financial statements.

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

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

For Ramanand & Associates
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Firm Registration No: 117776W

For and on behalf of the Board of Directors

Rakesh R. Agarwal
Partner
M.No. : 109632

Santosh Jadhav
Partner
M.No. : 115983

Vikas Sharma
Director
DIN No : 01344759
Place : Mumbai

Vikram Sharma
Managing Director
DIN No : 01249904
Place : Mumbai

Sandeep Khandelwal
Chief Financial Officer

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 6 June 2018

Place : Mumbai
Date : 6 June 2018

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

for the year ended 31 March 2018

a) Equity share capital

Particulars	Number	₹ Lakhs
Equity shares of ₹ 10 each issued, subscribed and paid		
As at 1 April 2016	25,698,372	2,569.84
Issue of equity shares	-	-
As at 31 March 2017	25,698,372	2,569.84
Issue of equity shares	-	-
As at 31 March 2018	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 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)
Profit/ (loss) for the year	-	-	-	(95,412.66)	-
Other comprehensive income/ (loss) for the year	-	-	-	-	-
As at 31 March 2018	1,619.54	25,291.56	3,033.82	(106,228.86)	(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 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
Profit/ (loss) for the year	-	(95,412.66)	(2,034.31)	(97,446.97)
Other comprehensive income/ (loss) for the year	226.68	226.68	-	226.68
As at 31 March 2018	380.94	(76,281.47)	(4,351.22)	(80,632.69)

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

for the year ended 31 March 2018

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 Companies Act, 2013.

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
Chartered Accountants
Firm Registration No. 001076N / N500013

For Ramanand & Associates
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For and on behalf of the Board of Directors

Rakesh R. Agarwal
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Place : Mumbai

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Managing Director
DIN No : 01249904
Place : Mumbai

Sandeep Khandelwal
Chief Financial Officer

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 6 June 2018

Place : Mumbai
Date : 6 June 2018

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the consolidated financial statements
for the year ended 31 March 2018

Note 1 Corporate Information

Supreme Infrastructure India Limited ("the Company" or "Parent" or "SILL") 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 the business of providing 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 and its associates and joint arrangements for the year ended 31 March 2018 were authorised for issue in accordance with resolution of the Board of Directors on 6 June 2018.

Note 2.1 Significant Accounting 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 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 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.

In case of certain companies of the Group, operating cycle for the business activities, based on the nature of products and time between the acquisition of assets for processing and their realization in cash or cash equivalents have been ascertained as twelve months for the purpose of current / non-current classification of assets and liabilities.

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 lacs (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.

The Consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

(b) Associates

Associates are all entities over which the Group has significant influence but no control or joint control. This is generally

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the consolidated financial statements
for the year ended 31 March 2018

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.

Joint ventures

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 (ix)(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

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the consolidated financial statements
for the year ended 31 March 2018

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

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these assumptions. All assumptions are reviewed at each reporting date.

(iv) Fair value measurement

The Group measures financial instruments, at fair value at each balance sheet date. (Refer Note 35)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, In the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

(v) 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 its borrowing 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.

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(vi) 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.

(vii) 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.

(viii) 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.

(ix) 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

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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.

In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Group has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Group on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

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.

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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.

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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.

(x) 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.

(xi) 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.

(xii) 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.

(xiii) 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

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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.

(xiv) 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.

(xv) 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.

"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 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.

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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.

(xvi) 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.

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(xvii) 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.

(xviii) 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.

(xix) 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.

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(xx) 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.

(xxi) 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.

(xxii) 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).

(xxiii) 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 disclosed where an inflow of economic benefits is probable.

(xxiv) 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.

(xxv) 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

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

1. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the

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purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Group is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant.

2. **Ind AS 115, Revenue from Contract with Customers:**

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- i. Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ii. Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (cumulative catch - up approach)

The Group is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant.

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Note 3. Property, plant and equipment

Tangible assets

Gross carrying value

₹ In Lakhs

	Freehold land	Leasehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office	Computers	Total
Balance as at 1 April 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
Additions	-	-	-	10.95	-	-	3.94	0.69	15.58
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	6,835.67	54.70	5,765.56	16,669.32	298.01	292.69	117.13	31.90	30,064.98
Accumulated depreciation									
Balance as at 1 April 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
Depreciation charge	-	-	102.58	2,061.75	42.17	57.26	19.60	3.33	2,286.69
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	-	-	305.74	7,952.94	130.56	192.92	90.12	30.22	8,702.50
Net carrying value									
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
Balance as at 31 March 2018	6,835.67	54.70	5,459.82	8,716.38	167.45	99.77	27.01	1.68	21,362.48

Note 4 Intangible assets

₹ In Lakhs

Gross carrying value	Computer software	Toll collection rights	Total	Goodwill
Balance as at 1 April 2016	53.71	77,299.69	77,353.40	270.42
Additions	-	-	-	-
Disposals	-	1,808.27	1,808.27	-
Balance as at 31 March 2017	53.71	75,491.42	75,545.13	270.42
Additions	-	42,254.02	42,254.02	-
Disposals	-	-	-	-
Balance as at 31 March 2018	53.71	117,745.44	117,799.15	270.42

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Gross carrying value	Computer software	Toll collection rights	Total	Goodwill
Accumulated amortisation				
Balance as at 1 April 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	-
Amortisation charge	7.73	4,394.97	4,402.70	-
Balance as at 31 March 2018	42.10	8,021.27	8,063.37	-
Net carrying value				
Balance as at 1 April 2017	19.34	71,865.12	71,884.46	270.42
Balance as at 31 March 2018	11.61	109,724.17	109,735.78	270.42

Note 4.1 Impairment testing for goodwill

Goodwill is tested for impairment annually in accordance with the Group's procedure for determining the recoverable amount of such assets. The recoverable amount of the assets/CGU is based on value in use. The value in use is determined based on discounted cash flow projections. The fair value measurement has been categorised as level 3 fair value based on the inputs to the valuation technique used. The cash flow projections include specific estimates for five years and terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimates of the EBITDA margins. Based on the above, no impairment provision considered necessary as the recoverable value of the CGU exceeded the carrying value.

Note 5. Intangible assets under development

₹ in Lakhs

	Amount
Opening as at 1 April 2016	152,534.95
Add: Addition during the year	17,864.77
Add: Finance Cost (Refer note 27)	11,515.94
Less: Capitalized during the year	-
Closing as at 31 March 2017	181,915.66
Add: Addition during the year	22,683.31
Less: Capitalized during the year (Refer note 4)	(42,254.02)
Add: Finance Cost (Refer note 27)	12,838.54
Closing as at 31 March 2018	175,183.49

Note 6. Non-current investments

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
I. Investments valued at deemed cost		
Investment in equity shares		
In joint venture	-	6,308.91
In associates	-	1,092.56
Investment in preference shares		
In joint venture	1,758.64	13,492.64
Investment in other instruments		

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	As at 31 March 2018	As at 31 March 2017
Corporate guarantee		
In joint venture	114.00	114.00
In associates	-	36.00
II. Investments valued at amortised cost		
Investment in preference shares		
In other companies	411.36	809.45
III. Investments valued at fair value through profit and loss		
Investment in equity shares		
In other companies	2,607.41	8 07.89
Total non-current investments	4,891.41	22,661.45

Note 6.1 Detailed list of non-current investments

₹ in Lakhs

	As at 31 March 2018		As at 31 March 2017	
	Nos	Amount	Nos	Amount
Face value of ₹ 10 each, unless otherwise stated				
I. Investments valued at deemed cost, fully paid up, unquoted				
a. Investments in equity shares:				
i) Investments in joint venture in India				
Supreme Infrastructure BOT Holdings Private Limited	790,000	(473.72)	790,000	6,308.91
Sanjose Supreme Tollways Development Private Limited	147,998	(9,522.53)	147,998	(57.76)
Add: Amount disclosed under financial liabilities		9,996.25		57.76
		-		6,308.91
ii) Investments in an associate in India				
In India				
Rudranee Infrastructure Limited		-	12,183,648	598.67
Outside India				
Sohar Stones LLC		493.89		493.89
Less : Impairment provision		(493.89)		-
		-		1,092.56
b. Investments in preference shares:				
In joint venture in India				
Supreme Infrastructure BOT Holdings Private Limited	100,789	1,758.64	100,789	1,758.64
0.001% Compulsory Convertible Cumulative Participatory Preference Shares				
Sanjose Supreme Tollways Development Private Limited	117,340,000	11,734.00	1 17,340,000	11,734.00
0.001% Compulsory Convertible Cumulative Participatory Preference Shares				-
Less: Impairment provision		(11,734.00)		-
		1,758.64		13,492.64
c. Investment in other instruments:				
Corporate Guarantees				
i) In joint ventures in India				
Supreme Kopargaon Ahmednagar Tollways Private Limited		114.00		114.00

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₹ in Lakhs

	As at 31 March 2018		As at 31 March 2017	
	Nos	Amount	Nos	Amount
		114.00		114.00
ii) In associates				
Rudranee Infrastructure Limited		36.00		36.00
Less : Impairment provision		(36.00)		-
		-		36.00
II. Investments valued at amortised cost				
a) Investments in preference shares				
In other companies in India				
Kalyan Sangam Infratech Limited	609,375.00	411.36	609,375.00	370.61
Green Hill Barter Private Limited [Face value of ₹ 600 each]	100,000.00	438.84	100,000.00	438.84
Less: Impairment provision		(438.84)		-
		411.36		809.45
III. Investments valued at fair value through profit and loss, fully paid up, unquoted				
Investments in equity shares				
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
Rudranee Infrastructure Limited	12,183,648	1,799.52		-
		2,607.41		807.89
Total non-current investments		4,891.41		16,352.54
Details:				
Aggregate of non-current investments:				
(i) Book value of investments (net of impairment allowance)		4,891.41		16,352.54
(ii) Market value of investments		4,891.41		16,352.54
(i) Investments carried at deemed cost		1,872.64		21,044.11
(ii) Investments carried at amortised cost		411.36		809.45
(iii) Investments carried at fair value through profit and loss		2,607.41		807.89
		4,891.41		22,661.45
Note 6.2 The Group's share of (loss)/profit from equity accounted investments is as follows:				
In jointly controlled entities				
Supreme Infrastructure BOT Holdings Private Limited		(9,811.32)		(3,027.68)
Sanjose Supreme Tollways Development Private Limited		(9,523.53)		(73.17)
In associates				
Rudranee Infrastructure Limited		-		(1,200.85)
Sohar Stones LLC		-		(127.61)
		(19,334.85)		(4,429.31)

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Note 6.3 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, jointly controlled entities and associates as indicated below:

Name of the Company	No. of equity shares pledged	
	31 March 2018	31 March 2017
Rudranee Infrastructure Private Limited	8,462,385	8,462,385
Sanjose Supreme Tollways Development Private Limited	72,540	72,540
Kalyan Sangam Infratech Limited	390,625	390,625
	No. of preference shares pledged	
Supreme Infrastructure BOT Holdings Private Limited	100,789	100,789
Kalyan Sangam Infratech Limited	609,375	609,375

Note 6.4 The Group, as at 31 March 2018, has non-current investments in Supreme Infrastructure BOT Holdings Private Limited ('SIBHPL'), a joint venture company, amounting to ₹ 11,096.24 lakhs and current loans as on that date recoverable from SIBHPL aggregating ₹ 17.54 lakhs. SIBHPL is having various Build, Operate and Transfer (BOT) SPVs under its fold. While SIBHPL has incurred loss during its initial years and has accumulated losses, causing the consolidated net worth of this entity to be significantly eroded as at 31 March 2018, the underlying projects are expected to achieve adequate profitability on substantial completion of the underlying projects. The net-worth of this entity does not represent its true market value as the value of the underlying investments/ assets, based on valuation report of an independent valuer, is higher. Further, commercial operation date (COD) in respect of the projects carried out by certain subsidiaries of SIBHPL has been delayed due to various reasons attributable to the clients primarily due to non-availability of right of way, environmental clearances etc. Management is in discussion with the respective client for the availability of right of way and other required clearances and is confident of resolving the matter without any loss to the respective companies. Therefore, based on certain estimates like future business plans, growth prospects, ongoing discussions with the clients and consortium lenders and other factors and also the valuation report of an independent valuer, management believes that the realizable amount of these entities is higher than the carrying value of the non-current investments and loans as at 31 March 2018 and due to which these are considered as good and recoverable.

