



30<sup>th</sup> May, 2016

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

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

Dear Sir,

**Scrip Code -SUPREMEINFRA/532904**

**Sub: Submission of Audited Standalone and Consolidated Financial Results for the Quarter and year ended 31 March, 2016**

We would like to inform you that meeting of the Board of Directors of the Company was held today on 30<sup>th</sup> May, 2016 where at, inter-alia, the Board considered and approved the Standalone and Consolidated Audited Financial Results for the Quarter and Year ended 31<sup>st</sup> March, 2016.

We have enclosed the above referred copy of the Standalone and Consolidated Audited Financial Results for the Quarter and Year ended 31<sup>st</sup> March, 2016.

We request you to kindly take above on record and oblige.

Thanking you,

Yours faithfully,

**FOR SUPREME INFRASTRUCTURE INDIA LIMITED**

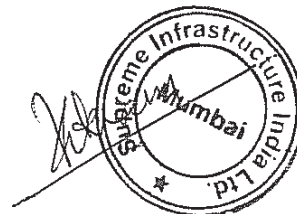
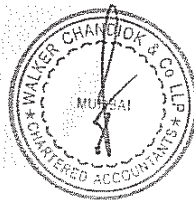
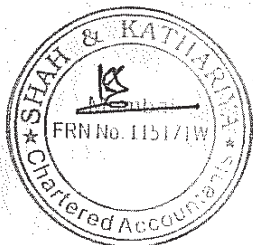
  
**VIJAY JOSHI**  
**COMPANY SECRETARY**

Encl: As above

**SUPREME INFRASTRUCTURE INDIA LTD.**

**SUPREME INFRASTRUCTURE INDIA LIMITED**  
94/C, Supreme House, Opp IIT Main Gate, Powai, Mumbai 400 076

PART I STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2016 (₹ in Lacs)					
	Quarter ended 31 March 2016 Unaudited	Quarter ended 31 December 2015 Unaudited	Quarter ended 31 March 2015 Unaudited	Year ended 31 March	
				2016 Audited	2015 Audited
<b>1 Income from operations</b>					
a. Net Sales / Income from operations	-17,819.33	26,473.04	42,016.92	120,969.84	151,694.84
b. Other operating income	-	-	-	-	-
<b>Total Income from operations (net)</b>	<b>17,819.33</b>	<b>26,473.04</b>	<b>42,016.92</b>	<b>120,969.84</b>	<b>151,694.84</b>
<b>2 Expenses</b>					
a. Cost of materials consumed	4,638.68	7,726.99	8,881.23	32,002.68	45,174.48
b. Subcontracting and labour cost	7,119.89	9,700.87	19,914.82	50,123.67	63,073.69
c. Employee benefit expenses	869.22	919.17	1,119.45	3,694.82	5,597.28
d. Depreciation and amortisation	768.13	766.52	893.46	3,060.31	3,730.18
e. Other expenses	2,882.18	4,358.99	4,619.11	15,358.04	12,753.56
<b>Total expenses</b>	<b>16,278.10</b>	<b>23,472.54</b>	<b>35,428.07</b>	<b>104,539.52</b>	<b>130,329.19</b>
<b>3 Profit from operation before other income , finance cost and exceptional items (1-2)</b>	<b>1,541.23</b>	<b>3,000.50</b>	<b>6,588.85</b>	<b>16,430.32</b>	<b>21,365.65</b>
<b>4 Other income</b>	<b>233.76</b>	<b>104.05</b>	<b>276.47</b>	<b>970.62</b>	<b>1,059.11</b>
<b>5 Profit from operation before finance cost and exceptional items (3-4)</b>	<b>1,774.99</b>	<b>3,104.55</b>	<b>6,865.32</b>	<b>17,400.94</b>	<b>22,424.76</b>
<b>6 Finance costs (Refer note 5)</b>	<b>6,389.63</b>	<b>6,294.36</b>	<b>6,126.61</b>	<b>24,728.65</b>	<b>19,094.29</b>
<b>7 Profit (Loss) from ordinary activities after finance cost but before exceptional items (5-6)</b>	<b>(4,614.64)</b>	<b>(3,189.81)</b>	<b>738.71</b>	<b>(7,327.71)</b>	<b>3,330.47</b>
<b>8 Exceptional item (Refer note 6)</b>	<b>(4,101.32)</b>	<b>-</b>	<b>-</b>	<b>(4,101.32)</b>	<b>-</b>
<b>9 Profit / (Loss) from Ordinary activities before tax (7-8)</b>	<b>(513.32)</b>	<b>(3,189.81)</b>	<b>738.71</b>	<b>(3,226.39)</b>	<b>3,330.47</b>
<b>10 Tax expenses</b>	<b>1,407.24</b>	<b>(718.32)</b>	<b>764.77</b>	<b>853.91</b>	<b>1,605.66</b>
<b>11 Net Profit (Loss) from Ordinary Activities after tax (9-10)</b>	<b>(1,920.56)</b>	<b>(2,471.49)</b>	<b>(26.06)</b>	<b>(4,080.30)</b>	<b>1,724.81</b>
<b>12 Extraordinary items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13 Net Profit (Loss) for the period (11-12)</b>	<b>(1,920.56)</b>	<b>(2,471.49)</b>	<b>(26.06)</b>	<b>(4,080.30)</b>	<b>1,724.81</b>
<b>14 Earnings before interest, tax, depreciation and amortisation (13+12+10+8+6+2d)</b>	<b>2,543.12</b>	<b>3,871.07</b>	<b>7,758.78</b>	<b>20,461.25</b>	<b>26,154.94</b>
<b>15 Paid-up equity share capital (Face Value of the Share ₹ 10 each)</b>	<b>2,569.84</b>	<b>2,569.84</b>	<b>2,569.84</b>	<b>2,569.84</b>	<b>2,569.84</b>
<b>16 Reserve excluding revaluation reserve as per balance sheet of previous accounting year</b>				<b>70,346.00</b>	<b>74,426.29</b>
<b>17 Earning Per Share (EPS)</b>					
a. Basic EPS (not annualised) - before and after Extraordinary items - (in ₹)	(7.47)	(9.62)	(0.12)	(15.88)	7.97
b. Diluted EPS (not annualised) - before and after Extraordinary items - (in ₹)	(7.47)	(9.62)	(0.12)	(15.88)	7.97
<b>See accompanying note to the financial results</b>					



