

**Date: 06<sup>th</sup> August, 2022**

To,  
General Manager,  
Department of Corporate Services  
**BSE Ltd.**  
P. J. Towers, Dalal Street,  
Fort, Mumbai - 400 001.

To,  
The Manager,  
Listing Department,  
**NSE Ltd.**  
Bandra-Kurla Complex,  
Mumbai- 400 051

**SCRIP CODE: 532904**

**SYMBOL: SUPREMEINFRA**

**Ref: Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

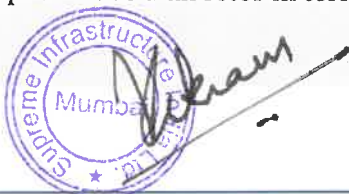
**Sub: Corrigendum to the Annual Report for FY 2020-21.**

Dear Sir/Madam,

This is in furtherance to our letter dated August 3, 2021 wherein the Company had submitted its Annual Report along with the Notice of the 38<sup>th</sup> Annual General Meeting to be held on August 25, 2022 at 11.00 a.m. (IST) through video conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the relevant circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

We wish to inform you that few errors were noticed in the Annual Report for FY 2020- 21 after the same was dispatched on August 3, 2021 through email.:

- 1. On page No. 94** - In case of Standalone audit report - Principal amount default as on 31<sup>st</sup> March, 2022 is to be read as Principal amount default as on 31<sup>st</sup> March, 2021.
- 2. On page No. 151** – Consolidated Independent Audit Report – Point 19 is to be read as ‘We did not audit the financial statements/financial information of one (1) subsidiary whose financial information (before eliminating inter-company balances/transactions) reflects total assets of 1,352.85 lakhs and as at **31 March 2021**, total revenues of Nil, total net loss after tax of Nil, total comprehensive income of ‘Nil and net cash inflows amounting to Nil for the year ended **(Contd...)**’
- 3. On Page No. 152** – Consolidated Independent Audit Report – Point 21 is to be read as ‘The Consolidated financial statements of the group for the year ended **March 31, 2020** were audited by one of the joint statutory auditors Ramanand & Associates **(Contd....)**’
- 4. On Page No. 152** – Consolidated Independent Audit Report – Point 22 (f) is to be read as “on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its 2 subsidiary companies covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.”



**SUPREME INFRASTRUCTURE INDIA LTD.**

(AN ISO 9001:2015, ISO14001:2015, ISO45001:2018 CERTIFIED ORGANIZATION)

Please take a note of the same.

Thanking you,

Yours faithfully,

**For Supreme Infrastructure India Limited**



**Vikram Sharma**  
**Managing Director**  
**(DIN: 01249904)**



**Place: Mumbai**

**Encl: As Attached**



Supreme Infrastructure India Limited  
Annual Report 2020-21

# Right place. Right space.

Supreme Infrastructure is attractively placed to contribute to the dynamic India infrastructure growth story



# Contents

Corporate overview	
02	Corporate snapshot
06	Chairman's overview
10	The Managing Director's business review
12	Chief Financial Officer's review
14	Head, Purchase review
16	Chief Operation's Officer's review
20	Chief Operation's Officer's review
24	Our projects
27	Roads and bridges
31	Power segment
34	Marine infrastructure
36	Buildings
39	Management discussion and analysis
Statutory section	
43	AGM Notice
55	Director's Report
73	Corporate Governance Report
Financial section	
88	Standalone financial statements
154	Consolidated financial statements

## Cautionary statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

# Right place. Right space.

India is set to recover its position among the fastest growing economies in the world.

India's rapid recovery is being catalysed by an unprecedented investment in its infrastructure sector.

Virtually every segment of India's infrastructure sector – roads, bridges, ports, airports and railways, among others – is expected to grow rapidly across the decade.

Supreme Infrastructure is attractively placed to contribute to this dynamic national growth story.

The company has restructured its Balance Sheet, sectorial spread and operating discipline to capitalise on the unfolding reality.

This is expected to translate into sustainable growth in terms of order book, revenue and profits, enhancing shareholder value.

## Corporate snapshot

## Supreme Infrastructure India Limited.

The company possesses a focus of returning its business to sustainable growth and prosperity.

Of regaining its position of stature across diverse infrastructure segments.

Of enhancing its respect for timely and credible construction delivery.

Of enhancing its exposure across the fastest growing infrastructure segments in India.

Of rejuvenating its reinvestment cycle, enhancing trust and sustainability.

## Vision

Leading by the philosophy of pursuing excellence, Supreme Group envisions being an innovative player in infrastructure development in India today; with the hunger to grow and the attitude to compete globally tomorrow.