Note 7. Loans

₹ in Lakhs

Unsecured, considered good	As at 31 March 2018	As at 31 March 2017
Non-current		
Loans to related parties (Refer note 36)	-	2,227.40
Security and other deposits	84.10	107.24
Total non-current loans	84.10	2,334.64
Current		
Loans to related parties (Refer note 36)	826.79	2,601.85
Security and other deposits	47.12	2,385.75
Total non-current loans	873.91	4,987.60
Total loans	958.01	7,322.24

Note 8. Other financial assets

₹ in Lakhs

Non-current		
Margin money deposits (Refer note below)	610.98	460.84
Interest receivables on deposits	13.83	13.87
Total non-current financial assets	624.81	474.71

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	As at 31 March 2018	As at 31 March 2017
Current		
Unbilled work [Refer note 13 (b)]	12,543.12	12,831.95
Compensation receivables from government authorities	278.21	97.25
Interest accrued on deposits		
- from related parties (Refer note 36)	-	1,256.86
- on others	42.16	162.84
Loan to employees		
- considered good	228.63	207.06
- considered doubtful	249.20	180.00
	13,341.32	14,735.96
Less: impairment allowance for doubtful advances	(249.20)	(180.00)
Total current financial assets	13,092.12	14,555.96
Total other financial assets	13,716.93	15,030.67

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.

Note 9. Income tax assets (net)

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
i. The following table provides the details of income tax assets and liabilities:		
Income tax assets	15,806.04	17,085.17
Current income tax liabilities	18,664.40	15,506.46
Net income tax assets/(liabilities)	(2,858.36)	1,578.71
Presented as:		
Income tax assets	-	1,594.50
Current tax liabilities	2,858.36	15.79
Net income tax liabilities	(2,858.36)	1,578.71
ii. The gross movement in the current tax asset/ (liability) is as follows:	Year ended 31 March 2018	Year ended 31 March 2017
Net current income tax assets/ (liabilities) at the beginning	1,578.71	(423.92)
Income tax paid	219.99	473.51
Provision for tax expense	(25.70)	15.79
Tax adjustment for earlier years	(4,631.36)	1,513.33
Net current income tax assets/ liabilities at the end	(2,858.36)	1,578.71
iii. Income tax expense in the Statement of Profit and Loss comprises:		
Current income taxes	4,657.06	(1,497.54)
Deferred income taxes	(15.44)	(4.54)
Income tax expenses/ (income) (net)	4,641.62	(1,502.08)

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₹ 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:	Year ended 31 March 2018	Year ended 31 March 2017
Profit/(loss) before income tax	(92,805.35)	(37,030.48)
Applicable income tax rate	34.61%	34.61%
Computed expected tax expense	-	-
Effect of expenses not allowed for tax purpose	25.70	15.79
Tax adjustments for earlier years	4,631.36	(1,513.33)
Reversal of deferred tax assets in absence of reasonable certainty	(15.44)	(4.54)
Income tax (income)/ expense charged to the Statement of Profit and Loss	(15.44)	883.93
	4,641.62	(1,502.08)

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
v. Components of deferred income tax assets and liabilities arising on account of temporary differences are:		
Deferred income tax asset		
Impairment loss provision of financial assets	5,598.29	5,339.50
Provision for employee benefits	109.07	180.73
Unpaid bonus	8.91	-
Unabsorbed depreciation and loss	1 6,854.13	6,806.09
Deferred tax assets	2 2,570.41	12,326.32
Deferred income tax liability		
Timing difference on tangible and intangible assets depreciation and amortisation	(662.22)	(896.00)
Timing difference on recognition of margin on the projects initiated post 1 April 2016	-	(203.84)
Timing difference on disputed claims excluded for tax purpose	(2,884.26)	-
Deferred tax liability	(3,546.48)	(1,099.84)
Deferred tax assets recognized to the extent of liabilities	3,548.48	1,086.40
Deferred tax (liability)/ assets (net)	2.00	(13.44)^

^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 2018	As at 31 March 2017
Non-current		
Capital advances	48,666.72	52,809.21
Balances with government authorities	69.01	252.99
Prepaid expenses	97.30	291.90
Total other non-current assets	48,833.03	53,354.10

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	As at 31 March 2018	As at 31 March 2017
Current		
Advance to suppliers and sub-contractors		
- considered good	5,824.82	11,196.85
- considered doubtful	3,055.52	3,055.52
Balances with government authorities	198.54	165.66
Prepaid expenses	194.6	194.6
Total other current assets	9,273.48	14,612.63
Less : Impairment allowance for doubtful advances	(3,055.52)	(3,055.52)
	6,217.97	11,557.11
Total other assets	55,050.99	64,911.21

Note 11 Inventories

₹ in Lakhs

Construction materials	4,679.43	7,774.52
Total inventories	4,679.43	7,774.52

Note 12 Current investments

Investments in Non-trade, mutual funds valued at fair value through profit and loss[^]

	As 31 March 2018		As 31 March 2017	
	No. of units	₹ lakhs	No. of units	₹ lakhs
Reliance Money Manager Fund - Daily Dividend Plan (Face value of ₹ 1,000 each)	250	2.52	239	2.40
S.B.I. Gold Fund - I-Growth Plan	250,000	24.53	250,000	23.34
Axis Bank Long Term Equity Fund	25,091	10.12	67,398	23.00
Axis Multicap Growth Fund	168,500	16.9	-	-
Axis Hybrid Fund - Series 8 Dividend Plan	-	-	309,142	38.91
Axis Hybrid Fund - Series 8 Growth Plan	-	-	50,000	6.00
Axis Hybrid Fund - Series 12 Growth Plan	-	-	280,000	33.00
Axis Hybrid Fund - Series 13 Growth Plan	-	-	175,000	19.50
Axis Hybrid Fund - Series 14 Growth Plan	-	-	687,265	76.73
Total current investments		54.07		222.88

[^] Face value of ₹ 10 each, unless otherwise stated

Note 13 Trade receivables

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
(Unsecured, Considered good unless stated otherwise)		
Trade receivables (Refer note below)		
- considered good	106,529.42	100,264.81
- considered doubtful	9,500.58	12,169.98
Receivables from related parties (Refer note 36)	1,995.26	1,821.47
	118,025.25	114,256.26

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₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Impairment allowance (allowance for doubtful debts)	(9,500.58)	(12,169.98)
	(9,500.58)	(12,169.98)
Total trade receivables	108,524.68	102,086.28
(a) Includes retention money	7,682.28	9,992.92

(b) Trade receivables and unbilled work (other current financial assets) as at 31 March 2018 include ₹ 6,616.13 lakhs (31 March 2017 : ₹ 6,616.13 lakhs) and ₹ 3,835.47 lakhs (31 March 2017 : ₹ 3,074.86 lakhs), respectively, relating to contracts which the clients terminated 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 previous years, in respect of a party where net claims lodged by the Company by far exceed the amounts recoverable. In one of the matter, the arbitration hearings have been concluded.

(c) Trade receivables as at 31 March 2018 include ₹ 55,396.37 lakhs (31 March 2017 : ₹ 23,507.17 lakhs), in respect of projects which were closed/substantially closed and which are overdue for a substantial period of time. These trade receivables include amounts due from developers aggregating ₹ 4,399.47 lakhs for which the Company has filed/in process of filing winding up petition with the National Company Law Tribunal (NCLT).

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 for matters referred above. 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 period, the management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable.

(d) Trade receivables as at 31 March 2018 includes ₹ 1,505.90 lakhs (31 March 2017: ₹ 1,821.47 lakhs) due from private companies in which the Company's director is a director or a member.

(e) Trade receivables 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 2018	As at 31 March 2017
Balances with banks		
- Current accounts in Indian rupees	602.06	1,256.45
Cash on hand	93.43	180.49
Total cash and cash equivalents	695.49	1,436.94

Note 15 Other bank balances

₹ In Lakhs

Particulars	As at 31 March 2018	As at 31 March 2017
Earmarked balances with banks for:		
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months	1,129.71	3,409.71
Bank deposits with maturity of more than 3 months but less than 12 months	-	8.51
Balances with bank for unclaimed dividend (refer note 15.1 below)	1.17	1.76
Total other bank balances	1,130.88	3,419.98

Note 15.1 There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2018.

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Note 16 Share capital

₹ In Lakhs

	As at 31 March 2018	As at 31 March 2017
Authorised share capital		
72,500,000 Equity shares of ₹ 10 each (Refer note (e) below) (31 March 2017: 47,500,000 equity shares of ₹ 10 each)	7,250.00	4,750.00
2,500,000 1% Non cumulative redeemable preference shares of ₹ 10 each (31 March 2017 : 2,500,000 preference shares of ₹ 10 each)	250.00	250.00
Total authorised share capital	7,500.00	5,000.00

2,500,000 1% Non-cumulative redeemable preference shares of ₹ 10 each issued to BHS Housing Private Limited have been classified as Borrowings (see Note 17).