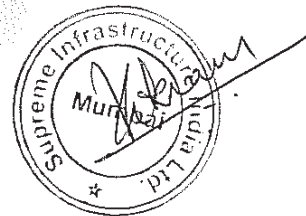
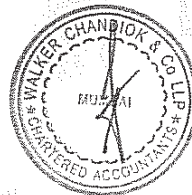
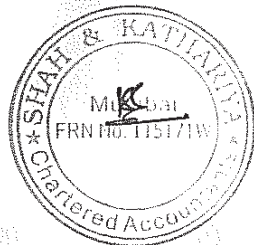
**SUPREME INFRASTRUCTURE INDIA LTD.**

**SUPREME INFRASTRUCTURE INDIA LIMITED**  
94/C, Supreme House, Opp IIT Main Gate, Powai, Mumbai 400 076

**PART II**

**Standalone Statement of Assets and Liabilities**

PARTICULARS	As at	As at
	31 March 2016	31 March 2015
	(₹ In Lacs)	(₹ In Lacs)
<b>A. EQUITY AND LIABILITIES</b>		
<b>1. Shareholders' Funds</b>		
a) Share capital	2,819.84	2,819.84
b) Reserves and surplus	70,346.00	74,426.29
	<b>73,165.84</b>	<b>77,246.13</b>
<b>2. Non-Current Liabilities</b>		
a) Long-term borrowings	108,444.00	94,426.09
b) Long-term provisions	459.39	552.66
	<b>108,903.39</b>	<b>94,978.75</b>
<b>3. Current Liabilities</b>		
a) Short-term borrowings	95,783.11	61,734.97
b) Trade payables	10,114.48	11,144.11
c) Other current liabilities	46,959.92	35,765.80
d) Short-term provisions	342.00	3,624.94
	<b>153,199.51</b>	<b>112,269.82</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>335,268.74</b>	<b>284,494.70</b>
<b>B. ASSETS</b>		
<b>1. Non-Current Assets</b>		
a) Fixed Assets		
Tangible assets	25,945.09	28,110.34
Intangible Assets	32.22	53.71
Capital work-in-progress	669.30	1,494.30
b) Non-current investments	105,054.83	70,854.76
c) Deferred tax assets (net)	-	853.91
d) Long-term loans and advances	19,657.87	38,938.33
e) Other non-current assets	1,724.35	482.11
	<b>153,083.66</b>	<b>140,787.46</b>
<b>2. Current Assets</b>		
a) Current investments	215.76	234.57
b) Inventories	8,457.50	8,546.11
c) Trade receivables	127,174.05	93,334.20
d) Cash and bank balances	3,543.90	7,120.00
e) Short-term loans and advances	22,448.91	18,592.45
f) Other current assets	20,344.96	15,879.91
	<b>182,185.08</b>	<b>143,707.24</b>
<b>TOTAL - ASSETS</b>	<b>335,268.74</b>	<b>284,494.70</b>



**SUPREME INFRASTRUCTURE INDIA LTD.**

## Notes

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on 30 May 2016. The above financial results have been reviewed by the Statutory Auditors as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Statement has been prepared on accrual basis under the historical cost convention and in accordance with the applicable accounting standards as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013. The accounting policies have been consistently applied unless otherwise stated.
3. The Company is engaged in Engineering & Construction activities which are substantially seasonal in character. Further, the Company's margin in the quarterly results vary based on the accrual of cost and recognition of income in different quarters due to nature of its business, receipt of awards/claims or events which lead to revision in cost to completion. Due to these reasons, quarterly results may vary in different quarters and may not be indicative of annual results.
- 4(a) Trade receivable and unbilled work as at 31 March 2016 include ₹ 3,139.40 Lacs (₹ 3,139.40 Lacs as at 31 March 2015) and ₹ 1,003.36 Lacs (₹ 1,003.36 Lacs as at 31 March 2015) respectively, in respect of two contracts which the clients have terminated and recovered the advances given against bank guarantees. The parties have not disputed payment of certified bills included under trade receivables. The Company is under negotiations with the parties and has also preferred an appeal in the Honourable High Court for initiating arbitration proceedings and providing stay on bank guarantee invoked in respect of one party where counter-claims lodged by the Company exceed the amounts recoverable. Based on the on-going progress of these matters, the management is confident of recovering these amounts in full.
- (b) Trade receivables as at 31 March 2016 include ₹ 9,246.97 Lacs (₹ 9,751.92 Lacs as at 31 March 2015), in respect of projects which were closed and which are overdue for a substantial period of time. The Company has formed a senior management team led by the Managing Director to rigorously follow up including negotiate/ initiate legal action, where necessary. Based on the contract terms and these ongoing recovery procedures adopted by the Company, the management is reasonably confident of recovery of old outstanding trade receivables.

Statutory auditors have included a qualification in their audit report in respect of these matters.

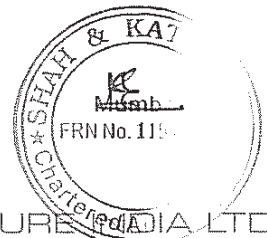
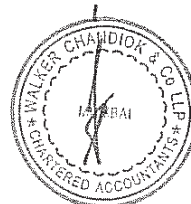
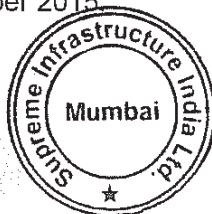
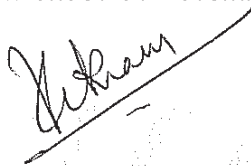
5. Finance costs for the year ended 31 March 2016 is net of ₹ 860 Lacs being overdue interest charges reversed by lenders during the quarter ended 30 June 2015.
6. On 31 March 2016, the Company has invested further in 341,000,000 0.001% Optionally Convertible Debenture of ₹ 10 each of Supreme Infrastructure BOT Private Limited, a wholly owned subsidiary, for an aggregate amount of ₹ 34,100 Lacs by converting its long term loans and advances recoverable from this wholly owned subsidiary. Further, the Company has also accrued interest thereon with effect from 1 April 2015 on account of delay in commencement of toll operations, which has been disclosed as an exceptional item.

7. Long-term borrowings include ₹ 29,617.41 Lacs (31 March 2015: ₹ 26,452.96 Lacs), other current liabilities (current maturities of long term debt) include ₹ 683.99 Lacs (31 March 2015: ₹ Nil) and short-term borrowings include ₹ 25,671.78 Lacs (31 March 2015: ₹ 17,774.54 Lacs) loan availed from State Bank of India (SBI) classified as Non-Performing Assets (NPA) by SBI exclusively.

The Joint Lenders Forum (JLF) lead by SBI had appraised a Corporate Loan of ₹ 10,000 Lacs in September 2014 out of which ₹ 4,000 Lacs 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 and consequently restructuring of the entire facilities of the Company was appraised and sanctioned by the majority of the lenders with SBI as being the lead member. Simultaneously the corporate loan advanced by SBI was prepaid. This sequence of rectification (Corporate Loan) and then restructuring (under JLF), more exclusively by SBI, was the main reason for the view being formed by RBI Asset Quality Review auditor, as double restructuring.

