

24<sup>th</sup> January, 2022

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

Dear Sir/Madam,

**Subject: Clarifications of Financial Results submitted to the Stock Exchange on 07<sup>th</sup> January, 2021.**

**Scrip Code: 532904/ SUPREMEINFRA**

We refer to your email dated 17<sup>th</sup> January, 2022, seeking clarification/information in respect of Audited Standalone and Consolidated Financial Results for the quarter and year ended 31<sup>st</sup> March, 2020 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements). In this connection, we would like to submit as under:

**1. Financial results not submitted within 30 minutes from end of Board Meeting.**

**Reply:** We would like to clarify that the Board Meeting was duly convened and concluded at 12.10 PM on 7<sup>th</sup> January, 2020.

**2. The company has not submitted the Statement of Modified Opinion or in case of unmodified opinion(s), a declaration to that effect to the Stock Exchange.**

**Reply:** Attaching herewith is the Auditor's Report along with Modified Opinion duly signed by Mr. Vikram Sharma, Managing Director and Mr. S.K. Mishra, Chairman of the Audit Committee.

**3. Financial results submitted is not as per format prescribed by SEBI.**

**Reply:** Attached herewith are Standalone and Consolidated Financial Results for the quarter and year ended 31<sup>st</sup> March, 2020 in the format prescribed by SEBI.

**SUPREME INFRASTRUCTURE INDIA LTD.**

Supreme House, Plot No. 94/C, Pratap Gad, Opp. I.I.T Main Gate, Powai, Mumbai- 400076.

Tel: + 91 22 6128 9700 Fax : + 91 22 6128 9711 Website : [www.supremeinfra.com](http://www.supremeinfra.com)

CIN No: L74999MH1983PLC029752

We request you to take the above clarification on record and oblige.

**Thanking You,**

**Yours Sincerely,**

**For Supreme Infrastructure India Limited**



**Sidharth Jain**  
**CFO**

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**CIN No: L74999MH1983PLC029752**

6<sup>th</sup> January, 2021

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 Limited,  
Bandra-Kurla Complex,  
Mumbai – 400 051

Scrip code: 532904/ SUPREMEINFRA

Dear Sir,

**Subject: Outcome of the Board Meeting- Submission of Audited Standalone and Consolidated Financial Results for the quarter and year ended 31st March, 2020.**

We would like to inform you that meeting of the Board of Directors of the Company was held on 6th January, 2021 where at, inter-alia, the Board considered and approved the Audited Standalone and Consolidated Financial Results for the quarter and year ended 31st March, 2020 in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have enclosed the above referred copy of the Audited Standalone and Consolidated Financial Results for the quarter and year ended 31st March, 2020.

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

Thanking you,

Yours faithfully,

**FOR SUPREME INFRASTRUCTURE INDIA LIMITED**



**ANIL GUPTA**  
**DY. COMPANY SECRETARY**



Encl: As above

**SUPREME INFRASTRUCTURE INDIA LTD.**

(AN ISO-9001/14001/OHSAS-18001 CERTIFIED COMPANY)

6<sup>th</sup> January, 2021

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<sup>st</sup> March, 2020.**

We would like to inform you that meeting of the Board of Directors of the Company was held today on 6th January, 2021 where at, inter-alia, the Board considered and approved the Audited Standalone and Consolidated Financial Results for the quarter and year ended 31<sup>st</sup> March, 2020 in terms of Regulations 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Due to COVID-19 pandemic, there has been a nation - wide lockdown situation since March, 2020. The Central Government, State Government and Local Authorities also issued several orders for lockdown particularly in severely Covid- 19 affected city of Mumbai, Maharashtra from time to time. This resulted in presence of very limited staff in office and at sites. Consequently, timely access to documents and records required for compilation of financial statements and audit thereof curtailed significantly. Due to unexpected situation has resulted in delay in declaration of Financial Results that is Audited Standalone and Consolidated Financial Results for the Quarter and Year ended 31st March, 2020.


We have enclosed the above referred copy of the Standalone and Consolidated Audited Financial Results along with the Auditor's Report for the Quarter and Year ended 31<sup>st</sup> March, 2020.

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

Thanking you,

Yours faithfully,

**FOR SUPREME INFRASTRUCTURE INDIA LIMITED**



**ANIL GUPTA**  
**DY. COMPANY SECRETARY**



Encl: As above

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES		
Particulars	(₹ in lakhs)	
	As at	As at
	30 March 2020	31 March 2019
	Audited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	16,971.06	18,825.26
Capital work-in-progress	669.30	669.30
Intangible assets	-	-
Investments in subsidiaries, joint venture and associates carried at deemed cost	85,778.03	85,778.02
Financial assets	-	-
Investments	76,824.73	76,891.33
Loans	-	0.00
Other financial assets	339.32	350.77
Deferred tax asset (net)	-	-
Other non-current assets	-	-
<b>Total non current assets</b>	<b>180,582.44</b>	<b>182,514.69</b>
<b>Current assets</b>		
Inventories	3,519.46	3,587.13
Financial assets	-	-
Investments	2.63	2.63
Loans	7.98	69.91
Trade receivables	77,739.00	70,606.24
Cash and cash equivalents	318.72	147.37
Other bank balances	0.82	1,570.12
Other financial assets	79.65	512.03
Other current assets	13,499.04	15,249.56
<b>Total current assets</b>	<b>95,167.30</b>	<b>91,744.99</b>
<b>TOTAL ASSETS</b>	<b>275,749.74</b>	<b>274,259.68</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	2,569.84	2,569.84
Other equity	(147,745.28) -	98,645.07
<b>Total equity</b>	<b>(145,175.44) -</b>	<b>96,075.23</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	2,005.91	45,850.31
Other financial liabilities	347.83	447.38
Provisions	161.41	134.56
<b>Total non current liabilities</b>	<b>2,515.15</b>	<b>46,432.27</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	142,215.49	136,559.68
Trade payables		
- To micro enterprise and small enterprise	198.59	123.18
- To others	12,418.31	11,925.39
Other financial liabilities	247,167.35	156,646.97
Other current liabilities	13,265.84	15,708.93
Provisions	19.90	40.28
Current tax liabilities (net)	3,124.55	2,898.23
<b>Total current liabilities</b>	<b>418,410.03</b>	<b>323,902.65</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>275,749.74</b>	<b>274,259.68</b>

see accompanying notes to the standalone financial results



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 CIN : L74999MH1983PLC029752

**STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER 31 MARCH 2020**

Sr. No.	Particulars	₹ in lakhs except earnings per share data				
		Quarter Ended			Year ended	Year ended
		31 Mar 2020	31 Dec 2019	31 Mar 2019	31 March 2020	31 March 2019
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	<b>Income</b>					
	(a) Income from operations	6,607.70	2,973.97	15,538.86	22,076.37	55,563.15
	(b) Other income	207.46	276.71	2,230.70	1,103.00	2,409.38
	<b>Total income (a+b)</b>	<b>6,815.16</b>	<b>3,250.68</b>	<b>17,769.56</b>	<b>23,179.37</b>	<b>57,972.53</b>
2	<b>Expenses</b>					
	(a) Cost of materials consumed	1,058.57	1,159.50	3,577.27	4,520.68	11,945.28
	(b) Subcontracting expenses	4,668.07	1,200.24	11,488.09	13,755.37	34,797.06
	(c) Employee benefits expense	155.79	283.34	289.13	978.73	1,423.72
	(d) Finance costs	10,741.75	11,156.45	12,690.67	48,148.43	43,815.32
	(e) Depreciation and amortisation expense	302.42	585.97	526.19	1,854.05	2,103.04
	(f) Other expenses	230.31	319.76	1,389.57	1,584.09	4,814.98
	<b>Total expenses (a+b+c+d+e+f)</b>	<b>17,156.91</b>	<b>14,705.26</b>	<b>29,960.91</b>	<b>70,841.35</b>	<b>98,899.39</b>
3	<b>Profit/(loss) before exceptional items and tax (1-2)</b>	<b>(10,341.75)</b>	<b>(11,454.58)</b>	<b>(12,191.36)</b>	<b>(47,661.98)</b>	<b>(40,926.86)</b>
4	Exceptional items [income/(loss)] (Refer note 6)	(1,431.40)	-	(13,096.41)	(1,431.40)	(69,648.75)
5	<b>Profit/(loss) before tax (3-4)</b>	<b>(11,773.15)</b>	<b>(11,454.58)</b>	<b>(25,287.77)</b>	<b>(49,093.38)</b>	<b>(110,575.61)</b>
6	<b>Tax (expense)/credit</b>					
	(a) Current income tax	-	-	(279.32)	-	(279.32)
	(b) Deferred income tax	-	-	-	-	-
		-	-	(279.32)	-	(279.32)
7	<b>Profit/(loss) for the period (5-6)</b>	<b>(11,773.15)</b>	<b>(11,454.58)</b>	<b>(25,567.09)</b>	<b>(49,093.38)</b>	<b>(110,854.93)</b>
8	<b>Other comprehensive income/(loss)</b>					
	(a) Items not to be reclassified subsequently to profit or loss (net of tax)					
	- Gain/(loss) on fair value of defined benefit plans as per actuarial valuation	(0.07)	(1.88)	131.23	(6.87)	123.28
	(b) Items to be reclassified subsequently to profit or loss			-	-	-
	<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>(0.07)</b>	<b>(1.88)</b>	<b>131.23</b>	<b>(6.87)</b>	<b>123.28</b>
9	<b>Total comprehensive income/(loss) for the period, net of tax (7 + 8)</b>	<b>(11,773.22)</b>	<b>(11,456.46)</b>	<b>(25,435.86)</b>	<b>(49,100.25)</b>	<b>(110,731.65)</b>
10	Paid up equity share capital (Face value of ₹ 10 each)	2,569.84	2,569.84	2,569.84	2,569.84	2,569.84
11	Other equity (excluding revaluation reserves)				(147,745.28)	98,645.07
12	<b>Earnings per share (Face value of ₹ 10 each)</b>					
	(a) Basic EPS (not annualised) (in ₹)	(45.81)	(44.57)	(99.49)	(191.04)	(431.37)
	(b) Diluted EPS (not annualised) (in ₹)	(45.81)	(44.57)	(99.49)	(191.04)	(431.37)
	See accompanying notes to the standalone financial results					




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## Notes

- 1 The financial results have been prepared to comply in all material respects with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) (Amendment) Rules, as amended from time to time. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meeting held on 06th January, 2021.
- 2 Trade receivables as at 31 March 2020 include ₹ 45,680.90 lakhs (31 March 2019 : ₹ 45,680.90 lakhs), in respect of projects which were closed/substantially closed and which are overdue for a substantial period of time. Based on the contract terms and the ongoing recovery/ arbitration procedures (which are at various stages), Management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable.
- 3 On 29 March 2019, framework agreement was signed between the Company and the majority of the lenders pursuant to the sanction of the resolution plan by the lenders under the aegis of the Reserve Bank of India (RBI) circular dated 12 February 2018 and confirmation by the promoters to infuse additional funds. While rest of the lenders were in the process of sanctioning the Resolution Plan, on 2 April 2019, the aforesaid circular has been held ultra vires to existing banking regulations, by the Hon'ble Supreme Court of India. On 7 June 2019, RBI has issued revised circular for resolution of the stressed assets, basis which the majority lenders have signed the Inter-Creditor agreement (ICA) and are in the process of executing the revised resolution plan.

Further, the Company has incurred a net loss after tax of ₹ 49,100.25 lakhs for the year ended 31 March 2020 and, has also suffered losses from operations during the preceding financial years and as of that date, the Company's accumulated losses amounts to ₹ 177,690.20 lakhs and its current liabilities exceeded its current assets by ₹ 323,242.74 lakhs. The Company also has external borrowings from banks and financial institutions, principal and interest repayment of which has been delayed during the current period. Pending execution of the revised resolution plan as discussed above, the aforesaid conditions, indicate existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern due to which the Company may not be able to realise its assets and discharge its liabilities in the normal course of business. However, on expectation of execution and implementation of the aforesaid revised resolution plan, further fund infusion by the promoters and business growth prospects once revised guidelines are issued by the RBI, Management has prepared the financial results on a "Going Concern" basis.

- 4 The Company, as at 31 March 2020, has non-current investments in Supreme Infrastructure BOT Private Limited ('SIBPL'), a subsidiary company, amounting to ₹ 142,556.83 lakhs (31 March 2019 : ₹ 142,556.83 lakhs). SIBPL is having various Build, Operate and Transfer (BOT) SPVs under its fold. While SIBPL has incurred losses during its initial years and have accumulated losses, causing the net worth of the entity to be fully eroded as at 31 March 2020, the underlying projects are expected to achieve adequate profitability on substantial completion of the underlying projects. Further, in case of Supreme Manorwarda Bhiwandi Infrastructure Private Limited ('SMBIPL'), a subsidiary of SIBPL, lenders have referred SMBIPL to NCLT under RBI circular dated 12 February 2018, the said petition filed by the bank has been dismissed by Hon'ble NCLT in lieu of the directions given by Hon'ble Supreme Court of India in case of Dharini Sugars and Ors. v/s Union of India and Ors. Further, commercial operation date (COD) in respect of few subsidiaries of SIBPL has been delayed due to various reasons attributable to the clients primarily due to non-availability of right of way, environmental clearances etc. and in respect of few subsidiaries, the toll receipts is lower as compared to the projected receipts on account of delay in receiving compensation from government for exempted vehicles. Further, there have been delays in repayment of principal and interest in respect of the borrowings and the respective entity is in discussion with their lenders for the restructuring of the loans. Management is in discussion with the respective lenders, clients for the availability of right of way and other required clearances and is confident of resolving the matter without any loss to the respective SPVs. Therefore, based on certain estimates like future business plans, growth prospects, ongoing discussions with the clients and consortium lenders, the valuation report of the independent valuer and other factors, Management believes that the net-worth of SIBPL does not represent its true market value and the realizable amount of SIBPL is higher than the carrying value of the non-current investments as at 31 March 2020 and due to which these are considered as good and recoverable.

5 Exceptional items represent the following:

Particulars	Quarter ended			Year ended	
	31 Mar 2020	31 Dec 2019	31 Mar 2019	31 March 2020	31 March 2019
	Unaudited	Unaudited	Unaudited	Audited	Audited
Impairment allowance (allowance towards loans, trade receivable and other financial assets)	(502.62)	-	(574.73)	(502.62)	(1,519.99)
Impairment allowance on investments	(928.78)	-	(11,673.21)	(928.78)	(11,673.21)
Additional contractual interest expense and other charges	-	-	-	-	(9,668.74)
Financial assets written off (trade receivable, other financial assets and loans written off)	-	-	-	-	(45,938.33)
Inventories written off	-	-	(848.48)	-	(848.48)
<b>Total exceptional items [income/(loss)]</b>	<b>(1,431.39)</b>	<b>-</b>	<b>(13,096.43)</b>	<b>(1,431.40)</b>	<b>(69,648.75)</b>

*Signature*

*Signature*



**SUPREME INFRASTRUCTURE INDIA LTD.**

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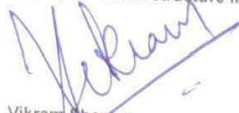
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CIN : L74999MH1983PLC029752

- 6 The Company is principally engaged in a single business segment viz "Engineering and Construction" which is 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.
- 7 Effective 1 April 2018, the Company has adopted Ind AS 115 - Revenue from Customers. The adoption of Ind AS 115 did not have any material impact on recognition and measurement of revenue and related items in the standalone financial results for the year ended 31 March 2019.
- 8 Figures for the quarters ended 31 March 2020 and 31 March 2019 are the balancing figures between the audited financial statements for the years ended on that date and the year to date figures upto the end of third quarter of the respective financial year.