## Mission

- To develop strengths and be amongst the leading construction and contracting company in India
- To provide end to end Construction Solutions
- To increase presence across various Infrastructure sectors
- To be the most preferred contractor
- To proliferate and become a global player

## Values

- Excellence
- Expansion
- Expediency
- Economy

## Background

The Company is focused on addressing growing opportunities in some of the fastest growing sections of India's infrastructure sector (roads, buildings, bridges, water infrastructure and mining). The Company enjoys an infrastructure building presence across 13 States of India.

## Respect

The Company was among the fastest growing infrastructure construction companies across the country until the early part of the last decade. The Company continues to inspire respect and goodwill among large clients for its dependable commitment to deliver on time and within cost.

## Clientele

The company has undertaken large and challenging projects for clients across India's public and private sector. These clients comprise marquee names like Airports Authority of India (AAI), Bhabha Atomic Research Centre (BARC), Brihanmumbai Municipal Corporation (BMC) and Public Works Department (PWD), among others.

## Employees

The Company's employee base stood at 81 as on March 31st, 2021, possessing diverse competencies relevant for a growing infrastructure company. The Company provides growth opportunities to employees; 100% of its employees are either graduates or diploma engineers.

## Footprint

The Company is headquartered in Mumbai (Maharashtra) with operations in Maharashtra, Himachal Pradesh, Haryana, Uttar Pradesh, Delhi & NCR, Jharkhand, West Bengal, Assam, Orissa, Bihar and Karnataka. The Company possesses a rich experience of successfully executing infrastructure projects across 13 Indian States in the last few years.

## Listing and market capitalisation

The equity shares of the company are listed on the Bombay and National Stock Exchanges with the promoters holding a 34.68 % stake in the equity share capital. The Company's free float market capitalisation stood at ₹36.62 crore as on March 31st, 2021.

## Our awards and recognitions

- Fastest Growing Construction Company (mid-size category to first rank) at the 10th Construction World Annual Awards 2012.
- Industry Honour for Outstanding Contribution in Specialised Construction (EPC category) at the 3rd EPC World Awards 2012
- Fastest Growing Construction Company (small size category to 2nd rank) at the 9th Construction World Annual Awards 2011.
- Fastest Growing Construction Company (small size category to 2nd rank) at the 8th Construction World Annual Awards 2010.
- Young Entrepreneur of the Year 2010 to Mr. Vikram Sharma, Managing Director by EPC World Awards, 2010.
- Certificate of Recognition from Essar Steel's Infrastructure Excellence Awards 2010.
- Most Admired Corporate in Infrastructure Development in 2010 from Infrastructure Excellence Awards 2010.
- Udyog Ratna Award to Mr. Bhawanishankar Sharma, Executive Chairman, by Institute of Economic Studies.

**Board of Directors**

**Mr. B. H. Sharma**  
Non-Executive Chairman

**Mr. Vikram Sharma**  
Managing Director

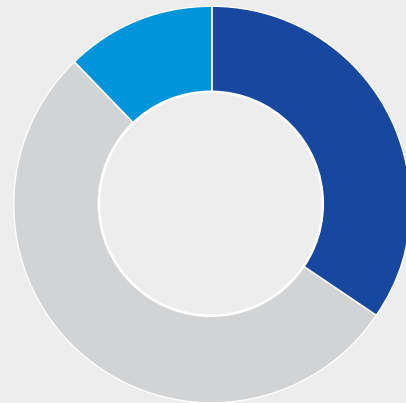
**Mr. V. P. Singh**  
Independent Director