Hence the account vide their letter dated 1 February 2016, effective 12 January 2015 based on the direction of the Reserve Bank of India (RBI) during its Assets Quality Review has been classified as NPA. The Company has filed its submissions with the lender that there is no non-compliance with respect to the various directives of the RBI with respect to the JLF for which no response has been received from the lender at present. However, the lender has not recalled or initiated recovery proceedings for the existing facilities and hence borrowings as per original repayment terms, continue to be classified under 'Long term borrowings'/ 'Current maturities of long term debt'/ 'short-term borrowings'.

8. Short-term borrowings includes ₹ 364 Lacs (31 March 2015: ₹ 422.16 Lacs) loan from a bank which has been classified as Non-Performing Asset during the current 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 and believes that the amount payable will not exceed the liability provided in the books.
9. On 15 February 2016, Rudranee Infrastructure Limited (RIL), issued additional equity shares on 'Rights Issue' basis which was not subscribed to by the Company due to which the Company's shareholding has been reduced from 51% to 49%. Consequent to this, RIL ceased to be a subsidiary of the Company.
10. The figures for the quarter ended 31 March 2016 are the balancing figures between the audited figures for the full financial year ended 31 March 2016 and the published year to date figures upto the nine months ended 31 December 2015.



SUPREME INFRASTRUCTURE INDIA LTD.

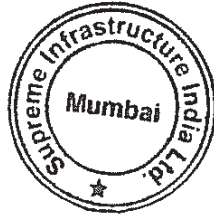


11. The activities of the Company comprise of only one business segment viz Engineering, Procurement and Construction ('EPC'). The Company operates in only one geographical segment viz India.
12. The figures for the previous periods have been regrouped wherever necessary to conform to current period's presentation.

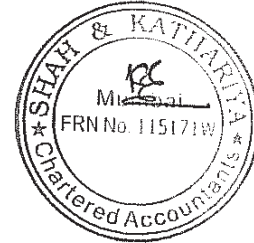
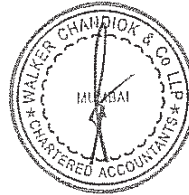
**For Supreme Infrastructure India Limited**



**Vikram Sharma**  
**Managing Director**



Place: Mumbai  
Date: 30 May 2016



**SUPREME INFRASTRUCTURE INDIA LTD.**

**Walker Chandiook & Co LLP**  
(formerly Walker, Chandiook & Co)  
Chartered Accountants  
16th floor, Indiabulls Finance Centre,  
612/ 613, Senapati Bapat Marg,  
Elphinstone (W),  
Mumbai – 400 013

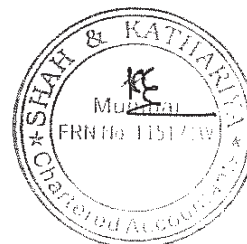
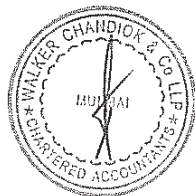
**Shah & Kathariya**  
Chartered Accountants  
Room No 6, Kermani Bldg,  
4<sup>th</sup> Floor, Sir P. M. Road,  
Fort,  
Mumbai – 400 001

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**Auditors' Report on Annual Standalone Financial Results of the Company Pursuant to the  
Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

**To the Board of Directors of Supreme Infrastructure India Limited**

1. We have audited the annual standalone financial results (“the Statement”) of Supreme Infrastructure India Limited (“the Company”) for the year ended 31 March 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 10 in the Statement regarding the figures for the quarter ended 31 March 2016 as reported in this Statement which are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit. This Statement has been prepared on the basis of the annual standalone financial statements and reviewed quarterly financial results upto the end of the third quarter which are the responsibility of the Company’s management. Our responsibility is to express an opinion on this Statement based on our review of financial results for the nine months period ended 31 December 2015 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and our audit of the annual standalone financial statements as at and for the year ended 31 March 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our qualified opinion.



3. As stated in Note 4(a) to the Statement, the Company's trade receivables and unbilled work as at 31 March 2016 include amounts aggregating ₹ 3,139.40 Lacs (31 March 2015 ₹ 3,139.40 Lacs) and ₹ 1,003.36 Lacs (31 March 2015 ₹ 1,003.36 Lacs) respectively, in respect of projects which were closed/ terminated by the clients and where the matters are currently under negotiations/ litigation, being considered good and recoverable by the management. However, in view of the ongoing negotiations/litigations and in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the Statement that may arise on settlement of the aforesaid matters. Our review reports for the quarter and nine months ended 31 December 2015 and audit opinion for the year ended 31 March 2015 were also qualified in respect of these matters.
4. As stated in Note 4(b) to the Statement, the Company's trade receivables as at 31 March 2016 include amounts aggregating ₹ 9,246.97 Lacs (31 March 2015 ₹ 9,751.92 Lacs) in respect of projects which were closed and where the receivables remain outstanding for substantial period, being considered good and recoverable by the management. However, in absence of other alternative evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the Statement that may arise on settlement of the aforesaid matters. Our review reports for the quarter and nine months ended 31 December 2015 and audit opinion for the year ended 31 March 2015 were also qualified in respect of these matters.
5. In our opinion and to the best of our information and according to the explanations given to us, this Statement:
- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) gives a true and fair view of the standalone net loss and other financial information for the year ended 31 March 2016 except for the possible effects of qualifications as described in the previous paragraphs.

*Walker Chandiook & Co LLP*

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



per **Adi. P. Sethna**  
Partner  
Membership No: 108840  
Mumbai  
30 May 2016

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



per **P.M. Kathariya**  
Partner  
Membership No: 031315  
Mumbai  
30 May 2016

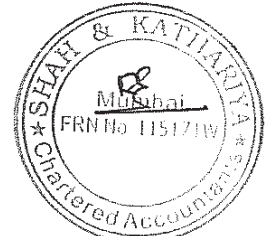
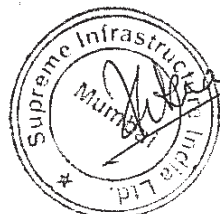
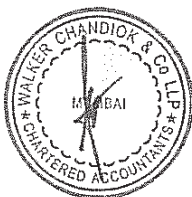


**ANNEXURE I**

**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 March 31, 2016 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

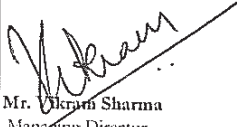
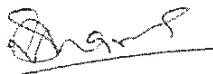