For Supreme Infrastructure India Limited

  
Vikram Sharma  
Managing Director

Place: Mumbai  
Date: 06th January, 2021



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



Supreme Infrastructure India Limited  
 Consolidated Cash Flow Statement for the year ended 31 March 2019

	Year ended 31 March 2020 ₹ lakhs	Year ended 31 March 2019 ₹ lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net loss before tax		
Adjustments for	(83,089.17)	(143,698.44)
Depreciation and amortisation expense	9,174.90	9,765.22
Finance costs (including unapplied interest)	77,844.29	83,574.67
Interest income	(117.24)	(296.09)
Dividend from current investments	-	(0.13)
Resurfacing expense	648.45	583.70
Impairment allowance - (allowance for doubtful financial assets)		
Impairment loss - financial assets written off	(10,708.74)	71,337.12
Impairment allowance - (allowance for doubtful debts)	25,398.83	1,100.00
Impairment allowance - (allowance for doubtful debts)	1,100.00	1,872.64
Impairment loss - Investments written off	-	
Impairment loss- Inventories written off	0.01	848.48
Share of loss from associates & joint ventures	9,203.66	9,809.57
Provision for gratuity	21.01	45.04
Excess provision no longer required written back	-	(59.04)
Profit on redemption of mutual funds (net)	-	(0.93)
Fair value gain on mutual funds (valued at FVTPL)	-	
Provision for loss written back in respect of a joint venture	(9,522.53)	(9,522.53)
Operating profit before working capital changes	19,953.48	25,359.28
Adjustments for changes in working capital:		
Decrease/(increase) in trade receivables	(24,792.12)	(33,385.11)
Decrease / (increase) in loans and advances / other advances	3,711.90	25,821.88
Decrease in inventories	67.67	243.82
(Decrease) / increase in trade and other payables	153,044.44	(31,738.39)
Cash generated from / (used in) operations	151,985.35	(13,698.52)
Direct taxes paid (net of refunds received)	(104.46)	(259.80)
Net cash (used in) / generated from operating activities	151,880.89	(13,958.32)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(110.96)	(14.44)
Proceeds from sale of property, plant and equipment, intangible assets	-	52.37
Proceeds from sale of current investments	(28,622.43)	(163.49)
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	1,558.03	-
Purchase of non-current investments	-	56.12
Interest received	173.29	0.13
Dividend received	-	
Net cash used in investing activities	(27,002.07)	(69.31)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings	(79,184.36)	15,414.74
Repayment of long-term borrowings	(2,110.57)	(2,110.57)
Proceeds from short-term borrowings (net)	(49,067.57)	7,036.18
Proceeds/(repayment) of loan from related parties (net)	5,373.31	5,373.31
Interest paid	117.24	(11,244.12)
Net cash generated from financing activities	(124,871.95)	14,469.54
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	8.10	441.91
Cash and cash equivalents at the beginning of the year	1,122.11	680.21
Cash and cash equivalents at the end of the year	1,130.21	1,122.11
<b>Components of cash and cash equivalents considered only for the purpose of cash flow statement</b>		
In bank current accounts in Indian rupees	1,127.93	1,070.25
Cash on hand	17.56	67.14
Bank/ book overdraft	(15.28)	(15.28)
	1,130.21	1,122.11

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## **Ramanand & Associates**

Chartered Accountants  
6/C, Ground Floor, Ostwal Park,  
Bldg No. 4, CHSL. Near  
Jesal Park, Jain Temple. Bhayander  
(East) Thane – 401 105

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### **Independent Auditor's Report on 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 standalone financial results of Supreme Infrastructure India Limited ('the Company') for the year ended 31 March 2020, 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 9 to the standalone financial results which states that the figures for the quarter ended 31 March 2020 as reported in these standalone financial results are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone 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. These standalone financial results are based on the standalone financial statements for the year ended 31 March 2020 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and published standalone year to date figures upto the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the standalone financial statements for the year ended 31 March 2020 and our review of standalone financial results for the nine months' period ended 31 December 2019.
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 financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the 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. (a) As stated in Note 2 to the accompanying standalone financial results, the Company's current financial assets as at 31 March 2020 include trade receivables aggregating ₹ 45,680.90 lakhs (31 March 2019: 45,680.90 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'. Consequently, 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 2020 was also modified in respect of this matter.  
  
(b) As stated in Note 4 to the accompanying standalone financial results, the Company's non-current investments as at 31 March 2020 include non-current investments in one of its subsidiary aggregating ₹ 142,556.83 lakhs. The subsidiary has significant accumulated losses and its consolidated net-worth is fully eroded. Further, the subsidiary is facing liquidity constraints due to which it may not be able to realise projections as per the approved business plans. Based on the valuation report of an independent valuer as at



31 March 2019 and other factors described in the aforementioned note, Management has considered such balance as fully recoverable. 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 assessment as above and other relevant alternate evidence, we are unable to comment upon adjustments, if any, that may be required to the carrying values of these non-current investments and aforementioned dues and the consequential impact on the accompanying standalone financial results.

4. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:
  - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, in this regard except for the possible effects of the matters described in paragraph3; and
  - (ii) give a true and fair view of the standalone net loss(including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2019 except for the possible effects of the matters described in paragraph3.
5. We draw attention to Note 3 to the accompanying standalone financial results, which indicates that the Company has incurred a net loss of ₹ 49100.25 lakhs during the year ended 31 March 2020, as of that date, the Company's accumulated losses amounts to ₹ 177690.20 lakhs which have resulted in full erosion of net worth of the Company and its current liabilities exceeded its current assets by ₹ 323,242.74 lakhs. Further, as disclosed in Note 4 to the said standalone financial results, there have been delays in repayment of principal and interest in respect of borrowings during the current year. The above factors, 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, 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.

**For Ramanand & Associates**

Chartered Accountants

Firm Registration No: 117776W



**Ramanand Gupta**

Partner

Membership No: 103975

UDIN No.: 21103975AAAAAN9212

Place: Mumbai

Date: 06 January 2021



# **ANNEXURE I**

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

**Statement on Implication of Audit Qualifications for the Financial Year ended 31 March 2020 (See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)**

(Amount in ₹ lakhs except earning per share)			
Sl. No.	Particulars	Audited Figures (as reported before adjusting for)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Turnover / Total income	23,179.37	23,179.37
2	Total Expenditure	72,279.62	[Refer note II (e) (ii)]
3	Net Profit/(Loss)	(49,100.25)	[Refer note II (e) (iv)]
4	Earnings/ (Loss) Per Share	(191.04)	[Refer note II (e) (v)]
5	Total Assets	275,749.74	[Refer note II (e) (vi)]
6	Total Liabilities	420,925.18	[Refer note II (e) (vii)]
7	Net Worth	(145,175.45)	[Refer note II (e) (viii)]
8	Any other financial item (s) (as felt appropriate by the management)	-	-

## **A. Audit Qualification (each audit qualification separately):**

### **a. Details of Audit Qualification:**

#### **(I) Auditor's Qualification on the financial results (standalone)**

(a) As stated in Note 2 to the accompanying standalone financial results, the Company's current financial assets as at 31 March 2020 include trade receivables aggregating ₹ 45,680.90 lakhs (31 March 2019: ₹ 45,680.90 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'. Consequently, 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 2019 was also modified in respect of this matter.