₹ In Lakhs

	As at 31 March 2018	As at 31 March 2017
Issued, subscribed and paid-up equity share capital:		
25,698,372 Equity shares of ₹ 10 each fully paid up (31 March 2017: 25,698,372, equity shares of ₹ 10 each)	2,569.84	2,569.84
Total issued, subscribed and paid-up equity share capital	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 2016	25,698,372	2,569.84
Issued during the year	-	-
As at 31 March 2017	25,698,372	2,569.84
Issued during the year	-	-
As at 31 March 2018	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 2018		As 31 March 2017	
	% held	No. of shares	% held	No. of shares
Promoter				
Bhawanishankar H Sharma	6.56%	1,684,755	6.56%	1,684,755
BHS Housing Private Limited	13.04%	3,350,000	13.04%	3,350,000
Vikram B Sharma	4.75%	1,219,724	9.24%	2,374,724
Vikas B Sharma	6.84%	1,758,753	6.84%	1,758,753
Non-promoter				
Kitara PIIN 1101	9.20%	2,364,344	9.20%	2,364,344
ICICI Bank Limited	-	-	7.61%	1,955,171

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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. The shareholders of the Company at the Annual General Meeting held on 30 October 2017 approved the increase in Authorized Share capital from ₹ 5,000 lakhs consisting of 47,500,000 equity shares of ₹ 10 each and 2,500,000 preference shares of ₹ 10 each to 7,500 lakhs consisting of 72,500,000 equity shares of ₹10 each and 2,500,000 preference shares of ₹ 10 each.
- f. 7,937,334 (31 March 2017: 8,573,795) equity shares held by the promoters of the Company as at 31 March 2018 are pledged as security in respect of amounts borrowed by the Company.
- g. During the year ended 31 March 2018, one of the lender has invoked 427,000 pledged equity shares of Ms. Rita Sharma aggregating ₹ 325.96 lakhs are 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	As at 31 March 2018	As at 31 March 2017
(A) Restructured rupee term loans (RTL)			
(i) From Banks (Refer note 17.1)	12.61%-13.62%	12,986.23	13,507.17
(ii) From Others	12.73%-13.25%	5,842.32	6,188.01
(B) Working capital term loan (WCTL) from banks (Refer note 17.1)	11.95%-13.00%	36,585.06	41,026.43
(C) Funded interest term loan (FITL)			
(i) From Banks (Refer note 17.1)	11.95%-15.60%	22,387.81	25,287.40
(ii) From Others	12.73%-13.26%	1,401.49	1,580.43
(D) Other rupee term loans			
(i) From Banks	10.35%-12.75%	135,331.63	141,589.25
(ii) From Others (Refer note 17.9)	12.73%-15.81%	53,553.07	38,587.74
(E) 11% Non Convertible Debenture	11.00%-11.50%	3,198.24	2,678.10
Liability component of financial instruments [refer note 17.7] 1% Non cumulative redeemable preference shares of ₹ 10 each (2,500,000 non cumulative, non convertible, redeemable preference shares of ₹ 10)		1,807.14	1,628.05
Total non-current borrowings		273,092.98	272,072.58

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Current maturities of long-term borrowings Secured	Effective interest rate	As at 31 March 2018	As at 31 March 2017
(A) Restructured rupee term loans (RTL)			
(i) From Banks (Refer note 17.1)	12.61%-13.62%	1,854.70	1,091.02
(ii) From Others	12.73%-13.25%	776.44	436.12
(B) Working capital term loan (WCTL) from banks (Refer note 17.1)	11.95%-13.00%	9,047.20	4,448.22
(C) Funded interest term loan (FITL)			
(i) From Banks (Refer note 17.1)	11.95%-15.60%	6,216.86	2,940.72
(ii) From Others	12.73%-13.26%	382.90	186.06
(D) Other rupee term loans			
(i) From Banks	10.35%-12.75%	12,448.51	11,665.79
(ii) From Others (Refer note 17.9)	12.73%-15.81%	9,932.02	7,047.79
Total current maturities of long-term borrowings		40,658.63	27,815.72
Total borrowings		313,751.61	299,888.30

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. Considering, the classification of borrowing as NPA, certain lenders are not accruing interest while providing account statements of the borrowing, whereas the Company, on prudence, has accrued interest expense at rates specified in the agreement with the respective lenders/latest available sanction letters received from such lenders (Also refer note 40).

Note 17.2 Contractual loan principal amounting to ₹ 25,021.74 lakhs (31 March 2017: ₹ 15,607.97 lakhs) and the interest amount of ₹ 74,838.04 lakhs (31 March 2017: ₹ 32,004.36 lakhs) respectively is due and outstanding to be paid as at 31 March 2018.

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 (11 % as at 31 March 2018) 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 (11 % as at 31 March 2018) 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.

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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 (11 % as at 31 March 2018) 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 2017: 474,829 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 2,173,000 equity shares (31 March 2017: 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 6.3
- (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 3,642,332 equity shares held by promoters (including 2,173,000 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.

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- (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. I3/2 and I3/1 (part) and CTS No. 27, Survey No. I4 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. I3/2 and I3/1(part) and CTS No. 27, Survey No. I4 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, Maharashtra.
 - Flat No. 510 on 5th Floor of ABW Tower located at IIFCO Chow, Sukhrali 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 2017: ₹ 16,842.00 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 others 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 other carries interest @ base rate (18% as at 31 March 2018) 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.

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Note 17.8 Rights, preferences, restrictions and conversion terms attached to preference shares issued by the Company

"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. "

Note 17.9 Security details, repayment terms and other particulars in respect of loans availed by the subsidiary companies:

- (i) Term loan from banks include ₹ 16,931.38 lakhs (31 March 2017: ₹ 16,724.96 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.
- (ii) Term loan from banks include ₹ 5,606.93 lakhs (31 March 2017: ₹ 5,957.28 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.
- (iii) Term loan from others include ₹ 3,000.00 lakhs (31 March 2017: ₹ 2,966.11 lakhs) loan availed by Supreme Infrastructure BOT Private Limited, a subsidiary company, 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
- (iv) Term loan from banks include ₹ 8,842.29 lakhs (31 March 2017: ₹ 8,280.43 lakhs) loan availed by Kotkapura Muksar 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

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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.
- (v) Term loan from banks include ₹ 29,618.33 lakhs (31 March 2017: ₹ 30,057.83 lakhs) and term loan from others include ₹ 4,671.66 lakhs (31 March 2017: ₹ 4,679.59 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. Personal guarantee of Mr. Vikram Sharma and Vikas Sharma
 - (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
Bank of India has classified the account as Non-Performing assets.
- (vi) Term loan from banks ₹ 68,345.54 lakhs (31 March 2017: ₹ 68,047.78 lakhs) and term loan from others ₹ 38,386.74 lakhs (31 March 2017: ₹ 21,166.11 lakhs) include availed by Supreme Panvel Indapur Tollways Private Limited, a subsidiary company, carries an interest of Base rate+2.75%. These loans are repayable in 135 monthly structured instalments commencing from 31 January 2017 ending on 31 March 2028. These term loans are secured by way of:
 - a) A first mortgage and charge on all the borrower's immovable 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 this Agreement and Supplementary Escrow Agreement,

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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 Promoter to the extent of 51% in the borrower till the final settlement date. Aforesaid mortgages, charges, assignments and pledge of shares stipulated above for the benefit of Lenders (Banks and Financial Institute) shall rank second pari-passu inter-se amongst the Lenders, subsequent and subservient to the charges/mortgages and pledge created by the Company in favour of the NHAI who shall have a first ranking charge on the aforesaid mortgages, charges, pledge and assignments.

Terms of Repayment:

a) Banks and Financial Institute

Consortium lead banker viz State Bank of India has sanctioned revised repayment schedule for repayment of term loan in 32 quarterly unequal installments ranging from 0.25% to 8.24% commencing from June 2023 and ends on March 2031 at rate of interest of 1 year MCLR + 1.70% till PCOD and thereafter 1 year MCLR + 0.90%. Term loan from Financial Institute includes Funded Interest Term Loan (FITL) which carry 10.00% rate of interest and repayment shall start from June 2031 in 4 quarterly installments.

b) Other Parties (NHA):

As per Tripartite agreement dated November 9, 2016, National Highway Authority of India (NHA) sanctioned One Time Fund Infusion (OTFI) for the project. During the year NHA made a partial disbursement amounting to Rs.16,156.63 lakhs for the project. Repayment of the OTFI will commence after COD in accordance with the financial model agreed between the Authority and Lenders and shall carry an interest rate equal to 2% above the Bank Rate of RBI.

- (vii) Rupee Term loan from banks include ₹ 16,438.64 lakhs (31 March 2017: ₹ 16,769.71 lakhs) and term loan from others include ₹ 7,978.23 lakhs (31 March 2017: ₹ 7,208.75 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 immovable 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 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 DSRA.
- d) Pledge of equity shares held by the Promoter to the extent of 51% in the borrower till the final settlement date.

The cash flows from the project are not sufficient to take care of debt servicing (Interest & Installment), due to which these term loan from ICICI bank has classified as Non-Performing assets.

- (viii) 11% Non Convertible Debenture amounting to ₹ 3,198.24 lakhs (31 March 2017: ₹ 2,678.10 lakhs) are 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: The general terms and conditions pertaining to the Debentures is as under

- a) The Debentures shall be secured, unlisted, redeemable and non-convertible debentures and shall rank pari passu amongst themselves.
- b) Each Debenture shall have a face value of Rs 1000.
- c) The tenor of the Debentures shall be 15 years from the date of allotment, or such extended term as may be determined

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by the Board with the prior written consent of the Debenture Holders ("Tenor").

- d) From the date of allotment and till the expiry of Tenor including the redemption date, the Debentures Holders shall be entitled to receive the Coupon of 11% per annum in the following manner:
- (i) 2% p.a. coupon on principal amount of Debentures would be paid in cash on monthly basis; and
 - (ii) 9% p.a. coupon on principal amount would be accrued and paid on redemption date.
- (ix) Term loan from banks include Nil (31 March 2017: ₹ 5,012.70 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.

17.10 In respect of Supreme Manor Wada Bhiwandi Infrastructure Private Limited ("SMWBIPPL") 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. During the year ended 31 March 2018, the bankers have acquired 51% of equity share capital in SMWBIPPL. SMWBIPPL 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.

17.11 Net Debt Reconciliation

An analysis of net debt and the movement in net debt for the year ended 31 March 2018 is as follows:

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Cash and Cash equivalents	695.49	1,436.94
Liquid Investments	54.07	222.88
Current borrowings	(131,625.00)	(109,866.23)
Non-current borrowings (including interest accrued and current maturities of long term borrowings)	(389,092.76)	(336,150.89)
Net debt	(519,968.20)	(444,357.30)

	Other assets		Liabilities from financing activities		Total
	Cash and Cash equivalents	Liquid investments	Current borrowings	Non-current borrowings	
Net debt as at 1 April 2017	1,436.94	222.88	(109,866.23)	(336,150.89)	(444,357.30)
Cash flows	(741.45)	(168.81)	(2,703.60)	(32,918.48)	(36,532.34)
Interest expense	-	-	(27,383.33)	(20,245.61)	(47,628.94)
Interest paid	-	-	8,328.16	222.22	8,550.38
Net debt as at 31 March 2018	695.49	54.07	(131,625.00)	(389,092.76)	(519,968.20)

Note 18 Other financial liabilities

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Non-current		
Financial guarantees	148.90	443.27
Total non-current financial liabilities	148.90	443.27

₹ in Lakhs

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	As at 31 March 2018	As at 31 March 2017
Current		
Current maturities of long-term borrowings (Refer note 17)	40,658.63	27,815.72
Interest accrued and due	74,838.04	32,004.36
Interest accrued and not due	503.10	4,258.23
Unclaimed dividends [^]	1.17	1.76
Due for capital expenditure		
- related parties (Refer note 36)	28.96	2,142.31
- others	923.49	938.46
Advance towards share application money pending allotment ^{^^} (Refer note 36)	-	2,411.14
Payable for purchase of investments	-	127.4
Financial guarantees	55.08	80.84
Others		
- Due to employees	1,733.22	827.38
- Book overdraft	23.76	
- Security deposits	15.79	20.00
Payable to Joint venture	9,996.25	57.76
Total current financial liabilities	128,753.73	70,709.12
Total other financial liabilities	128,902.63	71,152.39
[^] Not due for credit to Investor Education and Protection Fund		
Other financial liabilities carried at amortised cost	128,902.63	71,152.39
Other financial liabilities carried at FVPL	-	-

Note 19 Provisions

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Non-current		
Provision for employee benefits		
- Gratuity	165.15	294.87
- Leave entitlement and compensated absences	113.63	174.72
Provision for resurfacing expenses (Refer note 19.1)	5,310.75	2,774.48
Total non-current provisions	5,589.53	3,244.07
Current		
Provision for employee benefits		
- Gratuity	14.15	23.14
- Leave entitlement and compensated absences	19.19	29.47
Total current provisions	33.34	52.61
Total provisions	5,622.87	3,296.68

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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 2016	2,499.53
Addition during the year	274.95
As at 31 March 2017	2,774.48
Addition during the year	2,536.27
As at 31 March 2018	5,310.75

Note 20 Current borrowings

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
I. Secured		
Rupee Loan from Banks		
Cash credit facilities (Repayable on demand)	116,911.52	103,184.62
Term loan from banks	7,139.24	2,379.24
	124,050.76	105,563.86
II. Unsecured (Repayable on demand)		
Term loan from others	-	715.00
Bank overdraft	15.28	15.28
Loans from related party	7,558.96	3,572.09
Total current borrowings (I+II)	131,625.00	109,866.23

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 ₹ 24,894.09 lakhs (31 March 2017: ₹ 39,178.60 lakhs).