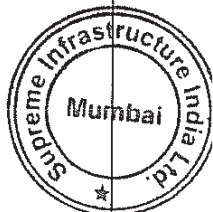
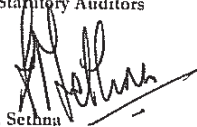
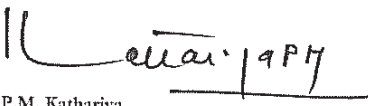

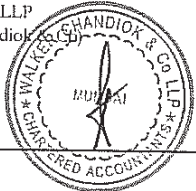
(Amount in ₹ Lacs)				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	126,041.78	126,041.78
	2	Total Expenditure	130,122.08	Not Ascertainable [Refer II (e) (ii) below]
	3	Net Profit/(Loss)	(4,080.30)	Not Ascertainable [Refer II (e) (ii) below]
	4	Earnings/ (Loss) Per Share	(15.88)	Not Ascertainable [Refer II (e) (ii) below]
	5	Total Assets	335,268.74	Not Ascertainable [Refer II (e) (ii) below]
	6	Total Liabilities	262,102.90	262,102.90
	7	Net Worth	73,165.84	Not Ascertainable [Refer II (e) (ii) below]
II	<b>Audit Qualification (each audit qualification separately):</b>			
	a. Details of Audit Qualification:		<p><b>Auditor's Qualification:</b></p> <p>(i) As stated in Note 4(a) to the Statement, the Company's trade receivables and unbilled work as at 31 March 2016 include amounts aggregating ₹ 3,139.40 Lacs (31 March 2015 ₹ 3,139.40 Lacs) and ₹ 1,003.36 Lacs (31 March 2015 ₹ 1,003.36 Lacs) respectively, in respect of projects which were closed/ terminated by the clients and where the matters are currently under negotiations/ litigation, being considered good and recoverable by the management. However, in view of the ongoing negotiations/litigations and in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the Statement that may arise on settlement of the aforesaid matters. Our review reports for the quarter and nine months ended 31 December 2015 and audit opinion for the year ended 31 March 2015 were also qualified in respect of these matters.</p> <p>(ii) As stated in Note 4(b) to the Statement, the Company's trade receivables as at 31 March 2016 include amounts aggregating ₹ 9,246.97 Lacs (31 March 2015 ₹ 9,751.92 Lacs) in respect of projects which were closed and where the receivables remain outstanding for substantial period, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the Statement that may arise on settlement of the aforesaid matters. Our review reports for the quarter and nine months ended 31 December 2015 and audit opinion for the year ended 31 March 2015 were also qualified in respect of these matters.</p> <p><b>(iii) Auditor's Qualification on the Internal Financial Controls relating to above matter:</b> According to the information and explanations given to us and based on our audit, 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 2016:</p> <p>The Company's internal financial controls in respect of supervisory and review controls over process of determining provision for trade receivables which are doubtful of recovery and assessment of recoverability of unbilled work were not operating effectively. Absence of detailed assessment conducted by the management for determining the recoverability of trade receivables and unbilled work that remain long outstanding, in our opinion, could result in a potential material misstatement to the carrying value of trade receivables and unbilled work, and related income statement account balances.</p> <p>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.</p>	



**SUPREME INFRASTRUCTURE INDIA LTD.**



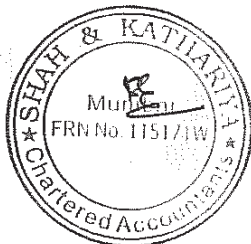
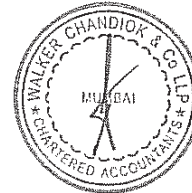
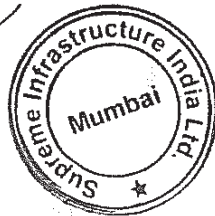
b. Type of Audit Qualification :	Qualified Opinion
c. Frequency of qualification:	<b>Qualifications:</b> Qualification II (a) (i) and (ii) have been appearing from the year ended 31 March 2015 and the Qualification II (a) (iii) has been included for the first time during the year ended 31 March 2016.
d. For Audit Qualifications where the impact is quantified by the auditor, Management's Views:	Not applicable
e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:  (ii) If management is unable to estimate the impact, reasons for the same:	Not applicable  II (a) (i) Trade receivable and unbilled work as at 31 March 2016 include ₹ 3,139.40 Lacs (31 March 2015 ₹ 3,139.40 Lacs) and ₹ 1,003.36 Lacs (31 March 2015 ₹ 1,003.36 Lacs) respectively, in respect of two contracts which the clients have terminated and recovered the advances given against bank guarantees. The parties have not disputed payment of certified bills included under trade receivables. The Company is under negotiations with the parties and has also preferred an appeal in the Honourable High Court for initiating arbitration proceedings and providing stay on bank guarantee invoked in respect of one party where counter-claims lodged by the Company exceed the amounts recoverable. Based on the on-going progress of these matters, the management is confident of recovering these amounts in full.  II (a) (ii) Trade receivables as at 31 March 2016 include ₹ 9,246.97 Lacs (31 March 2015 ₹ 9,751.92 Lacs) in respect of projects which were closed and which are overdue for a substantial period of time. The Company has formed a senior management team led by the Managing Director to rigorously follow up including negotiate/ initiate legal action, where necessary. Based on the contract terms and these ongoing recovery procedures adopted by the Company, the management is reasonably confident of recovery of old outstanding trade receivables.  II (a)(iii) Based on the response stated in II (a) (i) and (ii) management believes that Company's internal financial controls in respect of supervisory and review controls over process of determining provision for trade receivables which are doubtful of recovery and assessment of recoverability of unbilled work were operating effectively.
(iii) Auditors' Comments on (i) or (ii) above:	Included in audit qualifications stated above

<b>III Signatories:</b>	
Supreme Infrastructure India Limited	
 Mr. Vikram Sharma Managing Director Place: Mumbai Date: 30 May 2016	 Mr. Vikas Sharma Wholtime Director & CFO Place: London Date: 30 May 2016
	 Mr. V. Singh Audit Committee Chairman Place : Mumbai Date: 30 May 2016
	
Joint Statutory Auditors	
 Adi P. Sethna Partner Membership No.: 108840 Walker ChandioK & Co LLP (Formerly Walker, ChandioK & Co) Chartered Accountants  Place: Mumbai Date: 30 May 2016	 P.M. Kathariya Partner Membership No.: 031315 Shah & Kathariya Chartered Accountants  
	