(b) As stated in Note 4 to the accompanying standalone financial results, the Company's non-current investments as at 31 March 2020 include non-current investments in one of its subsidiary aggregating ₹ 142,556.83 lakhs. The subsidiary has significant accumulated losses and its consolidated net-worth is fully eroded. Further, the subsidiary is facing liquidity constraints due to which it may not be able to realise projections as per the approved business plans. Based on the valuation report of an independent valuer as at 31 March 2019 and other factors described in the aforementioned note, Management has considered such balance as fully recoverable. 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 assessment as above and other relevant alternate evidence, we are unable to comment upon adjustments, if any, that may be required to the carrying values of these non-current investments and aforementioned dues and the consequential impact on the accompanying standalone financial results.

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

Matter I(a)(i)(a): The Company's internal financial control in respect of supervisory and review controls over process of determining impairment allowance for trade receivables which are doubtful of recovery were not operating effectively. Absence of detailed assessment conducted by the management for determining the



recoverability of trade receivables that remain long outstanding. In our opinion, could result in a potential material misstatement to the carrying value of trade receivables, and consequently, could also impact the loss (financial performance including comprehensive income) after tax.

Matter II(a)(i)(b) The Company's internal financial control in respect of supervisory and review controls over process of determining the carrying value of non-current investments were not operating effectively. Absence of detailed assessment conducted by the management for determining the carrying value of non-current investments, in our opinion, could result in a potential material misstatement to the carrying value of non-current investment, 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 weaknesses 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 2020 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.

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 during the year ended 31 March 2019.
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:	Not ascertainable
(ii) If management is unable to estimate the impact, reasons for the same:	II (a) (i) (a) : Trade receivables as at 31 March 2020 include ₹ 45,680.90 lakhs (31 March 2019: ₹ 45,680.90 lakhs), in respect of projects which were closed/substantially closed and which are overdue for a substantial period of time. Based on the contract terms and the ongoing recovery/arbitration procedures (which are at various stages), Management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable.

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

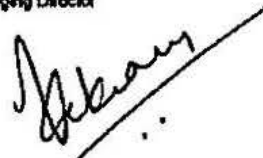


Ramanand Gupta  
Partner  
Membership No. : 103975

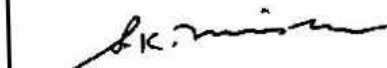
Place : Mumbai  
Date : 08 January, 2021



For Supreme Infrastructure India Limited  
Mr. Vikram Sharma  
Managing Director



Mr. S. K. Mishra  
Audit Committee Chairman



Place : Mumbai  
Date : 08 January, 2021



**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER 31 MARCH 2020**

₹ in lakhs except earnings per share data

Sr. No.	Particulars	Quarter Ended			Year ended	Year ended
		31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	<b>Income</b>					
	Revenue from operations	2,628.71	8,697.29	18,282.14	32,066.12	67,700.00
	Other income	-	474.45	1,398.01	192.19	1,577.22
	<b>Total income</b>	<b>2,628.71</b>	<b>9,171.74</b>	<b>19,680.15</b>	<b>32,258.31</b>	<b>69,277.22</b>
2	<b>Expenses</b>					
	Cost of construction materials consumed	619.75	1,198.31	3,578.47	4,520.68	11,948.63
	Subcontracting expenses	3,695.41	4,566.44	11,845.63	17,764.05	37,931.99
	Employee benefits expense	16.28	348.51	493.08	1,212.20	2,082.23
	Finance costs	13,604.98	14,886.50	18,134.10	63,123.18	60,145.45
	Depreciation and amortisation expense	2,150.17	2,381.90	2,642.91	9,174.90	9,765.22
	Other expenses	538.00	1,305.33	1,501.95	3,201.23	5,988.11
	<b>Total expenses</b>	<b>20,624.59</b>	<b>24,686.99</b>	<b>38,196.14</b>	<b>98,996.25</b>	<b>1,27,861.64</b>
3	<b>Profit/ (loss) before share of profit from associate, joint venture and exceptional items and tax</b>	<b>(17,995.88)</b>	<b>(15,515.25)</b>	<b>(18,515.99)</b>	<b>(66,737.93)</b>	<b>(58,584.42)</b>
4	Share of loss from associate and joint venture	(2,694.62)	(2,084.69)	(4,245.16)	9,203.66	9,809.57
5	Exceptional items	(6,963.58)	-	(18,752.11)	7,147.58	75,304.45
6	<b>Profit/ (loss) before tax</b>	<b>(27,654.08)</b>	<b>(13,430.56)</b>	<b>(41,513.26)</b>	<b>(83,089.17)</b>	<b>(1,43,698.44)</b>
7	<b>Tax expense/ (credit)</b>					
	Current income tax	-	-	(290.10)	-	290.10
	Deferred income tax	-	-	5.24	-	(5.24)
		-	-	<b>(284.86)</b>	-	<b>284.86</b>
8	<b>Profit/ (loss) for the year (A)</b>	<b>(27,654.08)</b>	<b>(13,430.56)</b>	<b>(41,798.12)</b>	<b>(83,089.16)</b>	<b>(1,43,983.30)</b>
	<b>Attributable to:</b>					
	Non-controlling interests	(1,657.60)	(666.35)	(1,079.90)	(1,818.80)	(1,662.58)
	Owners of the parent	(25,996.48)	(12,764.20)	(40,718.22)	(81,270.37)	(1,42,320.72)
9	<b>Other comprehensive income (OCI)</b>					
	Items not to be reclassified subsequently to profit or loss					
	- Gain on fair value of defined benefit plans as per actuarial valuation	-	(1.88)	131.23	(6.87)	123.28
	- Income tax effect on above	-	-	-	-	-
	<b>Other comprehensive income for the year, net of tax (B)</b>	<b>-</b>	<b>(1.88)</b>	<b>131.23</b>	<b>(6.87)</b>	<b>123.28</b>
10	<b>Total comprehensive income/ (loss) for the year, net of tax (A+B)</b>	<b>(27,654.08)</b>	<b>(13,432.44)</b>	<b>(41,666.89)</b>	<b>(83,096.03)</b>	<b>(1,43,860.02)</b>
	<b>Attributable to:</b>					
	Non-controlling interests	(1,657.60)	(602.12)	(1,079.90)	(1,818.80)	(1,662.58)
	Owners of the parent	(25,996.48)	(12,766.08)	(40,586.99)	(81,277.24)	(1,42,197.44)
11	<b>Earnings per equity share of nominal value ₹ 10 each</b>					
	Basic and diluted (in ₹)	<b>(101.16)</b>	<b>(49.68)</b>	<b>(158.45)</b>	<b>(316.25)</b>	<b>(553.81)</b>
	See accompanying notes to the consolidated financial results					

II. CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES		
₹ in lakhs		
Particulars	As at 31 March 2020 (Audited)	As at 31 March 2019 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	17,145.28	19,186.68
Capital work-in-progress	669.30	669.30
Goodwill (on consolidation)	270.42	-
Other intangible assets	95,138.26	102,431.22
Intangible assets under development	235,944.32	204,574.20
Investments in joint venture and associates	-	-
Financial assets		
Investments	3,357.12	4,235.53
Loans	84.10	84.10
Other financial assets	291.13	350.78
Deferred tax assets (net)	11.59	7.24
Other non-current assets	23,682.00	25,494.28
Income tax assets (net)	54.61	56.30
<b>Total non-current assets</b>	<b>376,648.13</b>	<b>357,089.63</b>
<b>Current assets</b>		
Inventories	3,519.46	3,587.13
Financial assets		
Investments	2.63	2.63
Loans	(50.61)	83.84
Trade receivables	78,752.90	69,750.88
Cash and cash equivalents	1,145.50	1,137.40
Bank balances other than cash and cash equivalents	6.83	1,576.48
Other financial assets	439.95	512.02
Other current assets	14,967.53	16,911.36
<b>Total current assets</b>	<b>98,784.19</b>	<b>93,561.74</b>
<b>TOTAL ASSETS</b>	<b>475,432.32</b>	<b>450,651.37</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	2,569.84	2,569.84
Other equity	(302,749.70)	(221,472.46)
<b>Equity attributable to owners of the parent</b>	<b>(300,179.86)</b>	<b>(218,902.62)</b>
Non-controlling interests	(7,832.60)	(6,013.80)
<b>Total equity</b>	<b>(308,012.46)</b>	<b>(224,916.42)</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities:		
Borrowings	205,569.79	209,655.73
Other financial liabilities	0.45	-
Provisions	6,663.86	6,029.01
Deferred tax liabilities (net)	-	-
<b>Total non-current liabilities</b>	<b>212,234.10</b>	<b>215,684.74</b>
<b>Current liabilities</b>		
Financial liabilities:		
Borrowings	95,441.97	139,136.23
Trade payables		
- to micro enterprises and small enterprises	198.59	123.18
- to others	13,802.77	15,992.69
Other financial liabilities	441,975.98	282,931.01
Other current liabilities	16,642.57	18,714.68
Provisions	19.89	40.30
Current tax liabilities (net)	3,128.91	2,944.96
<b>Total current liabilities</b>	<b>571,210.68</b>	<b>459,883.05</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>475,432.32</b>	<b>450,651.37</b>

See accompanying notes to the consolidated financial results



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

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 Tel.: +91 22 6128 9700 • Fax : +91 22 6128 9711 • Website : www.supremeinfra.com  
 CIN : L74999MH1983PLC029752



Supreme Infrastructure India Limited  
 Consolidated Cash Flow Statement for the year ended 31 March 2019

	Year ended 31 March 2020	Year ended 31 March 2019
	₹ lakhs	₹ lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net loss before tax	(83,089.17)	(143,698.44)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	9,174.90	9,765.22
Finance costs (including unapplied interest)	77,844.29	83,574.67
Interest income	(117.24)	(296.09)
Dividend from current investments	-	(0.13)
Resurfacing expense	648.45	583.70
Impairment allowance - (allowance for doubtful financial assets)	-	-
Impairment loss - financial assets written off	(10,708.74)	71,337.12
Impairment allowance - (allowance for doubtful debts)	25,398.83	1,100.00
Impairment allowance - (allowance for doubtful debts)	1,100.00	1,872.64
Impairment loss - Investments written off	-	-
Impairment loss- Inventories written off	0.01	848.48
Share of loss from associates & joint ventures	9,203.66	9,809.57
Provision for gratuity	21.01	45.04
Excess provision no longer required written back	-	(59.04)
Profit on redemption of mutual funds (net)	-	(0.93)
Fair value gain on mutual funds (valued at FVTPL)	-	-
Provision for loss written back in respect of a joint venture	(9,522.53)	(9,522.53)
<b>Operating profit before working capital changes</b>	<b>19,953.48</b>	<b>25,359.28</b>
<b>Adjustments for changes in working capital:</b>		
Decrease/(increase) in trade receivables	(24,792.12)	(33,385.11)
Decrease / (increase) in loans and advances / other advances	3,711.90	25,821.88
Decrease in inventories	67.67	243.82
(Decrease) / increase in trade and other payables	153,044.44	(31,738.39)
<b>Cash generated from / (used in) operations</b>	<b>151,985.35</b>	<b>(13,698.52)</b>
Direct taxes paid (net of refunds received)	(104.46)	(259.80)
<b>Net cash (used in) / generated from operating activities</b>	<b>151,880.89</b>	<b>(13,958.32)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(110.96)	(14.44)
Proceeds from sale of property, plant and equipment, intangible assets	-	-
Proceeds from sale of current investments	(28,622.43)	52.37
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	1,558.03	(163.49)
Purchase of non-current investments	-	-
Interest received	173.29	56.12
Dividend received	-	0.13
<b>Net cash used in investing activities</b>	<b>(27,002.07)</b>	<b>(69.31)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings	(79,184.36)	15,414.74
Repayment of long-term borrowings	(2,110.57)	(2,110.57)
Proceeds from short-term borrowings (net)	(49,067.57)	7,036.18
Proceeds/(repayment) of loan from related parties (net)	5,373.31	5,373.31
Interest paid	117.24	(11,244.12)
<b>Net cash generated from financing activities</b>	<b>(124,871.95)</b>	<b>14,469.54</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>8.10</b>	<b>441.91</b>
Cash and cash equivalents at the beginning of the year	1,122.11	680.21
<b>Cash and cash equivalents at the end of the year</b>	<b>1,130.21</b>	<b>1,122.11</b>
<b>Components of cash and cash equivalents considered only for the purpose of cash flow statement</b>		
In bank current accounts in Indian rupees	1,127.93	1,070.25
Cash on hand	17.56	67.14
Bank/ book overdraft	(15.28)	(15.28)
	<b>1,130.21</b>	<b>1,122.11</b>





1 Supreme Infrastructure India Limited ("the Company") and its subsidiaries are together referred to as 'the Group' in the following notes. This consolidated financial results have been prepared to comply in all material respects with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules as amended from time to time. The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 06 January 2021. The statutory auditors of the Company have carried out their review of the aforesaid financial results.

2 Trade receivables as at 31 March 2020 include ₹ 45,389.22 lakhs (31 March 2019: ₹ 41,075.63 lakhs), in respect of projects which were closed/substantially closed and which are overdue for a substantial period of time. Based on the contract terms and the ongoing recovery/ arbitration procedures (which are at various stages), Management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable.

3 Statutory Auditors have included qualifications in their audit report in respect of the above matter.

a) In case of Supreme Vasai Bhiwandi Tollways Private Limited ("SVBTPL"), a subsidiary company, Term loan from banks include Principal Rs.15,484.69 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. 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.

No confirmation has been received for current maturity of Term loan from financial institutions as at 31 March 2020 of Rs. 7,978.23 lakhs and its interest of Rs. 3,343.16 lakhs. Further 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 been classified as Non-Performing assets, (NPAs) by the lenders during earlier years. In the absence of confirmations from the lenders, the company has provided for interest and penal charges on these borrowings based on the latest information available at the interest rate specified in the agreement.

b) In case of Kotkapura Muktsar Tollways Private Limited ("KMTPL"), a subsidiary company, Term loan from banks include Principal Rs. 7,947.26 lakhs (31 March 2019: Rs. 5,882.38 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. 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.

No direct confirmations from the lender have been received in respect of term loan from financial institution under current maturities of non-current borrowings of Rs. 351.14 lakhs and its interest accrued of Rs. 144.18 lakhs as at 31 March 2020. Further, current maturities of non-current borrowings as at 31 March 2020 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, all borrowings are classified as current as at 31 March 2020.