**Mr. Vinod Agarwal**  
Independent Director

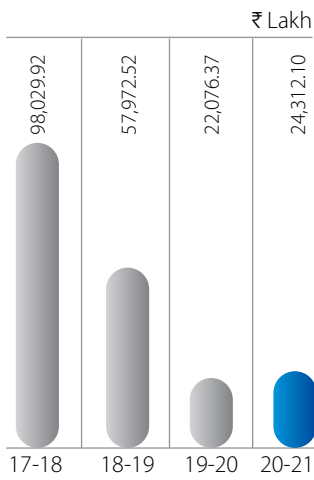
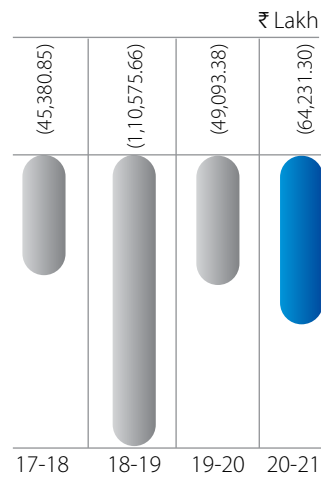
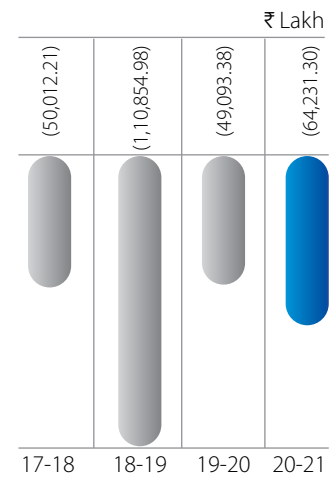
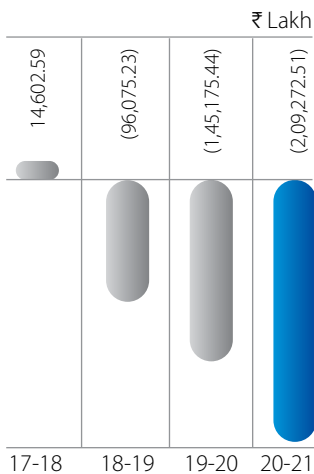
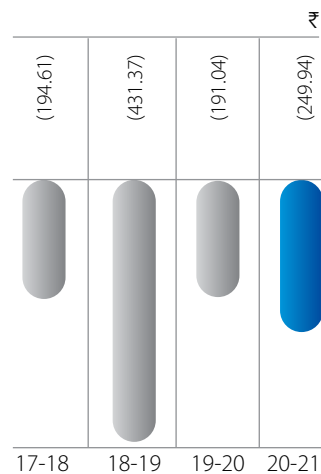
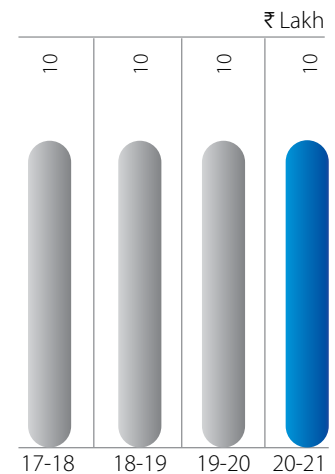
**Mr. S.K. Mishra**  
Independent Director

**Mrs. Payal Agarwal**  
Independent Director

**Mr. Dakshendra Agarwal**  
Independent Director

**Our shareholding pattern**


■ Promoters: 34.68%  
■ Public: 53.26%  
■ Institutional: 12.06%  
\*As on March 31st, 2021

**Our financial highlights**

**Turnover (gross)**

**Operating profit**

**Post-tax profit**

**Net worth**

**Earnings per share**

**Book value per share**





# 2.78

USD trillion, India's GDP, FY 2021-22

# 5

USD trillion, India's  
estimated GDP, FY 2026-27  
(Source: CRISIL)



Chairman's overview

# Right place. Right space.

## Overview

There are two principal messages I wish to communicate in my overview.

These messages comprise the gist of our capacity to recover and ride the India growth story.

The first message is the India story itself.

India comprises one of the most exciting opportunities in the global infrastructure sector.

It is estimated that India will invest an unprecedented ₹111 Lakh crore its infrastructure sector by FY 2024-25, the

largest investment in this sector across any five-year period by the country.

While this investment will be made across a range of infrastructure sub-sectors, a majority of the spending will be made in India's roads sector.

## International perspective

We are placed in a period of time when the subject of roads is not just national; it has acquired an international geo-political dimension. The One Belt, One Road proposed by China a few years ago is not just about connecting China with the nearest port; it is about connecting China with much of Asia, Africa and the

European continent. For sheer daring, this could be the largest infrastructure opportunity in the world that could completely redefine global trade and business dynamics, centralising the role of roads in catalysing the global economy. Roads are no longer intra-national in their importance; they are defining Asian power shifts.

India's extensive road network of around 62.16 Lakh kilometers is the second largest in the world after USA. While this would indicate a road building priority, the reality is that India's road building penetration is considerably low compared with its population: USA comprises 21 kilometres of road per 1000 persons, while India has only around 4 kilometres per 1000 persons. Besides, the length of national highways was a meagre 1, 36,440 kilometres - about 2% of the total road length network but carrying 40% of the country's road traffic. Worse, India ranked 74th (out of 140) and 61st (out of 140) in terms of the quality of overall infrastructure and quality of roads respectively as per the World Economic Forum Report for FY 2015-16. The result was that India incurred USD 6.6 billion in annual costs arising out of transportation delays; India's annual additional fuel consumption arising out of the delays was estimated at USD 14.7 billion. The result was a national consensus: to build new roads faster, widen the existing ones, improve road conditions with round-the-year maintenance, increase the length of national highways and access-controlled expressways as a percentage of the total road length network, replace manual toll collection with electronic toll collection and unify the country with a common GST system to enhance logistics efficiency.