**SUPREME INFRASTRUCTURE INDIA LIMITED**  
94/C, Supreme House, Opp IIT Main Gate, Powai, Mumbai 400 076

PART I	(₹ in Lacs)	
STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE YEAR ENDED 31 MARCH 2016		
	Year ended 31 March 2016 (Audited)	Year ended 31 March 2015 (Audited)
<b>1 Income from operations</b>		
a) Net Sales / Income from operations	139,223.78	181,391.15
b) Other operating income	1,147.07	-
<b>Total Income from operations (net)</b>	<b>140,370.85</b>	<b>181,391.15</b>
<b>2 Expenses</b>		
a) Cost of materials consumed	36,672.49	55,592.62
b) Subcontracting and labour cost	53,593.68	67,424.51
c) Employee benefit expenses	4,713.96	6,724.48
d) Depreciation and amortisation	6,849.89	7,662.28
e) Other expenses	17,937.27	15,574.56
<b>Total expenses</b>	<b>119,767.29</b>	<b>152,978.45</b>
<b>3 Profit from operation before other income, finance cost and exceptional items (1-2)</b>	<b>20,603.56</b>	<b>28,412.70</b>
<b>4 Other income</b>	<b>1,072.87</b>	<b>804.24</b>
<b>5 Profit from operation before finance cost and exceptional items (3-4)</b>	<b>21,676.43</b>	<b>29,216.94</b>
<b>6 Finance costs (Refer note 2)</b>	<b>36,004.02</b>	<b>29,670.42</b>
<b>7 Profit/(loss) from ordinary activities after finance cost but before exceptional items (5-6)</b>	<b>(14,327.59)</b>	<b>(453.48)</b>
<b>8 Exceptional items (Refer note 6)</b>	<b>1,104.19</b>	<b>-</b>
<b>9 Profit/(loss) before tax, minority interest and share of profit/(loss) of associate</b>	<b>(15,431.78)</b>	<b>(453.48)</b>
<b>10 Tax expenses</b>	<b>(904.38)</b>	<b>(1,625.67)</b>
<b>11 Profit/(loss) before minority interest and share of profit/(loss) of associate</b>	<b>(16,336.16)</b>	<b>(2,079.15)</b>
<b>12 Share of profit/(loss) of associate</b>	<b>(555.26)</b>	<b>(161.74)</b>
<b>13 Share of loss/(profit) of minority interest</b>	<b>1,696.70</b>	<b>828.45</b>
<b>14 Net Profit/(loss) for the year before extraordinary items (11-12-13)</b>	<b>(15,194.72)</b>	<b>(1,412.44)</b>
<b>15 Extraordinary items</b>	<b>-</b>	<b>-</b>
<b>16 Net Profit/(loss) for the year after extraordinary items (15-14)</b>	<b>(15,194.72)</b>	<b>(1,412.44)</b>
<b>17 Earnings before interest, tax, depreciation and amortisation (16+15+13+12+10+8+6+2d)</b>	<b>28,526.32</b>	<b>36,879.22</b>
<b>18 Paid-up equity share capital (Face Value of ₹ 10 each)</b>	<b>2,569.84</b>	<b>2,569.84</b>
<b>19 Reserve excluding revaluation reserve as per balance sheet of previous accounting year</b>	<b>66,785.69</b>	<b>82,000.50</b>
<b>20 Earning Per Share (EPS)</b>		
a) Basic EPS (not annualised) - before and after Extraordinary items (in ₹)	(59.13)	(6.55)
b) Diluted EPS (not annualised) - before and after Extraordinary items (in ₹)	(59.13)	(6.55)
See accompanying notes to the financial results		

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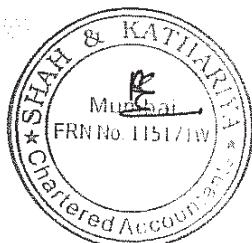
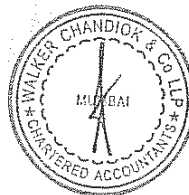
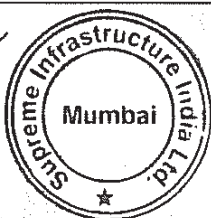
**SUPREME INFRASTRUCTURE INDIA LTD.**

Consolidated Statement of Assets and Liabilities

PART II

PARTICULARS	As at	As at
	31 March 2016	31 March 2015
	(₹ In Lacs)	(₹ In Lacs)
<b>A. EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' Funds</b>		
a) Share capital	2,819.84	2,819.84
b) Reserves and surplus	66,785.69	82,000.50
	<b>69,605.53</b>	<b>84,820.34</b>
<b>2 Preference share issued by subsidiary company</b>	<b>284.91</b>	<b>285.49</b>
<b>3 Minority Interest</b>	<b>3,280.38</b>	<b>7,349.88</b>
<b>4 Non-Current Liabilities</b>		
a) Long-term borrowings	351,064.31	313,703.12
b) Deferred tax liability (net)	17.98	14.04
c) Long-term provisions	1,655.47	2,139.38
	<b>352,737.76</b>	<b>315,856.54</b>
<b>5 Current Liabilities</b>		
a) Short-term borrowings	101,876.94	71,130.99
b) Trade payables	12,797.26	15,684.78
c) Other current liabilities	54,329.09	61,622.51
d) Short-term provisions	480.06	3,748.96
	<b>169,483.35</b>	<b>152,187.24</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>595,391.93</b>	<b>560,499.49</b>
<b>B. ASSETS</b>		
<b>1 Non-Current Assets</b>		
a) <b>Fixed Assets</b>		
Tangible assets	26,771.70	29,757.57
Intangible Assets	90,391.50	94,270.48
Capital work-in-progress	669.30	1,494.30
Intangible assets under development	252,041.83	225,435.33
b) Non-current investments	11,062.83	9,834.59
c) Deferred tax assets (net)	-	865.95
d) Long-term loans and advances	39,361.33	30,446.50
e) Other non-current assets	1,668.36	-
	<b>421,966.85</b>	<b>392,104.72</b>
<b>2 Current Assets</b>		
a) Current investments	230.76	254.57
b) Inventories	8,457.50	13,033.65
c) Trade receivables	117,927.41	103,405.02
d) Cash and bank balances	4,726.79	11,113.10
e) Short-term loans and advances	25,662.14	21,927.39
f) Other current assets	16,400.48	18,661.04
	<b>173,425.08</b>	<b>168,394.77</b>
<b>TOTAL - ASSETS</b>	<b>595,391.93</b>	<b>560,499.49</b>

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SUPREME INFRASTRUCTURE INDIA LTD.