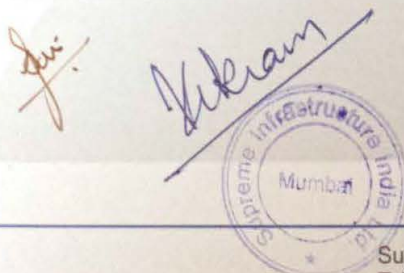
4 During the year, the Company's lenders have signed an inter-creditor agreement dated 7th July 2019 as per RBI circular dated June 7, 2019. The Company has been engaged with the lenders on the resolution plan on a proactive basis. A formal resolution process involving lenders and professional advisors is on-going to approve the resolution plan. The same is likely to be completed in the near future subject to regulatory compliance and internal approvals of lenders. Considering the total debt of the Company and its scalability of operations in the present scenario, portion of the debt is carved out as unsustainable debt. This debt restructuring will help the Company in terms of deferment of payments to lenders, an increase in the liquidity and also reduction in the finance cost to an extent. The Company also proposes to raise funds through monetization of its noncore assets, mobilization of additional funds and other strategic initiative to meet its obligation.

Further, the Group has incurred a net loss after tax of ₹ 81270.37 lakhs during the year ended 31 March 2020 and, has also suffered losses from operations during the preceding financial years and of that date, the Group's accumulated losses amounts to ₹ 332316.15 lakhs and its current liabilities exceeded its current assets by ₹ 472426.49 lakhs. The Group also has external borrowings from banks and financial institutions, principal and interest repayment of which has been delayed during the current period. Pending execution of the revised resolution plan as discussed above, the aforesaid conditions, indicate existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern due to which the Group may not be able to realise its assets and discharge its liabilities in the normal course of business. However, on expectation of execution and implementation of the aforesaid revised resolution plan, further fund infusion by the promoters and business growth prospects once revised guidelines are issued by the RBI, Management has prepared the financial results on a "Going Concern" basis.

5 In respect of Supreme Suyog Funnicular Ropeways Private Limited ("SSFRL"), 'Intangible Assets under Development (IAUD)' as at 31 March 2020 represents amounts aggregating 13,443.83 lakhs, substantially being carried from earlier years in respect of a project presently under construction. The commercial operation date (COD) of the project was delayed due to various reasons attributable to the client primarily due to nonavailability of right of way, environmental clearances etc. and having regard to the same the Client has already extended the time for completion of project upto 31st December 2018. The Company has now received the requisite right of way, however, considering the substantial delay caused, the Company has applied for further extension of time upto 28 January 2020 for completion of the project, approval for which is presently awaited and the management is confident of getting the same approved from Client. Considering the contractual tenability and independent valuation, management is confident of realization of the carrying value of the costs incurred without any loss to the company and accordingly believes that no adjustments are required to the carrying value of the IAUD as at 31 March 2020.

6 Exceptional items represent the following:

Particulars	(₹ in lakhs)	
	Year ended 31 March 2020	Year ended 31 March 2019
Impairment allowance including expected credit loss allowance (allowance for doubtful loans, trade receivable and other financial assets)	502.62	1,100.00
Impairment allowance on investments	928.78	1,872.64
Assets written off (trade receivable, other financial assets and other assets written off)	5,716.18	71,337.12
Investments written off	-	-
Impairment loss - Inventories written off	-	848.48
Provision for loss written back in respect of a joint venture	-	(9,522.53)
Additional contractual interest expense and other charges	-	9,668.74
<b>Total loss</b>	<b>7,147.58</b>	<b>75,304.45</b>



**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



Effective 1 April 2018, the Group has adopted Ind AS 115 - Revenue from Customers. The adoption of Ind AS 115 did not have any material impact on recognition and measurement of revenue and related items in the consolidated financial results for the year ended 31 March 2020

8 Segment results

S.No.	Particulars	(₹ in lakhs)	
		31 March 2020	31 March 2019
1	<b>Segment Revenue</b>		
(a)	Engineering and construction		
(b)	Road Infrastructure	22,076.37	55,915.82
	<b>Total Revenue</b>	<b>9,989.75</b>	<b>11,784.19</b>
		<b>32,066.12</b>	<b>67,700.01</b>
2	<b>Segment profit/ (loss) before tax, finance cost and exceptional item</b>		
(a)	Engineering and construction		
(b)	Road Infrastructure	499.31	2,888.18
	<b>Total</b>	<b>(4,114.06)</b>	<b>(1,327.16)</b>
	Less: Exceptional items	<b>(3,614.75)</b>	<b>1,561.02</b>
	- Engineering and construction		
	- Road Infrastructure	1,431.39	59,427.74
	<b>Profit/ (loss) before finance cost, share of profit/ (loss) of associates and joint ventures and tax</b>	<b>5,716.19</b>	<b>15,876.71</b>
		<b>(10,762.33)</b>	<b>(73,743.43)</b>
3	<b>Segment Assets</b>		
(a)	Engineering and construction	140,580.86	103,863.29
(b)	Road Infrastructure	331,353.00	339,828.78
(c)	Unallocable corporate assets	3,498.46	6,959.28
		<b>475,432.32</b>	<b>450,651.35</b>
4	<b>Segment liabilities</b>		
(a)	Engineering and construction	171,242.68	40,799.25
(b)	Road Infrastructure	13,433.64	13,117.88
(c)	Unallocable corporate liabilities (Refer note below)	598,768.46	621,650.63
		<b>783,444.78</b>	<b>675,567.76</b>

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

For Supreme Infrastructure India Limited

Vikram Sharma  
Managing Director

Place: Mumbai  
Date: 06 January 2021



**SUPREME INFRASTRUCTURE INDIA LTD.**

(AN ISO-9001/14001/OHSAS-18001 CERTIFIED COMPANY)

## **Ramanand & Associates**

Chartered Accountants  
6/C, Ground Floor, Ostwal Park,  
Bldg No. 4, CHSL. Near Jesal Park,  
Jain Temple. Bhayander (East)  
Thane – 401 105

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### **Independent Auditor's Report on 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 consolidated financial results of Supreme Infrastructure India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and joint ventures for the year ended 31 March 2020, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results are based on the consolidated financial statements for the year ended 31 March 2020 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2019.
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 financial results are 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.
  - a) As stated in Note 2 to the consolidated financial results, the Holding Company's current financial assets as at 31 March 2020 include trade receivables aggregating ₹ 45,389.22 lakhs (31 March 2019: ₹ 41,075.63 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'. Consequently, 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 consolidated financial results. Our opinion on the consolidated financial results for the year ended 31 March 2019 was also modified in respect of this matter.
  - b) As stated in Note 3(e) to the consolidated financial results, relating to the Group's carrying value of net assets (capital employed) aggregating ₹ 235,427.39 lakhs and non-controlling interest amounting to ₹ 8,694.68 lakhs as at 31 March 2020 relating to Supreme Infrastructure BOT Private Limited, a subsidiary of the Holding Company. This subsidiary is facing liquidity constraints due to which it may not be able to realize projections made as per its approved business plans. Based on the valuation report of an independent valuer as at 31 March 2020 and other factors described in the aforesaid note, Management has considered such balance as fully recoverable. In the absence of sufficient appropriate evidence to support the Management's assessment as above and other relevant alternate evidence, we are unable to comment upon adjustments, if any, that may be required to the carrying values of these balances and the consequential impact on the accompanying consolidated financial results.

We further report that the following qualifications to the audit opinion on the consolidated financial statements of Supreme Infrastructure BOT Private Limited ('SIBPL'), subsidiary of the Holding Company, issued by an independent firm of Chartered Accountants vide its report dated 6 January 2020 and reproduced by us as under:

- i. In case of Supreme Vasai Bhiwandi Tollways Private Limited ("SVBTPL"), a subsidiary company, Term loan from banks include Principal Rs.15,484.69 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. 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. No confirmation has been received for current maturity of Term loan from financial institutions as at 31 March 2020 of Rs. 7,978.23 lakhs and its interest of Rs. 3,343.16 lakhs. Further 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. (NPAs) by the lenders during earlier years. In the absence of confirmations from the lenders, the company has provided for interest and penal charges on these borrowings based on the latest information available at the interest rate specified in the agreement.
- ii. In case of Kotkapura Muktsar Tollways Private Limited ("KMTPL"), a subsidiary company, Term loan from banks include Principal Rs. 7,947.26 lakhs (31 March 2019: Rs. 5,882.38 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. 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. No direct confirmations from the lender have been received in respect of term loan from financial institution under current maturities of non-current borrowings of Rs. 351.14 lakhs and its interest accrued of Rs. 144.18 lakhs as at 31 March 2020. Further, current maturities of non-current borrowings as at 31 March 2020 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, all borrowings are classified as current as at 31 March 2020.