The Indian Government has, in the space of a few years, achieved what would normally have taken years to do. The Government has taken perhaps the largest element of India's infrastructure and transformed the picture. The result of the Indian Government's proactive response has got serious global investors to sit up and take notice. I am not sounding dramatic when I say that India's road building sector is showing signs of acquiring the size and scope generally reserved for China's successful infrastructure story today.

## Across the board improvement

There has been an across-the-board improvement: from a time when 1000 kilometers of road building contracts would be issued to more than 15000 kilometers of contracts now being awarded per year. From a time (2011-14 average) when 73 kilometers of roads would be built in the country as part of the Pradhan Mantri Gram Sadak Yojana, 36.4 kilometers were built per day in FY 2020-21. From a time when the average highway building pace would be 9 kilometers per day (2012-14), the pace increased to 29.81 kilometers per day in FY 2020-21.

This has had a trickle-down impact. The number of orders has got larger and more frequent; there is a growing recognition that road builders must be provided a conducive environment in which to operate, translating into reinvestments (people, technologies and equipment). We believe that this investment will only accelerate project completion, which will result in infrastructure being handed over to the country's citizens faster than ever, kick starting a virtuous win-win cycle. This has already been articulated by the Minister of Road Transport and Highways, who has indicated what we always felt would happen: the accelerated construction of highways would contribute more than 200 basis points to the country's GDP and create millions of jobs.

The Indian government has transformed from a harsh umpire keen to spell out the rules and enforce the code to one willing to take a realistic win-win view of how to make the road building sector attractive for Indian as well as global infrastructure builders and investors. The government has addressed the various blockers: premium rescheduling, loan restructuring, exit to concessionaires, improving liquidity through InvIT, faster projects clearance etc. I am pleased to say that this sector will now attract the attention of serious long-term global investors.

## Paradigm shifts

For years, land acquisition was a continuing problem related to highway construction in India. A number of projects were stalled since National

**The Indian government has transformed from a harsh umpire keen to spell out the rules and enforce the code to one willing to take a realistic win-win view of how to make the road building sector attractive for Indian as well as global infrastructure builders and investors.**

Highways Authority of India could not sustain project progress because it could not conclude adequate land acquisition. One of the principal ground-shifts is that the NHAI has proposed that it will not invite any bids for road projects until it has completed land acquisition, shifted utilities and obtained in-principle forest clearances; correspondingly, it will not commence work on structures, flyovers, bridges and rail over-bridges until it enjoys 100% of the land. In view of this, we believe that the delay of several projects on account of land acquisition issues should now become a thing of the past.

These initiatives will graduate the country from one level to another. More roads or larger roads will mean stronger economic growth. However, what is not immediately evident is how this will kick start a rejuvenation of the entire eco-system: Indian construction companies will resume aggressive re-investment based on credible order books and long-term growth prospects; we foresee a greater investment in equipment, a larger quantum of grassroots and rural employment, a larger inflow of support from global pension funds, InVits of Indian companies being listed on the exchanges, a new class of infrastructure-focused investors emerge and a greater respect for Indian infrastructure as a separate asset class that commands global respect. From a position where Indian infrastructure was merely a concept, everyone is now convinced that it will become a reality in future and this process has already been initiated.

It is because of a confidence-enhancing framework that there has been a large increase in project launches and enthusiastic bidding, followed by financial closure. This has resulted in actual construction either being implemented or getting near to the initiation point of the project. This entire sequence represents

a validation of the sectoral turnaround: the confidence of the Government is increasing the confidence of construction companies, bankers, investors – the complete eco-system. The result: India has retained its 43rd place in the World Competitive Index in FY 2020-21 for the third time in a row, which can be majorly ascribed to accelerated infrastructure development.

**The Indian government has transformed from a harsh umpire keen to spell out the rules and enforce the code to one willing to take a realistic win-win view of how to make the road building sector attractive for Indian as well as global infrastructure builders and investors.**

The Ministry of Road Transport and Highways has undertaken the development of about 34,800 kilometers of national highways under Bharatmala Pariyojana for an estimated ₹5,35,000 crore (USD 76.55 billion) in consultation with State Governments.

NHAI also invited bids for preparing detailed project reports for road development along the borders and coast lines under the Bharat Mala project.

The result is that over the last couple of years, India has emerged as possibly the most exciting road building infrastructure destination in the world. These developments indicate that the opportunity is large enough to keep us growing for years. The emerging priority would be to keep bidding for and winning

contracts, by widening our management bandwidth and growing to the extent that our Balance Sheet permits.