## Notes

1. The above consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their meeting held on 30 May 2016. The above consolidated financial results have been reviewed by the Statutory Auditors as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Finance costs for the year ended 31 March 2016 is net of ₹ 860 Lacs being overdue interest charges reversed by lenders during the quarter ended 30 June 2015.
3. a. Trade receivable and unbilled work as at 31 March 2016 include ₹ 3,139.40 Lacs (₹ 3,139.40 Lacs as at 31 March 2015) and ₹ 1,003.36 Lacs (₹ 1,003.36 Lacs as at 31 March 2015) respectively, in respect of two contracts which the clients have terminated and recovered the advances given against bank guarantees. The parties have not disputed payment of certified bills included under trade receivables. The Company is under negotiations with the parties and has also preferred an appeal in the Honourable High Court for initiating arbitration proceedings and providing stay on bank guarantee invoked in respect of one party where counter-claims lodged by the Company exceed the amounts recoverable. Based on the on-going progress of these matters, the management is confident of recovering these amounts in full.  
b. Trade receivables as at 31 March 2016 include ₹ 9,246.97 Lacs (₹ 9,751.92 Lacs as at 31 March 2015), in respect of projects which were closed and which are overdue for a substantial period of time. The Company has formed a senior management team led by the Managing Director to rigorously follow up including negotiate/ initiate legal action, where necessary. Based on the contract terms and these ongoing recovery procedures adopted by the Company, the management is reasonably confident of recovery of old outstanding trade receivables.

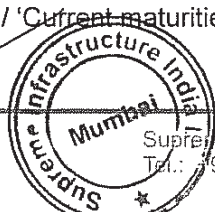
Statutory auditors have included a qualification in their audit report in respect of these matters.

4. Long-term borrowings include ₹ 29,617.41 Lacs (31 March 2015: ₹ 26,452.96 Lacs), other current liabilities (current maturities of long term debt) include ₹ 683.99 Lacs (31 March 2015: ₹ Nil) and short-term borrowings include ₹ 25,671.78 Lacs (31 March 2015: ₹ 17,774.54 Lacs) loan availed from State Bank of India (SBI) classified as Non-Performing Assets (NPA) by SBI exclusively.

The Joint Lenders Forum (JLF) lead by SBI had appraised a Corporate Loan of ₹ 10,000 Lacs in September 2014 out of which ₹ 4,000 Lacs 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 and consequently restructuring of the entire facilities of the Company was appraised and sanctioned by the majority of the lenders with SBI as being the lead member. Simultaneously the corporate loan advanced by SBI was prepaid. This sequence of rectification (Corporate Loan) and then restructuring (under JLF), more exclusively by SBI, was the main reason for the view being formed by RBI Asset Quality Review auditor, as double restructuring.

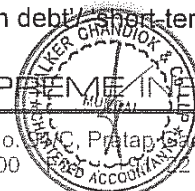
Hence the account vide their letter dated 1 February 2016, effective 12 January 2015 based on the direction of the Reserve Bank of India (RBI) during its Assets Quality Review has been classified as NPA. The Company has filed its submissions with the lender that there is no non-compliance with respect to the various directives of the RBI with respect to the JLF for which no response has been received from the lender at present. However, the lender has not recalled or initiated recovery proceedings for the existing facilities and hence borrowings as per original repayment terms, continue to be classified under 'Long term borrowings' / 'Current maturities of long term debt' / 'Short-term borrowings'.

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SUPREME INFRASTRUCTURE INDIA LTD.

Supreme House, Plot No. 1, C, Pratik Road, Opp. I.I.T Main Gate, Powai, Mumbai - 400 076.  
Tel.: 91 22 6128 9700 Fax: 91 22 6128 9711 Website : www.supremeinfra.com



FRN No. 11517/W  
CIN: L74999MH1983PLC029752



5. Short-term borrowings includes ₹ 364 Lacs (31 March 2015: ₹ 422.16 Lacs) loan from a bank which has been classified as Non-Performing Asset during the current 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 and believes that the amount payable will not exceed the liability provided in the books.
6. On 15 February 2016, Rudranee Infrastructure Limited (RIL), issued additional equity shares on 'Rights Issue' basis which was not subscribed to by the Company due to which the Company's shareholding has been reduced from 51% to 49%. Consequent to this, RIL ceased to be a subsidiary of the Company and resulting adjustments due to loss of controlling stake in this subsidiary aggregating ₹ 1,104.19 Lacs has been recognized in the statement of profit and loss as an exceptional item.

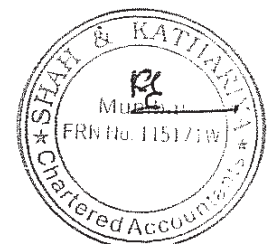
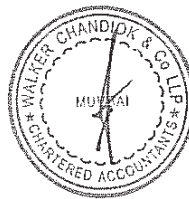
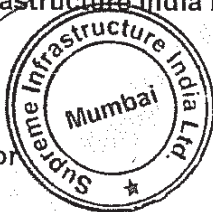
7. Segment-wise Revenue, Results and Capital Employed for the year ended 31 March 2016

(₹ in Lacs)			
S.No.	Particulars	31 March 2016	31 March 2015
<b>1</b>	<b>Segment Revenue</b>		
(a)	Engineering and Construction	130,346.09	170,390.68
(b)	Road infrastructure	10,024.76	11,000.47
	<b>Total Revenue</b>	<b>140,370.85</b>	<b>181,391.15</b>
<b>2</b>	<b>Segment result before tax, finance cost and exceptional item</b>		
(a)	Engineering and Construction	18,015.84	24,366.96
(b)	Road infrastructure	3,660.59	4,849.98
	<b>Total</b>	<b>21,676.43</b>	<b>29,216.94</b>
	Less : Finance cost	36,004.02	29,670.42
	Less: Exceptional Item	1,104.19	-
	<b>Profit/(loss) before tax</b>	<b>(15,431.78)</b>	<b>(453.48)</b>
<b>3</b>	<b>Capital Employed</b>		
(a)	Engineering and Construction	144,623.65	150,248.98
(b)	Road infrastructure	401,879.44	361,129.31
	<b>Total</b>	<b>546,503.09</b>	<b>511,378.29</b>
	Add : Unallocable corporate assets less corporate liabilities	(476,897.56)	(426,557.95)
	<b>Total capital employed</b>	<b>69,605.53</b>	<b>84,820.34</b>

8. The figures for the previous periods have been regrouped wherever necessary to conform to current period's presentation.

For Supreme Infrastructure India Limited

Vikram Sharma  
Managing Director



Place: Mumbai  
Date: 30 May 2016

SUPREME INFRASTRUCTURE INDIA LTD.