Note 20.2 Term loan from banks include ₹ 1,697.18 lakhs (31 March 2017: ₹ 1,817.00 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 previous year, The lender 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.

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Note 20.3 Term loan from banks include ₹ 543.81 lakhs (31 March 2017: ₹ 562.24 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 20.4 Non-current borrowings, short-term borrowings and other current financial liabilities as at 31 March 2018 include balances aggregating ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 11,510.27 lakhs, respectively in respect of which direct confirmations from the respective lenders have not been received. Further, out of these balance, non current borrowings, short-term borrowings and other current financial liabilities amounting to ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 3,967.81 lakhs, respectively, represent loans which were classified as Non-Performing Assets (NPAs) by the lenders. In the absence of confirmations from the lenders, the Company has provided for interest and other penal charges on these borrowings based on the latest communication available from the respective lenders at the interest rate specified in the agreement. The Company's management believes that amount payable on settlement will not exceed the liability provided in books in respect of these borrowings. Further, certain lenders have not recalled or initiated recovery proceedings for the existing facilities at present. Accordingly, classification of these borrowings into current and non-current as at 31 March 2018 is based on the original maturity terms stated in the agreements with the lenders.

Note 20.5 Term loan from banks include ₹ 4,898.25 lakhs (31 March 2017: Nil) 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.

Note 21 Trade payables

₹ In Lakhs

	As at 31 March 2018	As at 31 March 2017
- Total outstanding dues of Micro Enterprises and Small Enterprises	122.20	201.97
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	16,617.17	19,345.83
Total trade payables	16,739.37	19,547.80

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 2018	As at 31 March 2017
Advance from contractees	6,137.87	5,794.80
Statutory dues payable	10,009.14	3,916.95
Total other current liabilities	16,147.01	9,711.75

Note 23. Revenue from operations

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Construction and project related revenue	88,566.90	103,663.23
Toll collection	9,134.49	7,633.04
Sale of products	2,019.61	3,520.58
Compensation from government authorities	846.71	1,284.41
Total revenue from operations	100,567.71	116,101.26

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Note 24. Other income

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Interest income		
- interest unwinding on financial assets	287.33	451.68
- interest unwinding on financial guarantees	27.58	27.58
- on margin money deposits	245.53	311.05
- others	-	3.55
Dividend income from non-current investments	0.10	0.51
Other non-operating income		
- Excess provision no longer required written back	-	23.74
- Profit on redemption of mutual funds (net)	17.42	0.28
- Fair value gain on mutual funds (valued at FVTPL)	2.75	17.48
- Profit on sale of property, plant and equipment (net)	-	34.30
- Rental income	66.55	94.51
- Miscellaneous	-	7.36
Total other income	647.26	972.04

Note 25 Cost of construction materials consumed

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Stock at beginning of the year	7,774.52	8,457.50
Add: Purchases	18,979.02	33,033.81
	26,753.54	41,491.31
Less: Stock at the end of the year	4,679.43	7,774.52
Total Cost of construction materials consumed	22,074.11	33,716.79

Note 26. Employee benefits expense

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Salaries and wages	3,075.58	3,150.21
Contribution to provident and other funds	79.85	100.97
Gratuity	99.84	77.96
Staff welfare	114.84	119.31
Total employee benefits expense	3,370.11	3,448.45

Note 27. Finance costs

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Interest on:		
- Term loans	40,221.87	37,092.33
- Cash credit facilities	14,666.55	11,727.51

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	As at 31 March 2018	As at 31 March 2017
- Others	3,659.70	446.09
Other borrowing costs		
- Bank charges and guarantee commission	1,919.35	1,104.82
	60,467.47	50,370.74
Less: Finance costs capitalised under intangible asset under development	(12,838.54)	(11,515.94)
Total finance costs	47,628.93	38,854.80

Note 28. Depreciation and amortisation expense (Refer notes 3 and 4)

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Depreciation on property, plant and equipment	2,286.69	2,564.08
Amortisation on intangible assets	4,402.70	986.62
Total depreciation and amortisation expense	6,689.39	3,550.70

Note 29. Other expenses

₹ in Lakhs

	As at 31 March 2018	As at 31 March 2017
Power and fuel	2,089.28	2,985.75
Site related	91.34	135.93
Resurfacing (Refer note 19.1)	2,536.27	274.95
Rent and hire charges	1,823.04	3,255.70
Transportation charges	1,303.75	1,627.27
Repairs and maintenance	544.89	482.19
Insurance	199.31	271.51
Rates and taxes	16.54	29.97
Toll booth charges	15.70	103.60
Impairment allowance (allowance for doubtful debts)	469.20	510.00
Impairment allowance (allowance for doubtful financial assets)	82.00	-
Communication expenses	57.68	78.10
Advertisement	24.88	0.41
Printing and stationary	29.60	29.18
Travelling and conveyance	113.48	128.75
Legal and professional	1,502.19	1,073.70
Directors' sitting fees	20.00	7.80
Auditors' remuneration:		
Audit fees	121.60	118.02
Limited review fees	36.50	29.00
Certification fees	-	3.00
Reimbursement of out of pocket expenses	3.50	4.00
Miscellaneous	1,046.58	1,603.55
Total other expenses	12,127.33	12,752.37

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Note

1. The Company has not incurred any expenditure during the year against the total amount Nil (31 March 2017 : ₹ 134.99 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 2018	As at 31 March 2017
Impairment allowance including expected credit loss allowance (allowance for doubtful investment, loans, trade receivable and other financial assets)	(9,785.65)	(10,939.50)
Financial assets written off (investment, trade receivable, other financial assets and loans written off)	(15,539.35)	(1,587.13)
Investment written off	(12,272.59)	-
Impairment loss- Inventories written off	-	(300.32)
Total exceptional items (expense)	(37,597.59)	(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)	(95,412.66)	(34,041.04)
Weighted average number of equity shares for EPS computation (Nos.)	25,698,372	25,698,372
EPS - Basic and Diluted EPS (₹)	(371.28)	(132.46)

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 2018	As at 31 March 2017
(i) Claims not acknowledged as debts including cases where petition for winding up has been filed against the Group	691.32	1,158.55
(ii) Corporate guarantee given to banks on behalf of associates/jointly controlled entities	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

B. Commitments

- 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 and jointly controlled entities. 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.
- The Company along with its Jointly controlled entity, Supreme Infrastructure BOT Holdings Private Limited, has given an

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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. Disclosure in accordance with Ind AS 11 'Construction contracts' - Amount due from / to customers on Construction Contracts

	As at 31 March 2018	As at 31 March 2017
Contract revenue for the year	88,566.90	103,663.23
Aggregate amount of cost incurred and recognized profits less recognized losses up to the reporting date on contract under progress	234,688.30	371,659.38
Advances received from customer	6,137.87	5,794.80
Retention money	7,682.28	9,992.92
Gross amount due from customer for contract work (net of retention)	122,886.09	121,741.30
Gross amount due to customer for contract work	-	-

Note 34. Interests in other entities

a) Joint operations (incorporated)

The Group's share of interest in joint operations as at 31 March 2018 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 2018	As at 31 March 2017		
Supreme Infrastructure BOT Holdings Private Limited	51.00	51.00	Strategic Road Investments Limited	Toll Management
Sanjose Supreme Tollways Development Private Limited	96.10	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 2018	As at 31 March 2017
Total assets	121,145.78	159,772.75
Total liabilities	113,768.12	128,829.81
Contingent liability and capital commitment as at reporting date		
Capital commitment	-	79,417.88

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iii) Summarised statement of profit and loss account

₹ in Lakhs

	Year ended 31 March 2018	Year ended 31 March 2017
Revenue	4,877.00	10,085.19
Other income	8.02	-
Total expenses (including taxes)	28,479.47	14,011.07

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 35. 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 2018 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	411.36	-	-	-	-	411.36	411.36

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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		
Investments in equity shares	6	-	2,607.41	-	-	-	2,607.41	2,607.41
Investments in mutual funds	12	-	54.07	-	-	-	54.07	54.07
Trade receivables	13	108,524.68	-	-	-	-	108,524.68	108,524.68
Loans	7	958.01	-	-	-	-	958.01	958.01
Others financial assets	8	13,716.93	-	-	-	-	13,716.93	13,716.93
Cash and cash equivalents	14	695.49	-	-	-	-	695.49	695.49
Other bank balances	15	1,130.88	-	-	-	-	1,130.88	1,130.88
Liabilities:								
Borrowings	17,20	520,717.75	-	-	-	-	520,717.75	520,717.75
Trade payables	21	16,739.37	-	-	-	-	16,739.37	16,739.37
Other financial liabilities	18	12,902.86	-	-	-	-	12,902.86	12,902.86

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	-	-	-	-	809.45	809.45
Investments in equity instruments	6	-	807.89	-	-	-	807.89	807.89
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	7,322.24	-	-	-	-	7,322.24	7,322.24
Others financial assets	8	15,030.67	-	-	-	-	15,030.67	15,030.67
Cash and cash equivalents	14	1,436.94	-	-	-	-	1,436.94	1,436.94
Other bank balances	15	3,419.98	-	-	-	-	3,419.98	3,419.98
Liabilities:								
Borrowings	17,20	446,017.12	-	-	-	-	446,017.12	446,017.12
Trade payables	21	19,547.80	-	-	-	-	19,547.80	19,547.80
Other financial liabilities	18	7,074.09	-	-	-	-	7,074.09	7,074.09

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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 as at:

₹ in Lakhs

Particulars	31 March 2018			1 April 2017		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investments in equity instruments	-	-	2,607.41	-	-	807.89
Investments in mutual funds	54.07	-	-	222.88	-	-