### **Supreme: Attractively placed**

At Supreme Infrastructure, we are attractively placed to capitalise.

The company survived the industry downtrend during the last few years, strengthening its capacity to outperform in an environment when players are relatively fewer.

The fact that the company was cleared on forensic grounds by an independent credit rating agency indicates that the company was cleared on governance grounds, a significant validation of its intent and character.

The company has access to a sustainable pipeline of debt, the company's bankers are aligned with the company's growth strategy, the company continues to win attractive projects, it successfully retained most of its knowledge capital and institutional shareholders during the downturn and it has charted out an operating discipline that should translate into a predictable set of responses to challenges.

At Supreme Infrastructure, we are optimistic that the complement of these realities should start becoming visible from the fourth quarter of the current financial year, leading the company to break-even point in the next financial year and a positive surplus starting FY 2023-24.

These realities indicate that the company is at the right place and the right time to enhance shareholder value in a sustainable way across the foreseeable future.

**Bhawanishankar H. Sharma**  
Chairman

# What India's government has to say about the growing roads sector

Overview by Nitin Gadkari, Union Minister for Road Transport and Highways, Government of India



"**During** the COVID-19 pandemic, we made a world record of constructing 38 kilometers of road in a day. The pace of highway construction in the country touched a record 37 kilometers per day in FY 2020-21. Our target is to achieve the pace of up to 100 kilometers per day of highway construction."



"**NHAI** will be able to raise ₹1.40 Lakh crore per year from existing highway projects."



"**Now** there will be no prior experience or conditions required for the construction of a road tunnel up to 200 metres in length. For tunnels more than 200 metres in length, the construction experience of a two-lane road tunnel has been accepted."



"**The** risk of traffic in addition to plus-minus 5 % traffic variation shall now be compensated by the National Highways Authority of India."



"**The** annual average construction of national highways has recorded an 83 % spike over what was recorded during 2009-2014."



"**The** annual average construction of highways was 4,918 kilometers during 2009-2014, or 13 kilometers per day. This number has jumped to 8,993 kilometers with 25 kilometers per day now."



"**In** the coming three years, the entire country will get highways of American standard..."



The Managing Director's business review

# How we addressed the challenging realities of FY 2020-21

The pandemic was the most challenging reality during the year under review. This challenge was precipitated by a number of realities: the bank resolution plan was delayed, order inflow was staggered, labour deployment on projects was affected and there was a premium on safety for all our people. It was a year that tested our flexibility and responsiveness across a number of fronts.

### **The heartening realities**

Perhaps the biggest upside was a

clearance of the company's bank resolution plan. This was critical as the company needed to arrive at a manageable quantum of debt that the company needed as a part of its overall financial outlay (since there was a limit on the quantum of equity funding that could be mobilised). It became increasingly necessary to work with banks to arrive at a quantum of debt that the banks felt comfortable in lending Supreme Infrastructure, based on their understanding of what they

felt we would be able to comfortably service. The lending banks arrived at that understanding during the last financial year, providing us with clarity and perspective on how to take our business ahead. It would be prudent to add here that the net debt on the company's books was ascertained as reasonable, which provides our company with the prospect of a vigorous recovery across the foreseeable future. This vigorous recovery will result in all the debt being repaid, resulting in win-win benefit for lenders, company and other stakeholders.

It would be relevant to indicate that some factors that catalysed the recovery comprised government guidelines covering performance guarantee, contracts and bank guarantee, which made a 20 % difference to operations and cash flows.

### The quantum of sustainable debt

The conventional approach to ascertaining the quantum to be repaid to banks would have been based on the quantum lent. Besides, this approach would have taken into account penal interest that had not been paid, added to the core debt.

The lending banks took a different perspective. They felt that if they demanded every rupee that was technically owed, we would have spent a number of years just servicing the debt and penalty and never been able to recover. They took a more considerate and practical approach instead: they reviewed our business plan and order book; based on this, they arrived at an understanding of the debt quantum that would be required to grow profitably and sustainably. They earmarked this quantum – ₹650 crore - as 'sustainable debt', which is what we are now expected to repay. The company paid ₹350 crore upfront; the total outstanding on our books is ₹250-270 crore of debt, which we believe is reasonable and service-able. We believe that this quantum of long-term debt will empower the company to grow in a profitable manner without the baggage of the past.

### The company's prospects

The optimism behind the company's prospects is derived from a convergence of various positive realities.

**One**, we believe that our order book of ₹2200 crore by the end of the first half of FY 2021-22 represents a validation of our ability to win attractive contracts; it also represents a critical mass of construction projects that could amortise a number of fixed expenses, translating into enhanced margins.