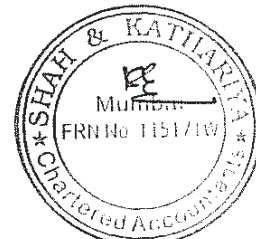
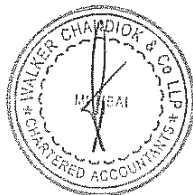
**Walker Chandiook & Co LLP**  
(formerly Walker, Chandiook & Co)  
Chartered Accountants  
16th floor, Indiabulls Finance Centre,  
612/ 613, Senapati Bapat Marg,  
Elphinstone (W),  
Mumbai – 400 013

**Shah & Kathariya**  
Chartered Accountants  
Room No 6, Kermani Bldg,  
4<sup>th</sup> Floor, Sir P. M. Road,  
Fort,  
Mumbai – 400 001

**Auditors' Report on Annual Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To the Board of Directors of Supreme Infrastructure India Limited**

1. We have audited the annual consolidated financial results ("the Statement") of Supreme Infrastructure India Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") and its associates for the year ended 31 March 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement has been prepared on the basis of the annual consolidated financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on this Statement based on our audit of the annual consolidated financial statements as at and for the year ended 31 March 2016 which were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual consolidated financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as consolidated financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our qualified opinion.
3. As stated in Note 3(a) to the Statement, the Company's trade receivables and unbilled work as at 31 March 2016 include amounts aggregating ₹ 3,139.40 Lacs (31 March 2015 ₹ 3,139.40 Lacs) and ₹ 1,003.36 Lacs (31 March 2015 ₹ 1,003.36 Lacs) respectively, in respect of projects which were closed/ terminated by the clients and where the matters are currently under negotiations/ litigation, being considered good and recoverable by the management. However, in view of the ongoing negotiations/litigations and in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the Statement that may arise on settlement of the aforesaid matters. Our opinion on the Statement for the year ended 31 March 2015 was also qualified in respect of these matters.



4. As stated in Note 3(b) to the Statement, the Company's trade receivables as at 31 March 2016 include amounts aggregating ₹ 9,246.97 Lacs (31 March 2015 ₹ 9,751.92 Lacs) in respect of projects which were closed and where the receivables remain outstanding for substantial period, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the Statement that may arise on settlement of the aforesaid matters. Our opinion on the Statement for the year ended 31 March 2015 was also qualified in respect of these matter.
5. In our opinion and to the best of our information and according to the explanations given to us and upon consideration of reports of other auditors, this Statement:
- (i) include the annual financial results for the year ended 31 March 2016 of the following entities :

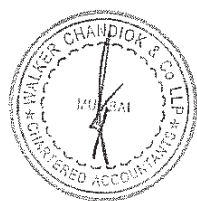
**Subsidiary Companies:**

Supreme Infrastructure BOT Private Limited	Supreme Mega Structure Private Limited
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	Supreme Panvel Indapur Tollways Private Limited
Patiala Nabha Infra Projects Private Limited (formerly known as (earlier known as Supreme Infra Projects Private Limited)	Mohol Kurul Kamati Mandrup Tollways Private Limited
Supreme Suyog Funicular Ropeways Private Limited	Supreme Infrastructure Overseas LLC
Supreme Infrastructure BOT Holdings Private Limited	Kopargaon Ahmednagar Tollways (Phase1) Private Limited
Supreme Best Value Kolhapur Sangli Tollways Private Limited	Kotkapura Muktsar Tollways Private Limited
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	Supreme Vasai Bhiwandi Tollways Private Limited
Supreme Kopargaon Ahmednagar Tollways Private Limited	Rudranee Infrastructure Limited (subsidiary till 14 February 2016)
Supreme Tikamgarh Orcha Annuity Private Limited	subsidiary till 30 March 2016)

**Associate Companies:**

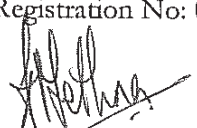
Sanjose Supreme Tollways Development Private Limited
Rudranee Infrastructure Limited (effective from 15 February 2016)
Sohar Stone LLC

- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (iii) gives a true and fair view of the consolidated net loss and other financial information for the year ended 31 March 2016 except for the possible effects of qualifications as described in the previous paragraphs.

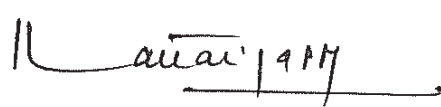


6. We did not audit the financial statements of three subsidiaries, included in the Statement, whose financial statements reflect total revenues (after eliminating intra-group transactions) of ₹ 9,271.94 Lacs, net loss after tax (after eliminating intra-group transactions) of ₹ 1,560.15 Lacs for the year ended 31 March 2016 and total assets (after eliminating intra-group transactions) of ₹ 172,427.81 Lacs as at 31 March 2016. The Statement also includes the Group's share of net loss of ₹ 431.09 Lacs for the year ended 31 March 2016 as considered in the Statement, in respect of two associates, whose financial statements have not been audited by us. These financial statements and other financial information have been audited by other auditors whose audit reports have been furnished to us and our opinion in respect thereof is based solely on the audit reports of such other auditors. Our opinion is not qualified in respect of this matter.
7. We did not audit the financial statements of nine subsidiaries, included in the Statement, whose financial statements reflect total revenues (after eliminating intra-group transactions) of ₹ 6,844.50 Lacs, net loss after tax (after eliminating intra-group transactions) of ₹ 3,679.59 Lacs for the year ended 31 March 2016 and total assets (after eliminating intra-group transactions) of ₹ 134,957.76 Lacs as at 31 March 2016. The Statement also includes the Group's share of net loss of ₹ 127.61 Lacs for the year ended 31 March 2016 as considered in the Statement, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by one of the joint auditors Messrs Shah & Kathariya, Chartered Accountants, whose reports have been furnished to us by the Management and our opinion in respect thereof is based solely on the reports of Messrs Shah & Kathariya. Our opinion is not qualified in respect of this matter.
8. We did not audit the financial statements of four subsidiaries, included in the Statement, whose financial statements reflect total revenues (after eliminating intra-group transactions) of ₹ 3,410.47 Lacs, net loss after tax (after eliminating intra-group transactions) of ₹ 1,810.61 Lacs for the year ended 31 March 2016 and total assets (after eliminating intra-group transactions) of ₹ 102,423.15 Lacs as at 31 March 2016. These financial statements have been audited by one of the joint auditors Messrs Walker Chandiook & Co LLP, Chartered Accountants, whose reports have been furnished to us by the Management and our opinion in respect thereof is based solely on the reports of Messrs Walker Chandiook & Co LLP. Our opinion is not qualified in respect of this matter.