We, further draw attention to the following emphasis of matter on the consolidated financial statements of SIBPL, subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated 6 January 2021 and reproduced by us as under:

We draw attention to Note 5.1 to the accompanying consolidated financial statements with respect to Supreme Suyog Funicular Ropeways Private Limited, a subsidiary of SIBPL, Intangible Assets under Development (IAUD) as at 31 March 2020 represents amounts aggregating 13,443.83 lakhs, substantially being carried from earlier years in respect of a project presently under construction. The commercial operation date (COD) of the project was delayed due to various reasons attributable to the client primarily due to nonavailability of right of way, environmental clearances etc. and having regard to the same the Client has already extended the time for completion of project upto 31st December 2018. The Company has now received the requisite right of way, however, considering the substantial delay caused, the Company has applied for further extension of time upto 28 January 2020 for completion of the project, approval for which is presently awaited and the management is confident of getting the same approved from Client. Considering the contractual tenability and independent valuation, management is confident of realization of the carrying value of the costs incurred without any loss to the company and accordingly believes that no adjustments are required to the carrying value of the IAUD as at 31 March 2020.

4. 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 other auditors on separate financial results and on other financial information of the subsidiaries, joint ventures and associates, the consolidated financial results:
  - (i) include the financial results for the year ended 31 March 2020, of the following entities:



<b>Subsidiary Companies</b>	
Supreme Infrastructure BOT Private Limited	Supreme Suyog Funicular Ropeways Private Limited
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited	Supreme Manor Wada Bhiwandi Infrastructure Private Limited
Supreme Mega Structures Private Limited	Supreme Infrastructure Overseas LLC
Kotkapura Muktsar Tollways Private Limited	Supreme Panvel Indapur Tollways Private Limited
Supreme Vasai Bhiwandi Tollways Private Limited	Patiala Nabha Infra Projects Private Limited
Mohol Kurul Kamati Mandrup Tollways Private Limited	

<b>Associate</b>	
Sohar Stones LLC	

<b>Joint venture companies</b>	
Supreme Infrastructure BOT Holdings Private Limited	Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited
Supreme Kopargaon Ahmednagar Tollways Private Limited	Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited
Sanjose Supreme Tollways Development Private Limited (upto 9 August 2018)	

- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard except for the possible effects of the matters described in paragraph 3; and
- (iii) give a true and fair view of the consolidated net loss (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2020 except for the possible effects of the matters described in paragraph 3.

#### **Material Uncertainty related to Going Concern**

5. We draw attention to Note 33 to the accompanying consolidated financial statements, which indicates that the Group has incurred a net loss of ₹ 81,270.37 lakhs during the year ended 31 March 2020 and, as of that date, the Group's accumulated losses amounts to ₹ 3,32,316.15 lakhs which have resulted in a full erosion of net worth of the Group and its current liabilities exceeded its current assets by ₹ 4,72,426.49 lakhs. Further, as disclosed in Note 33 to the said financial statements, there have been delays in repayment of principal and interest in respect of borrowings during the current year. The above factors, 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, 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.
6. We did not audit the financial statements of ten (10) subsidiaries, whose financial statements (before eliminating inter-company balances) reflects total assets of ₹ 331,527.22 lakhs and net liabilities of ₹ 203,563.87 lakhs as at 31 March 2020 and total revenues (before eliminating inter-company transactions) of ₹ 131844.64 lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

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

7. The consolidated financial results also include the Group's share of net loss (including other comprehensive income) of ₹ 9,203.66 lakhs for the year ended 31 March 2020, as considered in the consolidated financial results, in respect of one (1) joint venture company, along with its three (3) subsidiaries, whose financial

statements have not been audited by us. The consolidated financial statements of the said joint venture company have been audited by one of the other, Chartered Accountants, who have expressed an adverse opinion on such financial statements, and whose reports has been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of the above joint venture company, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid joint venture, is based solely on the reports of another auditor. The investment in the said joint venture company has been fully provided for in these consolidated financial results.

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

8. We did not audit the financial statements/financial information of one (1) subsidiary whose financial information (before eliminating inter-company balances) reflects total assets of ₹ 1,352.85 lakhs and net liabilities of ₹ 697.03 lakhs as at 31 March 2020 and total revenues of ₹ Nil (before eliminating inter-company transactions) for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss (including other comprehensive income) of Nil for the year ended 31 March 2020, as considered in the consolidated financial results, in respect of one (1) associate and one (1) joint venture, whose financial information has not been audited by us. These financial information is unaudited and have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, associate and joint venture, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiary, associate and joint venture, are based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial information are not material to the Group.

Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the financial statements/financial information certified by the management.

**For Ramanand & Associates**

Chartered Accountants

Firm Registration No: 117776W



Ramanand Gupta

Partner

M. No. 103975

UDIN : 21103975AAAAO7676

Place: Mumbai

Date: 06<sup>th</sup> January, 2021

## 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 2020 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2018]

				(Amount in ₹ lakhs except earnings per share)
Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)	
1	Turnover - Total Income	32,258.31	32,258.31	
2	Total Expenditure	113,354.35	113,354.35	[Refer II (a) (ii)]
3	Net Profit/(Loss)	(83,096.04)	(83,096.04)	[Refer II (a) (iii)]
4	Earnings/(Loss) Per Share	(316.25)	(316.25)	[Refer II (a) (iv)]
5	Total Assets	475,432.32	475,432.32	[Refer II (a) (v)]
6	Total Liabilities	783,444.78	783,444.78	[Refer II (a) (vi)]
7	Net Worth	(308,012.46)	(308,012.46)	[Refer II (a) (vii)]
8	Any other financial item (s) (as felt by appropriate by the management)			

## ■ Audit Qualification (each audit qualification separately).

## a. Details of Audit Qualification

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

(a) 3. (a) As stated in Note 2 to the consolidated financial results, the Holding Company's current financial assets as at 31 March 2020 include trade receivables aggregating ₹ 45,389.22 lakhs (31 March 2019: ₹ 41,075.63 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'. Consequently 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 consolidated financial results. Our opinion on the consolidated financial results for the year ended 31 March 2019 was also modified in respect of this matter.

(b) b) As stated in Note 3(e) to the consolidated financial results, relating to the Group's carrying value of net assets (capital employed) aggregating ₹ 235,427.39 lakhs and non-controlling interest amounting to ₹ 8,694.68 lakhs as at 31 March 2020 relating to Supreme Infrastructure BOT Private Limited, a subsidiary of the Holding Company. This subsidiary is facing liquidity constraints due to which it may not be able to realize projections made as per its approved business plans. Based on the valuation report of an independent valuer as at 31 March 2020 and other factors described in the aforesaid note, Management has considered such balance as fully recoverable. In the absence of sufficient appropriate evidence to support the Management's assessment as above and other relevant alternate evidence, we are unable to comment upon adjustments, if any, that may be required to the carrying values of these balances and the consequential impact on the accompanying consolidated financial results.