**Two**, the quality of the order book indicates that we are sitting on an attractive reality that should progressively unfold. These projects will be executed across 36 months; the intrinsic profitability of these projects indicates that the company is placed to generate an EBITDA margin in excess of 14 % (translating into a net profit margin of 7.5 to 8%). This provides revenue and profit visibility as long as we control our project delivery and costs.

**Three**, following the restructuring we are moderately leveraged. Our debt-equity ratio will be 0.6, including working capital. We believe that for a growing business, this gearing is moderate, leaves additional borrowing room with us and should be easily serviceable (for interest and debt repayment).

**Four**, the company has an accumulated loss of ₹1700 crore. This will result indirectly in an effective tax hedge that makes it possible to maximise cash flows, pare debt and strengthen the Balance Sheet.

### The company's outlook

The company is optimistic of the sustainability of its prospects following the implementation of the bank resolution plan. The quantum of debt on the company's books has finally been ascertained and frozen; this does not just provide clarity; it also provides optimism that the business will turn around starting from the last quarter of the current financial year. This turnaround will validate what we always felt – that the core business was profitable through the slowdown but for the financial liability associated with it. Now that the latter has been addressed, we are optimistic that the last blocker has been removed and the company should grow attractively from this point onwards.

**Vikram B. Sharma**  
Managing Director

**The Indian government has transformed from a harsh umpire keen to spell out the rules and enforce the code to one willing to take a realistic win-win view of how to make the road building sector attractive for Indian as well as global infrastructure builders and investors.**

## Insight

# “The moment our projects are graduated to the next level, our focus will not be on survival but growth”

A conversation with  
**Siddharth Jain**, Chief Financial Officer

## **Q** What are the financial strengths of the company?

At Supreme Infrastructure, the principal strength of the company – which translates into financial outcomes – has been the ability of the promoters to back the company to mobilise funds whenever necessary. It is a sign of the sustained commitment of the promoter to turn the company around. The result has been a high lender and banker comfort. The result is that even as we have been a non-performing asset for four years we have not received a single recovery notice from lenders, indicating that in their mind we are a going concern poised to emerge from struggle.

The other financial strength is the operating discipline of the company. For the last four years,

even though we not have not got a single rupee’s credit enhancement from our lenders’ consortium, we have validated our commitment through the timely completion of projects; our timely billing cycles have helped maintain our cash flows, indicating the intrinsic sustainability of the company.

Besides, we grew our order book without the availability of additional bank guarantees; we did not just complete existing projects within these restrictions but initiated new projects. This indicates the commitment of the promoters as well as the discipline with which the company is now being managed.

## **Q** What were the principal challenges and counter-initiatives of FY 2020-21?

The Covid-19 pandemic created a number of challenges: delays in the extension of bank guarantees, adequate labour not being available; periodic regulatory changes; disrupted toll operations; impaired working capital cycle that resulted funds lying unutilised in a month and projects requiring large funding on other months. For instance, in March 2020, our submitted bills were put on hold, in April there was billing but no project movement; in May some sub-projects commenced but there were low labour availability restrictions; in June 2020, projects movement commenced; in July and August 2020, operations stabilised followed by a

moderate downturn in October and November 2020.

When the second wave started in late FY 2020-21, the operational momentum was disrupted yet again, which made it difficult to plan funding. The Company strengthened its financial planning from billing cycle to billing cycle by engaging with creditors, rescheduling credit terms and periods. We focused on projects in and around Mumbai, which strengthened our supply chain from our captive aggregates plant, reducing purchase dependence. We renegotiated completion tenures with clients for remote projects.



### Q How did you strengthen your working capital management?

In some instances, we renegotiated with clients for paying advances at a discounted rate. We procured raw materials across the 60-90 day credit window; we sought discounts for early

payments. We were fortunate to engage with clients of two years or more; we shortlisted projects with committed institutional funding; we tried to stay away from projects with long payment cycles

that could affect our debt repayment or servicing. This operating discipline translated into superior viability.

### Q Did these initiatives translate into improved cash flows?

The cash flows improved marginally when compared with FY 2019-20. Despite the COVID-19 pandemic, the company protected its working capital cycle. During April, May and June 2020, we concentrated on machine-centric projects, leveraging our proprietary manufacturing facility in Mumbai. During

the monsoons, we replaced our erstwhile focus on road building with building projects. During the third and fourth quarter of last financial year, we focused on projects that were almost 60-70% complete and warranted a lower outlay of working capital (compared to projects 10-20% complete). As these projects

progressed towards 80-85% completion, our working capital was progressively released. We realised pending claims (₹8-10 crore), enhancing cash flows and plugging working capital gaps on account of the pandemic slowdown.