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

  
per **Adi. P. Sethna**  
Partner  
Membership No: 108840  
Mumbai  
30 May 2016

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

  
per **P.M. Kathariya**  
Partner  
Membership No: 031315  
Mumbai  
30 May 2016



**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 March 31, 2016 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

(Amount in ₹ Lacs)				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	141,443.72	141,443.72
	2	Total Expenditure	157,776.43	Not Ascertainable [Refer II (e) (ii) below]
	3	Net Profit/(Loss)	(16,332.71)	Not Ascertainable [Refer II (e) (ii) below]
	4	Earnings / (Loss) Per Share	(59.13)	Not Ascertainable [Refer II (e) (ii) below]
	5	Total Assets	595,391.94	Not Ascertainable [Refer II (e) (ii) below]
	6	Total Liabilities	525,786.41	525,786.41
	7	Net Worth	69,605.53	Not Ascertainable [Refer II (e) (ii) below]

**II Audit Qualification (each audit qualification separately):**

**a. Details of Audit Qualification:**

**Auditor's Qualification:**

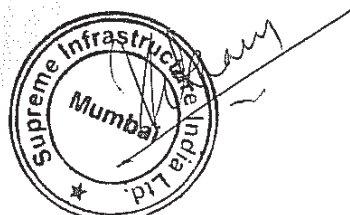
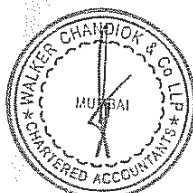
(i) As stated in Note 3(a) to the Statement, the Company's trade receivables and unbilled work as at 31 March 2016 include amounts aggregating ₹ 3,139.40 Lacs (31 March 2015 ₹ 3,139.40 Lacs) and ₹ 1,003.36 Lacs (31 March 2015 ₹ 1,003.36 Lacs) respectively, in respect of projects which were closed/ terminated by the clients and where the matters are currently under negotiations/ litigation, being considered good and recoverable by the management. However, in view of the ongoing negotiations/litigations and in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the Statement that may arise on settlement of the aforesaid matters. Our audit opinion for the year ended 31 March 2015 was also qualified in respect of these matters.

(ii) As stated in Note 3(b) to the Statement, the Company's trade receivables as at 31 March 2016 include amounts aggregating ₹ 9,246.97 Lacs (31 March 2015 ₹ 9,751.92 Lacs) in respect of projects which were closed and where the receivables remain outstanding for substantial period, being considered good and recoverable by the management. However, in absence of sufficient appropriate evidence to corroborate the management's assessment of recoverability of these balances, we are unable to comment upon the recoverability of the aforesaid amounts, and the consequential impact, if any, on the Statement that may arise on settlement of the aforesaid matters. Our audit opinion for the year ended 31 March 2015 was also qualified in respect of these matters.

**(iii) Auditor's Qualification on the Internal Financial Controls relating to above matters:**  
According to the information and explanations given to us and based on our audit, 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 2016:

The Company's internal financial controls in respect of supervisory and review controls over process of determining provision for trade receivables which are doubtful of recovery and assessment of recoverability of unbilled work were not operating effectively. Absence of detailed assessment conducted by the management for determining the recoverability of trade receivables and unbilled work that remain long outstanding, in our opinion, could result in a potential material misstatement to the carrying value of trade receivables and unbilled work, and related income statement account balances.

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.



**SUPREME INFRASTRUCTURE INDIA LTD.**

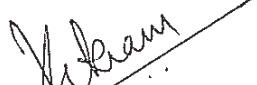





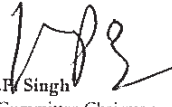
b. Type of Audit Qualification :	Qualified Opinion
c. Frequency of qualification:	<b>Qualifications:</b> Qualification II (a) (i) and (ii) have been appearing from the year ended 31 March 2015 and the Qualification II (a) (iii) has been included for the first time during the year ended 31 March 2016.
d. For Audit Qualifications where the impact is quantified by the auditor, Management's Views:	Not applicable
e. For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:  (ii) If management is unable to estimate the impact, reasons for the same:	Not applicable  II (a) (i) Trade receivable and unbilled work as at 31 March 2016 include ₹ 3,139.40 Lacs (31 March 2015 ₹ 3,139.40 Lacs) and ₹ 1,003.36 Lacs (31 March 2015 ₹ 1,003.36 Lacs) respectively, in respect of two contracts which the clients have terminated and recovered the advances given against bank guarantees. The parties have not disputed payment of certified bills included under trade receivables. The Company is under negotiations with the parties and has also preferred an appeal in the Honourable High Court for initiating arbitration proceedings and providing stay on bank guarantee invoked in respect of one party where counter-claims lodged by the Company exceed the amounts recoverable. Based on the on-going progress of these matters, the management is confident of recovering these amounts in full.  II (a) (ii) Trade receivables as at 31 March 2016 include ₹ 9,246.97 Lacs (31 March 2015 ₹ 9,751.92 Lacs) in respect of projects which were closed and which are overdue for a substantial period of time. The Company has formed a senior management team led by the Managing Director to rigorously follow up including negotiate/ initiate legal action, where necessary. Based on the contract terms and these ongoing recovery procedures adopted by the Company, the management is reasonably confident of recovery of old outstanding trade receivables.  II (a)(iii) Based on the response stated in II (a) (i) and (ii) management believes that Company's internal financial controls in respect of supervisory and review controls over process of determining provision for trade receivables which are doubtful of recovery and assessment of recoverability of unbilled work were operating effectively.
(iii) Auditors' Comments on (i) or (ii) above:	Included in audit qualifications stated above

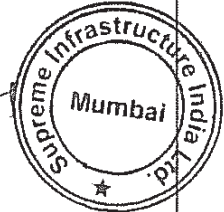
**III Signatories:**

**Supreme Infrastructure India Limited**

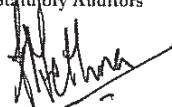
  
Mr. Vikram Sharma  
Managing Director  
Place: Mumbai  
Date: 30 May 2016


  
Mr. Vikas Sharma  
Wholtime Director & CFO  
Place: London  
Date: 30 May 2016

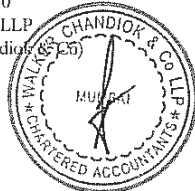
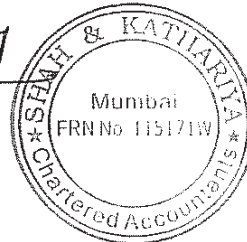
  
Mr. V.P. Singh  
Audit Committee Chairman  
Place : Mumbai  
Date: 30 May 2016



**Joint Statutory Auditors**

  
Adi P. Sethna  
Partner  
Membership No.: 108840  
Walker Chandiook & Co LLP  
(Formerly Walker, Chandiook & Co)  
Chartered Accountants

  
P.M. Kathariya  
Partner  
Membership No.: 031315  
Shah & Kathariya  
Chartered Accountants



Place: Mumbai  
Date: 30 May 2016