Note 36. 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
		31 March 2018	31 March 2017	
(a) Associates				
Rudranee Infrastructure Limited (Till 31 March 2017)	India	49.00	49.00	
Sohar Stones LLC	Oman	30.00	30.00	
(b) Jointly controlled entities				
Sanjose Supreme Tollways Development Private Limited ^	India	96.10	40.00	
Supreme Infrastructure BOT Holdings Private Limited ^^	India	51.00	51.00	
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited ^^	India	45.90	45.90	Supreme Infrastructure BOT Holdings Pvt Ltd
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited ^^	India	51.00	51.00	Supreme Infrastructure BOT Holdings Pvt Ltd
Supreme Kopargaon Ahmednagar Tollways Private Limited ^^	India	51.00	51.00	Supreme Infrastructure BOT Holdings Pvt Ltd
(c) Key management personnel (KMP)				
Mr. Bhawanishankar Sharma - Chairman				
Mr. Vikram Sharma - Managing Director				
Mr. Vikas Sharma - Director (Whole Time Director and CFO till 15 August 2017)				
Mr. Sandeep Khandelwal - CFO (w.e.f 16 August 2017)				
Mr. Vijay Joshi - Company Secretary				
Mr. V.P. Singh (Independent Director)				
Mr. Vinod Agarwala (Independent Director)				
Mr. S.K. Mishra (Independent Director)				
Mrs. Nilima Mansukhani (Independent Director)				
Mrs Rita Sharma (Wife of Mr. Bhawani Shankar Sharma)				

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Name of the entity	Company's holding as at (%)		Subsidiary of
	Country of incorporation	31 March 2018	31 March 2017
(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 36 Disclosure in accordance with Ind AS 24 Related Party Transactions

B. Nature of Transactions

₹ in Lakhs

Transactions with related parties:		Year ended 31 March 2018	Year ended 31 March 2017
Rendering of services			
Supreme Ahmednagar Karmala Tembhurni Private Limited	Jointly controlled entity	633.41	-
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	Jointly controlled entity	-	3,821.00
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	-	2,533.12
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	986.80	1,464.18
BHS Housing Private Limited	Other related party	-	238.35
		1,620.21	8,056.65
Interest income			
Rudranee Infrastructure Limited	Associate	-	358.13
		-	358.13
Interest unwinding on financial assets carried at amortised cost			
Kalyan Sangam Infratech Limited	Other related party	40.77	36.73
Green Hill Barter Private Limited	Other related party	-	43.49
		40.77	80.22
Interest unwinding on financial guarantees			
Rudranee Infrastructure Limited	Associate	-	6.16
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	21.42	21.42

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Transactions with related parties:		Year ended 31 March 2018	Year ended 31 March 2017
		21.42	27.58
Finance cost on redeemable preference shares			
Supreme Ahmednagar Karmala Tembhurni Private Limited	Other related party	179.09	161.34
		179.09	161.34
Investment in equity			
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	-	14.40
		-	14.40
Remuneration to key managerial person			
Mr. Vijay Joshi	Key Managerial Personnel	19.80	18.19
Mr. Sandeep Khandelwal	Chief financial officer	17.56	-
Mr. V.P. Singh	Key Managerial Personnel	5.50	2.00
Mr. Vinod Agarwala	Key Managerial Personnel	3.70	1.80
Mr. S.K. Mishra	Key Managerial Personnel	5.40	2.00
Mrs. Nilima Mansukhani	Key Managerial Personnel	4.00	1.40
		55.96	25.39
Loan taken from			
Mr. Bhawanishankar Sharma	Key Managerial Personnel	-	1,489.96
Mr. Vikram Sharma	Key Managerial Personnel	-	410.30
Mrs. Rita Sharma	Key Managerial Personnel	326.95	-
Mrs. Vikas Sharma	Key Managerial Personnel	16.42	-
Supreme Innovative Buildings Private Limited	Other related parties	3,382.89	-
		3,726.26	1,900.26
Loan repaid to			
Mr. Vikas Sharma	Key Managerial Personnel	20.98	18.15
		20.98	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 2018	As at 31 March 2017
Outstanding trade receivables			
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	Jointly controlled entity	-	206.72
Sanjose Supreme Tollways Development Private Limited	Jointly controlled entity	-	20.27
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	852.47	826.61
Kalyan Sangam Infratech Limited	Other related party	489.36	-
Supreme Housing and Hospitality Private Limited	Other related party	653.43	761.07

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		As at 31 March 2018	As at 31 March 2017
BHS Housing Private Limited	Other related party	-	6.80
		1,995.26	1,821.47
Loans receivable			
Rudranee Infrastructure Limited	Associate	-	2,227.40
Supreme Infrastructure BOT Holdings Private Limited	Jointly controlled entity	826.79	2,601.85
		826.79	4,829.25
Interest accrued			
Rudranee Infrastructure Limited	Associate	-	1,256.86
		-	1,256.86
Outstanding payables			
Short-term borrowings			
Mr. Bhawanishankar Sharma	KMP	-	1,675.92
Mr. Vikram Sharma	KMP	-	1,160.32
Mr. Vikas Sharma	KMP	-	735.84
Mrs Rita Sharma	KMP	326.95	-
Supreme Innovative Buildings Private Limited	Other related parties	3,382.89	-
		3,709.84	3,572.09
Other current liabilities			
Mr. Vijay Joshi	KMP	9.80	4.45
Mr. Sandeep Khandelwal	Chief financial officer	8.78	-
Mr. V.P. Singh	Independent Directors	3.15	2.00
Mr. Vinod Agarwala	Independent Directors	2.70	2.00
Mr. S.K. Mishra	Independent Directors	2.79	2.00
Mrs. Nilima Mansukhani	Independent Directors	0.99	2.00
		28.21	12.45
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	254.29	296.38
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	Jointly controlled entity	3,054.17	4,733.61
Supreme Housing and Hospitality Private Limited	Other related party	25.42	25.42
		3,333.88	5,055.41

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		As at 31 March 2018	As at 31 March 2017
Capital payment outstanding			
Supreme Infrastructure BOT Holdings Private Limited	Jointly controlled entity	28.96	2,142.31
		28.96	2,142.31
Corporate guarantees given and outstanding as at the end of the year			
Rudranee Infrastructure Limited	Associate	4,500.00	4,500.00
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	14,900.00	14,900.00
		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 2018 and 31 March 2017 in view of the losses incurred by the Company.

b) Refer notes 6,17 and 20 for personal guarantees provided by Directors, shares pledged and other security created in respect of borrowing by the Group 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 37. Interest in other entities

Note 37.1 Subsidiaries

The Group's subsidiaries as at 31 March 2018 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.

Name of the entity	Country of incorporation	Ownership interest held by the group		Ownership interest held by non controlling interests		Principal activities
		31 March 2018	31 March 2017	31 March 2018	31 March 2017	
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	India	49.00%	49.00%	51.00%	51.00%	Toll management
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	India	100.00%	100.00%	-	-	Toll management
Kotkapura Muktsar Tollways Private Limited	India	100.00%	100.00%	-	-	Toll management
Patiala Nabha Infra Projects Private Limited	India	100.00%	100.00%	-	-	Toll management
Mohol Kurul Kamati Mandrup Tollways Private Limited	India	49.00%	49.00%	51.00%	51.00%	Toll management
Supreme Infrastructure BOT Private Limited (SIBPL)	India	100.00%	100.00%	-	-	Construction
Supreme Infrastructure Overseas LLC	Oman	60.00%	60.00%	40.00%	40.00%	Construction
Supreme Mega Structures Private Limited	India	60.00%	60.00%	40.00%	40.00%	Construction
Supreme Panvel Indapur Tollways Private Limited	India	64.00%	64.00%	36.00%	36.00%	Toll management
Supreme Suyog Funicular Ropeways Private Limited	India	98.00%	98.00%	2.00%	2.00%	Toll management
Supreme Vasai Bhiwandi Tollways Private Limited	India	100.00%	100.00%	-	-	Toll management

^ Ceased to be a subsidiary on 30 March 2016

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37.2 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 Overseas LLC		Supreme Mega Structures Private Limited		Supreme Panvel Indapur Tollways Private Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Non-current assets	507.36	514.10	376.98	450.97	157,260.25	123,369.52
Current assets	852.23	852.23	163.73	137.69	687.32	329.61
Non-current liabilities	-	-	-	13.44	106,732.29	89,213.89
Current liabilities	2,049.88	2,011.18	136.63	194.09	23,736.40	7,002.37
Net assets	(690.29)	(644.85)	404.07	381.13	27,478.88	27,482.87
Net assets attributable to NCI	(276.12)	(257.94)	161.63	152.45	9,892.40	9,893.83
Revenue	13.37	13.37	546.76	563.77	24,120.17	11,812.80
Other Income	-	-	-	6.76	-	-
Construction Cost	22.29	22.29	160.67	17.73	24,058.35	-
Subcontracting expenses	-	-	-	147.29	-	11,480.72
Employee cost	9.03	9.03	77.84	84.95	-	1.69
Finance cost	0.08	0.08	0.19	0.13	-	18.36
Depreciation	6.74	6.74	86.92	86.87	0.07	0.93
Other expenses	20.67	20.67	187.92	197.16	65.75	317.69
Profit for the year	(45.44)	(45.44)	33.21	36.40	(4.00)	(6.59)
Tax expenses	-	-	10.26	11.25	-	-
Net profit after tax	(45.44)	(45.44)	22.95	25.15	(4.00)	(6.59)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-
Profit/(Loss) allocated to NCI	(18.18)	(18.18)	9.18	10.06	(1.44)	(2.37)
Dividend paid to NCI	-	-	-	-	-	-
OCI allocated to NCI	-	-	-	-	-	-
Total comprehensive income allocated to NCI	-	-	-	-	-	-
Cash flow from operating activities	*^	*^	8.95	17.49	99.74	7,810.00
Cash flow from investing activities	*^	*^	-	(18.42)	(17,778.15)	(22,679.00)
Cash flow from financing activities	*^	*^	(0.19)	(2.49)	17,518.40	14,896.00
Net increase/ (decrease) in cash and cash equivalents	*^	*^	8.76	(3.41)	(160.01)	27.00

₹ in Lakhs

Particulars	Supreme Manor Wada Bhiwandi Infrastructure Private Limited		Mohol Kurul Kamati Mandrup Tollways Private Limited		Supreme Suyog Funicular Ropeways Private Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Non-current assets	52,965.69	54,407.11	80.68	80.68	11,264.49	10,624.06
Current assets	1,284.31	1,506.55	2	2	239.45	558.53
Non-current liabilities	37,164.99	36,956.54	-	-	5,600.76	5,872.11
Current liabilities	7,594.83	5,496.57	86.89	86.60	2,001.86	1,403.13
Net assets	9,490.17	13,460.55	(4.21)	(3.92)	3,901.32	3,907.35
Net assets attributable to NCI	4,839.99	6,864.88	(2.15)	(2.00)	78.03	78.15
Revenue	4,210.33	4,812.90	-	-	337.87	660.30