We further report that the following qualifications to the audit opinion on the consolidated financial statements of Supreme Infrastructure BOT Private Limited (SIBPL), subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated 6 January 2021 and reproduced by us as under:

2. In case of Supreme Vashi Bhiwandi Tollways Private Limited ("SVBTPL"), a subsidiary company, Term loan from banks include Principal Rs.15,484.59 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. 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.


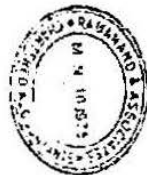


No confirmation has been received for current maturity of Term loan from financial institutions as at 31 March 2020 of Rs. 7,978.23 lakhs and its interest of Rs. 3,343.16 lakhs. Further the cash flows from the project are not sufficient to take care of debt servicing (Interest & Installment), due to which these term loan from ICICI bank has classified as Non-Performing assets (NPAs) by the lenders during earlier years. In the absence of confirmations from the lenders, the company has provided for interest and penal charges on these borrowings based on the latest information available at the interest rate specified in the agreement.

3. In case of Kottapuram Mukdesar Tollways Private Limited ("KMTPL"), a subsidiary company, Term loan from banks include Principal Rs. 7,947.26 lakhs (31 March 2019: Rs. 5,882.38 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. 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.

No direct confirmations from the lender have been received in respect of term loan from financial institution under current maturities of non-current borrowings of Rs. 351.14 lakhs and its interest accrued of Rs. 144.18 lakhs as at 31 March 2020. Further, current maturities of non-current borrowings as at 31 March 2020 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 aforesaid facilities at present. Accordingly, all borrowings are classified as current as at 31 March 2020.

	<p>(ii) Auditor's Qualification on the Internal Financial Controls relating to above matters:</p> <p>In our opinion, according to the information and explanations given to us and based on our audit procedures performed, the following material weaknesses have been identified in the operating effectiveness of the Holding Company's Internal Financial Controls over Financial Reporting as at 31 March 2020:</p> <p>Matter II a. (i) (a) The Holding Company's internal financial controls over financial reporting with respect to the process of assessing impairment of trade receivables were not operating effectively which could potentially result in a material misstatement in the recognition of impairment loss and the resultant carrying value of the trade receivables in the consolidated financial statements.</p> <p>Matter II a. (i) (c) The Holding Company's internal control system towards estimating the carrying value of net assets in Supreme Infrastructure BOT Private Limited, subsidiary of the holding company, to determine the need to recognise an impairment loss as laid down under Ind AS 36 'Impairment of Assets' were not operating effectively, which could potentially result in a material misstatement in the carrying value of net assets and its consequential impact on the earnings, reserves and related disclosures in the consolidated financial statements.</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> <p>We have considered the material weaknesses 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 2020, and the material weaknesses have 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.</p>
b. Type of Audit Qualification:	Qualified Opinion
c. Frequency of qualification:	<p>Qualifications:</p> <p>Qualification II (a) (i) (a) has been appearing from the year ended 31 March 2015; Qualification II (a) (i) (b) has been appearing from the year ended 31 March 2018 and Qualifications II (a) (i) (c) has been included for the first time during the year 31 March 2019.</p>
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	Not ascertainable
(ii) If management is unable to estimate the impact, reasons for the same:	<p>II (a) (i) (a). Trade receivables as at 31 March 2020 include ₹ 45,389.22 lakhs (31 March 2019: ₹ 41,075.63 lakhs), in respect of projects which were closed/substantially closed and which are overdue for a substantial period of time. Based on the contract terms and the ongoing recovery/arbitration procedures (which are at various stages), Management is reasonably confident of recovering these amounts in full. Accordingly, these amounts have been considered as good and recoverable.</p> <p>II (a) (i) (c) Supreme Infrastructure BOT Private Limited ('SIBPL'), a subsidiary company, is having various Build, Operate and Transfer (BOT) SPVs under its fold. While SIBPL has incurred losses during its initial years and has accumulated losses, causing the net worth of the entity to be fully eroded as at 31 March 2020, the underlying projects are expected to achieve adequate profitability on substantial completion of the underlying projects. Further, commercial operation date (COD) in respect of few subsidiaries of SIBPL has been delayed due to various reasons attributable to the clients primarily due to non-availability of right of way, environmental clearances etc. and in respect of few subsidiaries of SIBPL, the toll receipts is lower as compared to the projected receipts on account of delay in receiving compensation from government for exempted vehicles. Further, there have been delays in repayment of principal and interest in respect of the borrowings and the respective entities are in discussion with their lenders for the restructuring of the loans. Management is in discussion with the respective lenders, clients for the availability of right of way and other required clearances and is confident of resolving the matter without any loss to the respective SPVs. Therefore, based on certain estimates like future business plans, growth prospects, ongoing discussions with the clients and consortium lenders, the valuation report of the independent valuer and other factors, Management believes that the net-worth of SIBPL does not represent its true market value and the realizable amount of SIBPL is higher than the carrying value of its net assets as at 31 March 2020 and due to these, the Group's carrying value of net assets (capital employed) amounting to ₹ 2,35,427.38 lakhs and non controlling interest amounting to ₹ 8,684.68 lakhs is considered as good and recoverable.</p> <p>I. In case of Supreme Vessal Bhiwandil Tollways Private Limited ('SVBTP'), a subsidiary company, Term loan from banks include Principal ₹ 15,484.69 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 Honble Debt Recovery Tribunal for recovery of the aforesaid amount. The Company is presently in the process of making necessary submissions with the Honble 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.</p> <p>No confirmation has been received for current maturity of Term loan from financial institutions as at 31 March 2020 of ₹ 7,978.23 lakhs and its interest of ₹ 3,343.16 lakhs. Further the cash flows from the project are not sufficient to take care of debt servicing (Interest &amp; Installment), due to which these term loan from ICICI bank has classified as Non-Performing assets, (NPAs) by the lenders during earlier years. In the absence of confirmations from the lenders, the company has provided for interest and penal charges on these borrowings based on the latest information available at the interest rate specified in the agreement.</p>



	<p>In case of Kotakara Mutual Fund Private Limited ("KMFPL"), a subsidiary company, loan from banks include Proposed Rs. 7,947.28 lakhs (31 March 2019: Rs. 5,882.38 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 Honble Debt Recovery Tribunal for recovery of the aforesaid amount. The Company is presently in the process of making necessary submissions with the Honble 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 date based on the communication available from the bank and believes that the amount payable will not exceed the liability provided in the books.</p> <p>No direct confirmations from the lender have been received in respect of loan from financial institution under current maturities of non-recurring borrowings of Rs. 351.14 lakhs and its interest accrued of Rs. 14.16 lakhs as at 31 March 2020. Further, current maturities of non-current borrowings as at 31 March 2020 represent loans which were classified as Non-Performing Assets (NPA's) 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</p> <p>is (a) (i). Management believes that Holding Company's external financial controls in respect of assessment of the recoverability of trade receivables and towards estimating the carrying value of net assets in Supreme Infrastructure DOT Private Limited were operating effectively and there is no material weaknesses in such controls and procedures.</p>
<p><b>Joint Statutory Auditors</b>  <b>For Ramnand &amp; Associates</b>  <b>Chartered Accountants</b>  <b>Firm Registration No. 117776N</b></p> <p></p> <p><b>Ramnand G Gupta</b>  <b>Partner</b>  <b>Membership No. : 103975</b></p> <p></p> <p><b>Place : Mumbai</b>  <b>Date : 06 January 2021</b></p>	<p><b>For Supreme Infrastructure India Limited</b></p> <p></p> <p><b>Mr. Vikram Sharma</b>  <b>Managing Director</b></p> <p></p> <p><b>Mr. S.K. Mishra</b>  <b>Audit Committee Chairman</b></p> <p><b>Place : Mumbai</b>  <b>Date : 06 January 2021</b></p>