### Q How have revenues evolved in the last three years?

In the last three years, our roads and bridges vertical contributed 60-70% of our revenues. All these projects are

around 80-85% complete. Some 20% of our revenues were contributed by the buildings vertical; 10% was contributed by

other infrastructure segments like power, railways and marine construction.

### Q What were the financial highlights in FY 2020-21?

In FY 2020-21, we controlled the reduction in EBITDA margin over the previous year. We hardly added to our capital expenditure. On the other hand, there was

an increase in land price in Parga that we monetised to reduce our debt. This was yet another instance of the seriousness of the management in turning the company

around by liquidating non-core assets and paring debt.

### Q How did the company enhance its competitiveness?

We have been one of the largest buyers of steel and cement in Maharashtra, resulting in attractively low rates of purchase. We possess a strong and experienced procurement team that has helped forge longstanding and scalable relationships with suppliers, which could help us moderate per unit costs in the event of an increase in procurement.

We have multiple warehouses and storage

units. If the transportation distance is 40 kilometres then we have two storage houses in between to avoid multiple pick and drop interventions. We possess a fleet of dumpers, tippers and bitumen buzzers, reducing our cost incidence to logistics. The Company collaborated with an IT company for a pilot project to introduce a GPS-based activity tracker to monitor real-time fleet movement, enhancing speed and reducing costs.

The resolution plan was under consideration with lenders; we received the requisite investment grade rating for a proposed plant from CRISIL. Even as the Company stands de-rated because it is a non-performing asset, the restructuring could enhance the rating, respect and valuation.

### Q What is the outlook for FY 2021-22?

The Company's debt stands at ₹4,080 crore, out of which the actual principal debt is ₹1800 crore and the rest consists of accumulated interest. The lenders are converting the accumulated interest into convertible debentures. Of the balance ₹2000 crore, ₹600 crore will continue on the books as debt and the balance will be converted into non-convertible debentures to be repaid from the 9th to the 18th year. Once this resolution plan is implemented, the Balance Sheet

will appear better. We expect to reach a turnover of ₹400 crore in the next financial year with a minimum 12% EBITDA margin. The debt is expected to be ₹280 crore in FY 2020-21 and interest to be paid will be about ₹29 crore, leaving us around ₹20 crore in retain earnings.

The Company has a good order book; the only challenge is to take projects to the next level, which will not require a large dose of equity capital. We are optimistic that the combination of the order book

and restructuring will increase revenues 1.25-1.5 times compared to our existing revenues, which will help us cover fixed costs and interest outflow. What we wish to communicate is that the Company is intrinsically profitable at the project level but affected only by the overhead of fixed costs and interest outflow. The moment these projects are graduated to the next level, our focus will not be on survival but growth.

## Insight

**“The Company engaged directly with large marquee resource suppliers, enhancing the availability of quality raw material around the best prices.”**

A conversation with  
**Mr. Pankaj Udeshi**, Head, Purchase

**Q Why is the procurement function critical in the infrastructure industry?**

We work across various infrastructure verticals like roads, bridges, power projects etc.; each vertical requires different materials. Following the Covid-19 pandemic, all officers altered their procurement styles towards video conferencing, strengthening procurement engagement and decision-making ease.