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Particulars	Supreme Manor Wada Bhiwandi Infrastructure Private Limited		Mohol Kurul Kamati Mandrup Tollways Private Limited		Supreme Suyog Funicular Ropeways Private Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Other Income	105.08	13.15	-	-	-	-
Construction Cost	105.08	155.82	-	-	329.07	660.30
Operating and maintenance expenses	1,949.55	1,784.45	-	-	-	-
Employee cost	278.17	161.30	-	-	6.53	-
Finance cost	5,071.30	4,574.99	0.03	0.03	5.94	4.90
Depreciation	563.82	509.55	-	-	-	-
Other expenses	317.87	534.95	0.25	0.58	2.37	0.58
Profit for the year	(3,970.39)	(2,895.01)	(0.28)	(0.61)	(6.03)	(5.48)
Tax expenses	-	-	-	-	-	-
Net profit after tax	(3,970.39)	(2,895.01)	(0.28)	(0.61)	(6.03)	(5.48)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-
Profit/(Loss) allocated to NCI	(2,024.90)	(1,476.46)	(0.14)	(0.31)	(6.03)	(0.11)
Dividend paid to NCI	-	-	-	-	-	-
OCI allocated to NCI	-	-	-	-	-	-
Total comprehensive income allocated to NCI	-	-	-	-	(0.12)	-
Cash flow from operating activities	1,640.63	1,042.55	(0.35)	0.03	15.32	20.49
Cash flow from investing activities	(518.86)	1,144.83	-	-	(750.33)	(986.69)
Cash flow from financing activities	(1,238.30)	(2,495.27)	0.35	(0.03)	419.87	1,514.12
Net increase/ (decrease) in cash and cash equivalents	(116.54)	(307.89)	-	-	(315.14)	547.92

37.3 Interest in associates and joint venture

₹ in Lakhs

Particulars	Note	Carrying amount as at	
		31 March 2018	31 March 2017
Interest in associates	See (A) below	-	1,092.56
Interest in joint ventures	See (B) below	-	6,308.91
		-	7,401.47

(A) Interest in associates

The Group's associates as at 31 March 2018 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 2018	31 March 2017	
Rudranee Infrastructure Limited	India	49.00%	-	598.67	Construction
Sohar Stones LLC	Oman	30.00%	-	493.89	Construction
			-	1,092.56	

*Unlisted entity - no quoted price available

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Refer Note 37.4 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 2018 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 2018	31 March 2017	
Sanjose Supreme Tollways Development Private Limited (SSTDPL)	India	96.10%	-	-	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%	-	6,308.91	Construction
Supreme Kopargaon Ahmednagar Tollways Private Limited	India	100.00%	-	-	Toll management
			-	6,308.91	

*Unlisted entity - no quoted price available

Refer Note 37.5 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 2018 and 31 March 2017, the Group did not receive dividends from any of its joint ventures

Note 37.4 Table below provide summarised financial information for associates

₹ In Lakhs

Particulars	Rudranee Infrastructure Limited		Sohar Stones LLC	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Non-current assets	-	2,838.71	514.10	514.10
Current assets	-	22,416.87	852.23	852.23
Non-current liabilities	-	4,267.81	-	-
Current liabilities	-	16,881.21	2,056.62	2,011.18
Net assets	-	4,106.56	(690.29)	(644.85)
Group share of net assets	-	2,012.21	(207.09)	(193.46)
Revenue	-	12,446.33	13.37	13.37
Other Income	-	55.71	-	-
Construction Cost	-	10,322.68	22.29	22.29
Employee cost	-	142.06	9.03	9.03
Finance cost	-	1,647.09	0.08	0.08
Depreciation	-	56.53	6.74	6.74
Other expenses	-	345.45	20.67	20.67

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Particulars	Rudranee Infrastructure Limited		Sohar Stones LLC	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Profit/ (loss) for the year	-	(11.76)	(45.44)	(45.44)
Tax expenses	-	-	-	-
Profit/ (loss) for the year after tax	-	(11.76)	(45.44)	(45.44)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	-
Group share of profit/ (loss)	-	(5.76)	(13.63)	(13.63)
Group share of OCI	-	-	-	-
Group share of total comprehensive income	-	-	-	-
Dividend received	-	-	-	-

*^ Indicates disclosures that are not required

Note 37.5 Table below provide summarised financial information for joint ventures

₹ in Lakhs

Particulars	Sanjose Supreme Tollways Development Private Limited		Supreme Ahmednagar Karmala Tembhorni Tollways Private Limited		Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Non-current assets	3.07	38,001.80	67,977.32	67,862.04	39,759.24	39,788.16
Current assets	2,996.24	289.53	0.53	0.79	567.22	753.50
Non-current liabilities	-	24,033.09	44,406.17	46,257.76	28,689.54	28,786.06
Current liabilities	585.43	2,010.48	14,210.64	5,968.97	7,016.96	2,542.51
Net assets	2,413.88	12,247.76	9,361.04	15,636.10	4,619.95	9,213.09
Group share of net assets	2,319.74	11,880.33	4,774.13	7,974.41	4,157.95	8,291.78
Revenue	-	1,121.20	800.88	846.30	6.16	3,429.13
Interest Income	-	-	8.02	-	-	-
Construction Expenses	-	-	800.88	846.30	6.16	3,429.11
Operating expenses	-	1,270.05	-	-	-	-
Finance cost	-	-	6,292.25	147.48	4,561.05	124.92
Other expenses	9,833.88	4	-	13.94	-	9.20
Profit/ (Loss) for the year before tax	(9,833.88)	(152.85)	(6,284.22)	(161.42)	(4,561.05)	(134.10)
Income tax expenses	-	-	-	-	-	-
Profit/ (Loss) for the year	(9,833.88)	(152.85)	(6,284.22)	(161.42)	(4,561.05)	(134.10)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-
Group share of profit/ (Loss)	(9,450.36)	(148.27)	(6,284.22)	(161.42)	(4,104.94)	(120.69)
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	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Non-current assets	26,337.81	33,656.04	5,612.08	9,583.97
Current assets	1,498.94	200.74	4,492.02	3,216.02
Non-current liabilities	3,578.67	3,999.42	2,666.04	6,201.61

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Particulars	Supreme Infrastructure BOT Holdings Private Limited		Supreme Kopargaon Ahmednagar Tollways Private Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Current liabilities	2,413.20	663.73	12,614.09	8,959.90
Net assets	21,844.88	29,193.63	(5,176.03)	(2,361.52)
Group share of net assets	11,140.89	14,888.75	(5,176.03)	(2,361.52)
Revenue	10.20	68.78	4,059.76	4,619.78
Other income	-	-	-	-
Subcontracting expenses	15.40	40.25	-	-
Operating and maintenance expenses	-	-	679.98	2,137.23
Employee cost	3.00	39.00	141.28	129.97
Finance cost	0.32	-	1,705.68	1,757.32
Depreciation and amortisation	18.43	15.30	3,993.35	3,716.77
Other expenses	7,321.81	18.63	353.98	311.60
Profit/ (Loss) for the year before tax	(7,348.75)	(44.40)	(2,814.51)	(3,433.11)
Income tax expenses	-	-	-	-
Profit/ (Loss) for the year after tax	(7,348.75)	(44.40)	(2,814.51)	(3,433.11)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-	-
Group share of profit/ (Loss)	(3,747.86)	(22.64)	(2,814.51)	(3,433.11)
Group share of OCI	-	-	-	-
Group share of total comprehensive income	-	-	-	-

*^ Indicates disclosures that are not required

Note 38 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 2018	31 March 2017
Increase in basis points	50 basis points	50 basis points
Effect on loss before tax, increase by	1,985.80	1,962.73
Decrease in basis points	50 basis points	50 basis points
Effect on loss before tax, decrease by	1,985.80	1,962.73

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.

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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 2018:

₹ In Lakhs

Particulars	31 March 2018		31 March 2017	
	USD	EUR	USD	EUR
Liabilities				
External commercial borrowings	-	-	4.97	0.19
	-	-	4.97	0.19
Net liabilities	-	-	4.97	0.19

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.

- 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.

Particulars	31 March 2018	31 March 2017
	%	%
Revenue from government promoted agencies	76.65	63.15
Revenue from others	23.35	36.85
	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 2018	31 March 2017
Revenue from top customer	36,252.96	6,363.50
Revenue from top five customers	58,516.15	21,267.27

For the year ended 31 March 2018, One (31 March 2017: One) customer, individually, accounted for more than 10% of the revenue.

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the consolidated financial statements for the year ended 31 March 2018

The movement of the allowance for lifetime expected credit loss is stated below: [^]

₹ in Lakhs

	31 March 2018	31 March 2017
Balance at the beginning of the year	15,405.50	5,741.03
Balance at the end of the year	12,805.30	15,405.50

[^] The Company has written off ₹ 10,799.10 lakhs and ₹ 3,372.16 lakhs towards amounts not recoverable from trade receivables, advances and unbilled work during the years ended 31 March 2018 and 31 March 2017, 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 2018					
Borrowings (including interest accrued)	124,485.76	123,139.01	92,090.06	181,002.93	520,717.75
Trade payables	-	16,739.37	-	-	16,739.37
Other financial liabilities	-	12,902.86	-	-	12,902.86
	124,485.76	152,781.24	92,090.06	181,002.93	550,359.98
As at 31 March 2017					
Borrowings (including interest accrued)	107,486.99	66,457.55	105,902.41	166,170.17	446,017.12
Trade payables	-	19,547.80	-	-	19,547.80
Other financial liabilities	-	7,074.09	-	-	7,074.09
	107,486.99	93,079.43	105,902.41	166,170.17	472,639.00

Note 39 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 2018	As at 31 March 2017
Total debts	520,717.75	446,017.12
Equity attributable to owners of the parent	(78,062.85)	19,157.44
Total debts to equity ratio (Gearing ratio)	117.64%	95.88%

SUMMARY OF SIGNIFICANT ACCOUNTING

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In the long run, the Group's strategy is to maintain a gearing ratio between 60% to 75%.

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 40 The Group has incurred net loss of ₹ 97,446.97 lakhs during the year ended 31 March 2018 and has also suffered losses from operations during the preceding financial years and as of that date, its current liabilities exceeded its current assets by ₹ 160,888.26 lakhs. The Group also has external borrowings from banks and financial institutions, principal and interest repayment of which has been delayed. 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 other lenders, the JLF decided to incorporate one-time restructuring under the JLF mode of the entire borrowings of the Company. During the year 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 NPA. Consequent to the classification of borrowings as NPA by SBI, borrowings from other consortium lenders were also classified as NPA during the year ended 31 March 2017.

On 11 July 2017, the Overseeing Committee (OC) approved the implementation of Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) recommended by the Joint Lenders Forum. The S4A framework agreement, dated 8 December 2017, had been signed by requisite majority of the lenders with reference date as 31 December 2016. As per the approved S4A scheme, out of the total estimated debts aggregating ₹ 235,904.00 lakhs existing as on the reference date, ₹ 125,834.00 lakhs was to be classified as sustainable debt to be serviced as per the existing terms and conditions of these debts and remainder is to be converted into fully paid up equity shares and optionally convertible debentures. During the course of implementation of the S4A scheme, RBI vide its circular dated 12 February 2018, withdrew all restructuring schemes including the S4A scheme as a result of which the lenders are presently in the process of formulating a revised resolution plan. Pursuant to the discussion at the lenders meeting held on 11 March 2018, the Promoters of the Company, post year end, have arranged ₹ 10,000.00 lakhs as part of the resolution plan. Basis this, the management has prepared the consolidated financial statements on a "Going Concern" basis.

Note 41.1 Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited (SAKTTPPL), a subsidiary of the Company's joint venture entity, has incurred a net loss of ₹ 6,304.18 lakhs during the year ended 31 March 2018 and has also suffered losses from operations during the preceding financial year and as of that date, its current liabilities exceeded its current assets by ₹ 14,210.11 lakhs. 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. SAKTTPPL is in discussion with the client for the availability of right of way and other required clearances. SAKTTPPL has received an extension of time for construction till 30 April 2018 and has further applied for extension upto 31 March 2019, approval for which is presently awaited. In order to avoid the classification of borrowings as NPA, the lenders had invoked Strategic Debt Restructuring ('SDR') with reference date of 24 October 2016 and during the current year ended 31 March 2018, have subscribed to 51% of equity share capital of SAKTTPPL, in accordance with the RBI guidelines. Presently, SAKTTPPL's management is in discussion with the client evaluating various options including commencement of partial toll and also in the process of formulating a resolution plan along with the lenders and is confident of resolving the matter in their favour and hence views SAKTTPPL as a going concern.

Note 41.2 SAKTTPPL's, Intangible Assets under Development (IAUD) as at 31 March 2018 represents amounts aggregating ₹ 63,985.08 lakhs, substantially being carried from earlier years in respect of a project presently under construction. The commercial operation date (COD) of the project was delayed due to various reasons attributable to the client primarily due to non-availability of right of way, environmental clearances etc. SAKTTPPL is in discussion with the client for the availability of right of way and other required clearances. SAKTTPPL has received an extension of time for construction till 30 April 2018 and has further applied for extension upto 31 March 2019, approval for which is presently awaited. Considering the contractual tenability and independent valuation, management is confident of realization of the carrying value of the costs incurred without any loss to SAKTTPPL and accordingly believes that no adjustments are required to the carrying value of the IAUD as at 31 March 2018.

Note 42.1 Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited (SBVKSTPL), subsidiary of Company's joint venture entity, has incurred a net loss of ₹ 4,593.14 lakhs during the year ended 31 March 2018 and has also suffered losses from operations during the preceding financial year and as of that date, its current liabilities exceeded its current assets by ₹ 6,449.75 lakhs. In accordance with the notification dated 22 March 2013 issued by National Highway Authority of India (NHAI), certain State Highway projects were declared as National Highways. Construction of Sangli Shiroli state highway road project, being executed by SBVKSTPL, qualified under the same category. Though this project was completed by SBVKSTPL to the extent of available Right of Way, the state government did not allow commencement of tolling on the ground that this project was decided to be taken over by the NHAI. Management believes that SBVKSTPL is entitled to the compensation,

SUMMARY OF SIGNIFICANT ACCOUNTING

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for the year ended 31 March 2018

as per the terms of the contract, by the state government and has invoked arbitration proceedings during the current year ended 31 March 2018 for determination of compensation/claims. The lenders have invoked SDR with reference date of 27 March 2017 and during the current year ended 31 March 2018 have subscribed to 51% of equity share capital in SBVKSTPL in accordance with the RBI guidelines. SBVKSTPL's management is in the process of formulating a resolution plan along with the lenders and is also confident of full recovery of its claims through the arbitration process and hence views SBVKSTPL as a going concern.

Note 42.2 SBVKSTPL's, IAUD as at 31 March 2018 represents amounts aggregating ₹ 38,426.86 lakhs substantially being carried from earlier years in respect of a project presently under construction. In accordance with the notification dated 22 March 2013 issued by the NHAI, certain State Highway projects were declared as National Highways. Construction of Sangli Shirol state highway road project, being executed by SBVKSTPL, qualified under the same category. Though this project was completed by SBVKSTPL to the extent of available Right of Way, the state government did not allow commencement of tolling on the grounds as this project was decided to be taken over by the NHAI. Management believes that SBVKSTPL is entitled to the compensation, as per the terms of the contract, by the state government and has invoked arbitration proceedings during the current year ended 31 March 2018 for determination of compensation/claims. Considering the contractual tenability and independent valuation, management is confident of realization of the carrying value of the costs incurred and believes the matter will be settled without any loss to SBVKSTPL and accordingly no adjustments are required to the carrying value of the IAUD as at 31 March 2018.

Note 42.3 Sanjose Supreme Tollways Development Private Limited (SSTDPL), a joint venture company, has been incorporated for undertaking the project of six laning of Jaipur Ring Road from Ajmer Road to Agra Road Section in Jaipur (Rajasthan) on DBFOT (Toll) Basis (Project) awarded by Jaipur Development Authority (JDA), Jaipur. During the year under review the project being undertaken by SSTDPL was foreclosed under amicable settlement between SSTDPL and JDA as the project was taken over by NHAI pursuant to declaration of the said project as National Highway in place of State Highway. In furtherance to the same, the project under an amicable settlement was foreclosed and the compensation thereof has been valued and paid by NHAI.

Note 43 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 38(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

Particulars	As at 31 March 2018	As at 31 March 2017
Segment revenue		
Engineering and construction	90,964.68	105,589.09
Road Infrastructure	9,603.03	10,512.17
Total Revenue	100,567.71	116,101.26
Segment profit/ (loss) before tax, finance cost and exceptional item		
Engineering and construction	16,690.79	19,041.58
Road Infrastructure	(8,035.62)	(2,406.00)
Total	8,655.17	16,635.58
Less: Exceptional items		
- Engineering and construction	25,818.88	12,826.95
- Road Infrastructure	11,778.71	-
Profit/ (loss) before finance cost, share of profit/ (loss) of associates and joint ventures and tax	(28,942.42)	3,808.63

SUMMARY OF SIGNIFICANT ACCOUNTING

policies and other explanatory information to the consolidated financial statements
for the year ended 31 March 2018

Particulars	As at 31 March 2018	As at 31 March 2017
Segment Assets		
Engineering and construction	154,216.37	308,115.44
Road Infrastructure	335,459.00	166,695.89
Unallocable corporate assets	7,250.00	30,022.77
	496,925.37	504,834.10
Segment Liabilities		
Engineering and construction	53,554.24	37,420.05
Road Infrastructure	12,960.00	1,315.55
Unallocable corporate liabilities	508,474.00	446,941.06
	574,988.24	485,676.66

Note 43.1 Segment asset excludes current and non-current investments, deferred tax assets and advance payment of income tax.

Note 43.2 The unallocable corporate liabilities mainly comprises of borrowings and its related liabilities

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
Chartered Accountants
Firm Registration No. 001076N / N500013

For Ramanand & Associates
Chartered Accountants
Firm Registration No: 117776W

For and on behalf of the Board of Directors

Rakesh R. Agarwal
Partner
M.No. : 109632

Santosh Jadhav
Partner
M.No. : 115983

Vikas Sharma
Director
DIN No : 01344759
Place : Mumbai

Vikram Sharma
Managing Director
DIN No :01249904
Place : Mumbai

Sandeep Khandelwal
Chief Financial Officer

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 6 June 2018

Place : Mumbai
Date : 6 June 2018

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 Lakhs)

A. Subsidiary Companies

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before Taxation	Provision for taxation	Profit After Taxation	Proposed Dividend	% Share holding
1	Supreme Infrastructure BOT Pvt. Ltd.	INR	1	-12724.3	116,867.40	116,867.40	60,210.97	49.19	-19,435.22	0	-19,435.22	0	100%
2	Supreme Panvel Indapur Tollways Pvt Ltd	INR	10	27468.90	158,320.59	158,320.59	11.5	36252.96	-4.00	0	-4.00	0	64%
3	Supreme Mega Structures Pvt Ltd	INR	1	403.07	540.71	540.71	0	546.76	33.21	10.26	22.95	0	60%
4	Supreme Manor Wada Bhiwandi Infrastructure Pvt Ltd	INR	10	9,480.17	54,249.99	54,249.99	0	4,315.40	-3,970.39	0	-3,970.39	0	49%
5	Patiala Nabha Infra Projects Pvt Ltd (Formerly known as Supreme Infra Projects Pvt Ltd)	INR	1	-1,644.40	7,919.94	7,919.94	0	1,015.20	-949.59	0	-949.59	0	100%
6	Supreme Best Value Kolhapur (Shirol) Sangli Tollways Pvt Ltd.	INR	5	-4980.05	40,326.45	40,326.45	0	6.16	-4593.14	0	-4,593.14	0	39%
7	Supreme Ahmednagar Karmala Tembhurni Tollways Pvt Ltd.	INR	57.14	-4,195.10	67,977.85	67,977.85	0	808.90	-6304.18	0	-6,304.18	0	49%
8	Supreme Infrastructure BOT Holdings Pvt. Ltd. (SIBHPL)	INR	154.90	21,394.98	26,471.13	26,471.13	26,215.50	10.20	-7348.76	0	-7,348.76	0	51%
9	Supreme Kopergaon Ahmednagar Tollways Private Limited	INR	1	-12,892.04	10,104.09	10,104.09	0	4,059.76	-2,814.52	0	-2,814.52	0	100%
10	Supreme Suyog Funicular Ropeways Private Limited	INR	10	3891.32	11,503.94	11,503.94	0	337.87	-6.03	0	-6.03	0	98%
11	Kopergaon Ahmednagar Tollways (Phase I) Private Limited	INR	1	4450.64	30,125.92	30,125.92	0	2631.78	-4798.99	0	-4,798.99	0	100%
12	Supreme Infrastructure Overseas LLC	*OMR	352.03					13.37	-45.44	0	-45.44	0	60%
13	Supreme Vasai Bhiwandi Tollways Private Limited	INR	1	-526.75	26,501.44	26,501.44	0	2,718.48	-1257.19	0	-1,257.19	0	100%
14	Kotkapura Muktsar Tollways Private Limited	INR	51	2128.48	12,752.10	12,752.10	0	628.28	-983.49	0	-983.49	0	99%
15	Mohol Kurul Kamati Mandrup Tollways Private Limited	INR	1	-5.21	82.68	82.68	0	0	-0.28	0	-0.28	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, 2018

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		Sanjose Supreme Tollways Development Private Ltd	Sohar Stones LLC
1	Latest Audited Balance sheet Date	31/03/2018	31/03/2018
2	Shares of Associate/ Joint Ventures held by the company on the year end		
	No. of shares - Equity	1,47,998	-
	- Preference	7,60,000	-
	Amount of Investment in Associates/ Joint Venture -	7614.79	493.89
	Extent of Holding %	96.10%	30%
3	Discription of how there is significant influence	Singnificant influence over Share Capital	Singnificant influence over Share Capital
4	Reason why the associate/ joint venture is not 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 INFRASTRUCTURE INDIA LTD.



Registered Office

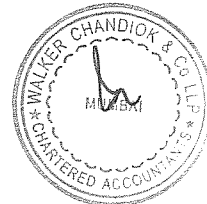
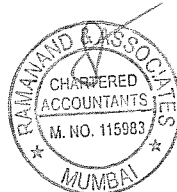
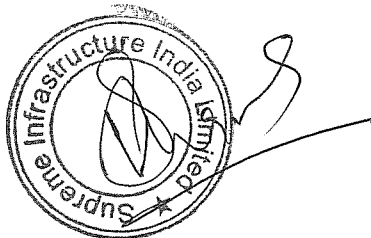
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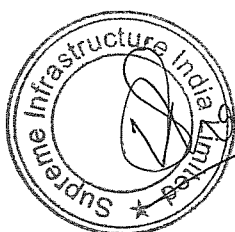
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Corporate Identification Number: L74999MH1983PLC029752

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 2018 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]			
I	Sl. No.	Particulars	(Amount in ₹ lakhs except earning per share)
			Audited Figures (as reported before adjusting for qualifications) Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	98,029.92 98,029.92
	2	Total Expenditure	147,815.45 [Refer note II (e) (i)]
	3	Net Profit/(Loss)	(49,785.53) [Refer note II (e) (i)]
	4	Earnings/ (Loss) Per Share	(194.61) [Refer note II (e) (i)]
	5	Total Assets	324,564.19 [Refer note II (e) (i)]
	6	Total Liabilities	309,961.60 [Refer note II (e) (i)]
	7	Net Worth	14,602.59 [Refer note II (e) (i)]
	8	Any other financial item (s) (as felt appropriate by the management)	- -
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 Notes 2(a) and 2(b) to the accompanying standalone financial results, the Company's current financial assets as at 31 March 2018 include trade receivables and unbilled work aggregating ₹ 6,616.13 lakhs (31 March 2017: ₹ 6,616.13 lakhs) and ₹ 3,835.47 lakhs (31 March 2017: ₹ 3,074.86 lakhs) respectively, in respect of projects which were closed/terminated by the clients and where the matters are currently under litigation/negotiations and trade receivables aggregating ₹ 55,396.37 lakhs (31 March 2017: ₹ 23,507.17 lakhs) in respect of projects which were closed/substantially closed and where the receivables have been outstanding for a substantial period. Management has assessed that no adjustments are required to the carrying value of the aforesaid balances, which is not in accordance with the requirements of Ind AS 109, 'Financial Instruments'. In the absence of sufficient appropriate evidence to support the management's contention of recoverability of these balances, we are unable to comment upon the adjustments, if any, that are required to the carrying value of the aforesaid balances, and consequential impact, if any, on the accompanying standalone financial results. Our opinion on the standalone financial results for the year ended 31 March 2017 was also qualified in respect of these matters. (b) As stated in Note 2(c) to the accompanying standalone financial results, the Company's non-current borrowings, short-term borrowings and other current financial liabilities as at 31 March 2018 include balances aggregating ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 11,510.27 lakhs, respectively in respect of which direct confirmations from the respective lenders have not been received. These borrowings have been classified into current and non-current, basis the original maturity terms stated in the agreements which is not in accordance with the terms of the agreements in the event of defaults in repayment of borrowings. Further, whilst we have been able to perform alternate procedures with respect to certain balances, in the absence of confirmations from the lenders, we are unable to comment on the adjustments, if any, that may be required to the carrying value of these balances on account of changes, if any, to the terms and conditions of the transactions, and consequential impact, on the accompanying standalone financial results.	



	(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 2018: 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 determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statement of the Company as at and for the year ended 31 March 2018 and the material weakness 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: Qualifications II (a) (i) (a) has been appearing from the year ended 31 March 2015; Qualification II (a) (i) (b) has been included for the first time from the year 31 March 2018.
d. For Audit Qualifications where the impact is quantified by the auditor, Management's Views:	Nil
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 receivables and unbilled work (other current financial assets) as at 31 March 2018 include ₹ 6,616.13 lakhs (31 March 2017 : ₹ 6,616.13 lakhs) and ₹ 3,835.47 lakhs (31 March 2017 : ₹ 3,074.86 lakhs), respectively, relating to contracts which the clients terminated 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 previous years, in respect of a party where net claims lodged by the Company by far exceed the amounts recoverable. Trade receivables as at 31 March 2018 include ₹ 55,396.37 lakhs (31 March 2017 : ₹ 23,507.17 lakhs), in respect of projects which were closed/substantially closed and which are overdue for a substantial period of time. These trade receivables include amounts due from developers aggregating ₹ 4,399.47 lakhs for which the Company has filed/in process of filing winding up petition with the National Company Law Tribunal (NCLT). 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 for matters referred above. 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 period, the management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable. II (a) (i) (b) : Non-current borrowings, short-term borrowings and other current financial liabilities as at 31 March 2018 include balances aggregating ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 11,510.27 lakhs, respectively in respect of which direct confirmations from the respective lenders have not been received. Further, out of these balance, non current borrowings, short-term borrowings and other current financial liabilities amounting to ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 3,967.81 lakhs, respectively, represent loans which were classified as Non-Performing Assets (NPAs) by the lenders. In the absence of confirmations from the lenders, the Company has provided for interest and other penal charges [except as stated in II (d) above] on these borrowings based on the latest communication available from the respective lenders at the interest rate specified in the agreement. The Company's management believes that amount payable on settlement will not exceed the liability provided in books in respect of these borrowings. Further, certain lenders have not recalled or initiated recovery proceedings for the existing facilities at present. Accordingly, classification of these borrowings into current and non-current as at 31 March 2018 is based on the original maturity terms stated in the agreements with the lenders. II (a) (ii) 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.



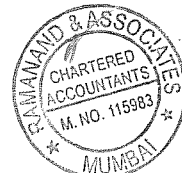
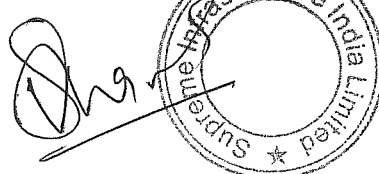
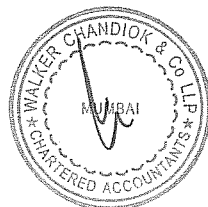
SUPREME INFRASTRUCTURE INDIA LTD.
 (AN ISO-9001/14001/OHSAS-18001 CERTIFIED COMPANY)

(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
III Signatories: Joint Statutory Auditors <i>Walker Chandiook Co LLP</i> For Walker Chandiook & Co LLP Chartered Accountants Firm Registration No: 001076N / N500013 <i>[Signature]</i> per Rakesh R. Agarwal Partner Membership No. J109632 <i>[Signature]</i> Santosh Jadhav Partner Membership No. : 115983 Place : Mumbai Date : 6 June 2018 For Ramanand & Associates Chartered Accountants Firm Registration No: 117776W <i>[Signature]</i> For Supreme Infrastructure India Limited <i>[Signature]</i> Mr. Vikas Sharma Managing Director <i>[Signature]</i> Sandeep Khandelwal Chief Financial Officer <i>[Signature]</i> Mr. V.P. Singh Audit Committee Chairman Place : Mumbai Date : 6 June 2018	

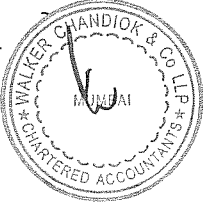
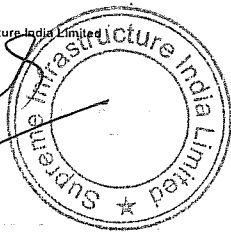
ANNEXURE I
Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)
Statement on Impact of Audit Qualifications for the Financial Year ended 31 March 2018 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total Income	101,214.97	101,214.97
2	Total Expenditure	198,435.26	[Refer II (a) (i)]
3	Net Profit/(Loss)	(97,220.29)	[Refer II (a) (i)]
4	Earnings/ (Loss) Per Share	(371.28)	[Refer II (a) (i)]
5	Total Assets	496,925.37	[Refer II (a) (i)]
6	Total Liabilities	574,988.22	[Refer II (a) (i)]
7	Net Worth	(78,062.85)	[Refer II (a) (i)]
8	Any other financial item (s) (as felt by appropriate by the management)	-	[Refer II (a) (i)]

(i) Auditor's Qualification on the financial results (consolidated)	
(a) As stated in Notes 2(a) and 2(b) to the consolidated financial results, the Holding Company's current financial assets as at 31 March 2018 include trade receivables and unbilled work aggregating ₹ 6,616.13 lakhs (31 March 2017: ₹ 6,616.13 lakhs) and ₹ 3,835.47 lakhs (31 March 2017: ₹ 3,074.86 lakhs) respectively, in respect of projects which were closed/terminated by the clients and where the matters are currently under litigation/negotiations and trade receivables aggregating ₹ 55,396.37 lakhs (31 March 2017: ₹ 23,507.17 lakhs) in respect of projects that no adjustments are required to the carrying value of the aforesaid balances, which is not in accordance with the requirements of Ind AS balances, we are unable to comment upon the adjustments, if any, that are required to the carrying value of the aforesaid balances, and ended 31 March 2017 was also qualified in respect of this matter. (b) As stated in Note 2(c) to the consolidated financial results, the Holding Company's non-current borrowings, short-term borrowings and other current financial liabilities as at 31 March 2018 include balances aggregating ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 11,510.27 lakhs, respectively in respect of which direct confirmations from the respective lenders have not been received. These borrowings have been classified into current and non-current, basis the original maturity terms stated in the agreements which is not in accordance with the terms of the agreements in the event of defaults in repayment of borrowings. Further, whilst we have been able to perform alternate procedures with respect to certain balances, in the absence of confirmations from the lenders, we are unable to comment on the adjustments, if any that may be required to the carrying value of these balances on account of changes, if any, to the terms and conditions of the transactions, and consequential impact, on the consolidated financial results.	
(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 Holding Company's Internal Financial Controls over Financial Reporting as at 31 March 2018: The Holding 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 determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group and its joint venture companies, which are companies covered under the Act as at and for the year ended 31 March 2018, and the material weakness has affected our opinion on the consolidated financial statements of the Group and its joint venture companies, which are companies covered under the Act 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) has been appearing from the year ended 31 March 2015; Qualification II (a) (i) (b) has been included for the first time during the year 31 March 2018.	
d. For Audit Qualifications where the impact is quantified by the auditor, Management's Views:	
NIL	
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 receivables and unbilled work (other current financial assets) as at 31 March 2018 include ₹ 6,616.13 lakhs (31 March 2017 : ₹ 6,616.13 lakhs) and ₹ 3,835.47 lakhs (31 March 2017 : ₹ 3,074.86 lakhs), respectively, relating to contracts which the clients terminated 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 previous years, in respect of a party where net claims lodged by the Company by far exceed the amounts recoverable. Trade receivables as at 31 March 2018 include ₹ 55,396.37 lakhs (31 March 2017 : ₹ 23,507.17 lakhs), in respect of projects which were closed/substantially closed and which are overdue for a substantial period of time. These trade receivables include amounts due from developers aggregating ₹ 4,399.47 lakhs for which the Company has filed in process of filing winding up petition with the National Company Law Tribunal (NCLT). 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 for matters referred above. 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 period, the management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable. II (a) (i) (b): Non-current borrowings, short-term borrowings and other current financial liabilities as at 31 March 2018 include balances aggregating ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 11,510.27 lakhs, respectively in respect of which direct confirmations from the respective lenders have not been received. Further, out of this balance, non current borrowings, short-term borrowings and other current financial liabilities amounting to ₹ 9,324.24 lakhs, ₹ 294.21 lakhs and ₹ 3,967.81 lakhs, respectively, represents loan which were classified as Non-Performing Assets (NPAs) by the lenders. In the absence of confirmations from the lenders, the Company has provided for interest and other penal charges on these borrowings based on the latest communication available from the respective lenders at the interest rate specified in the agreement. The Company's management believes that amount payable on settlement will not exceed the liability provided in books in respect of these borrowings. Further, certain lenders have not recalled or initiated recovery proceedings for the existing facilities at present. Accordingly, classification of these borrowings into current and non-current as at 31 March 2018 is based on the original maturity terms stated in the agreements with the lenders. II (a) (ii): 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.	



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