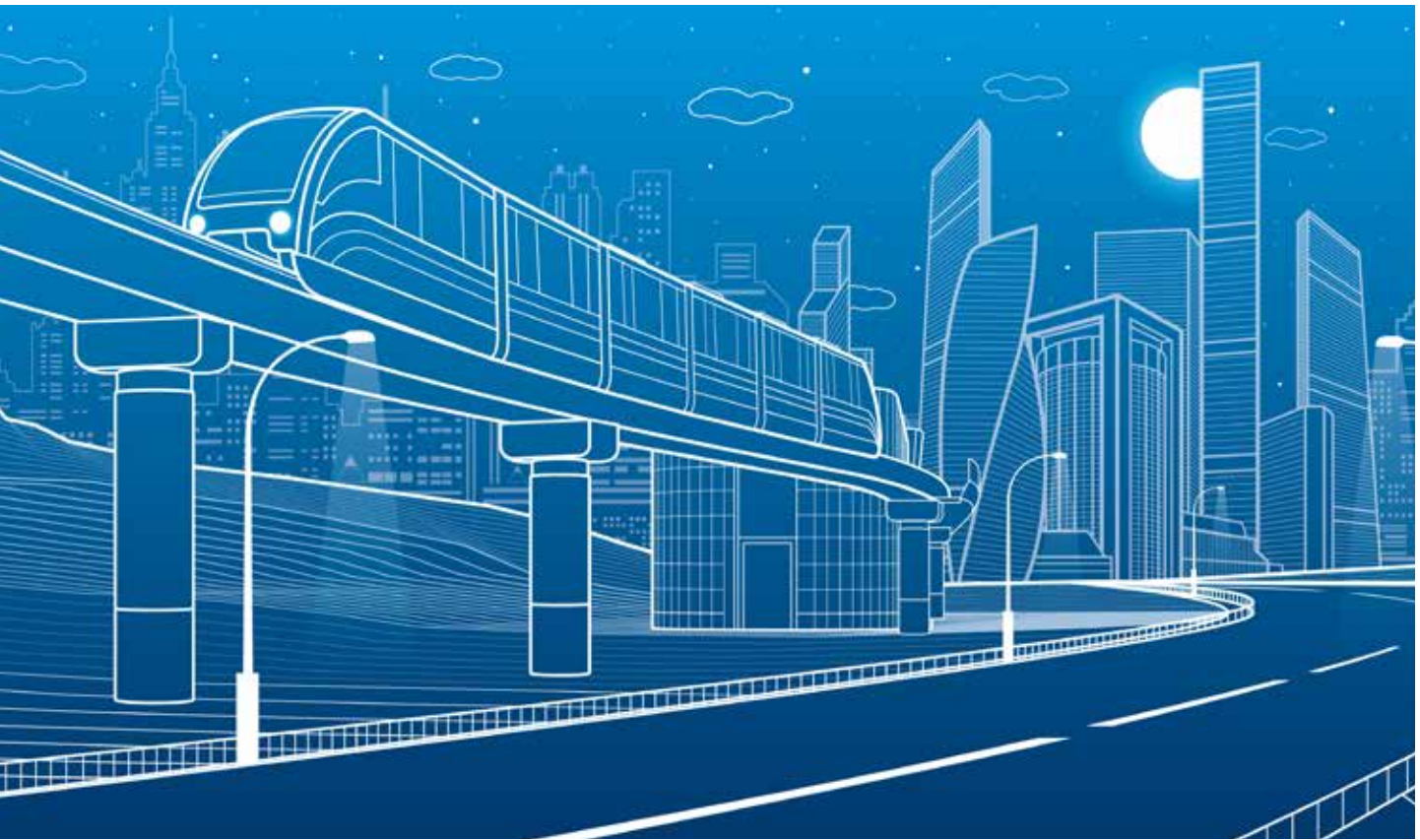
Supreme Infrastructure signed MoUs with various government departments and private companies that supply the principal raw materials (steel, cement,

bitumen, furnace oil and diesel). It entered into agreements with Steel Authority of India Limited (SAIL), Rashtriya Ispat Nigam Limited (RINL), Tata Steel, Ambuja Cement, Ultratech Cement, ACC, JK Lakshmi Cement, Hindustan Petroleum and Bharat Petroleum. The direct association circumvented the role of intermediaries, enhancing the availability of quality raw material around the best prices.

**Q What procurement challenges did the Company face in FY 2020-21?**

During FY 2020-21, the national cash flow was staggered and the challenge was that none of the creditors were ready to provide credit; each delivery had to be accompanied by payment against delivery or an advance payment. It was difficult to convince

creditors to provide credit especially for government contracts where we need to pay a large monthly amount to the government. Our parties required advance payments for each transaction, stretching cash flows.



### Q What initiatives did the company take to strengthen its procurement function?

In the case of diesel and such procurement, the company arranged financial resources, convinced the government and paid some part of the invoice in advance to ensure uninterrupted operations. The Company convinced the government to provide

some advance, mobilisation and financial help. I am pleased to communicate that the government and banks supported us during these difficult times, which helped us reinforce our procurement and keep project lines moving. Raw material cost as a percentage of revenues stood

at 50-55% in FY 2020-21, compared to 48-50% a couple of years ago on account of higher commodity and transportation costs. Once the lockdown was lifted, we hired transporters on a fixed rate basis to reduce the 200 bps increase in delivered raw material costs.

### Q How effectively did the company manage its raw material inventory?

We generally have stores and accounts people at every project site. We conducted an internal audit each month. We installed an SAP programme to

enhance controls leading to informed decision-making covering the utilisation of equipment, diesel and other consumables. As a de-risking provision,

the Company engaged four suppliers for each raw material type, enhancing flexibility.

### Q What is the procurement outlook for FY 2021-22?

The Company will look forward to strengthen this function to procure quality products within the stipulated time by

tying up with a wider number of suppliers and local manufacturers; this will be reinforced through enhanced outlays to

ensure an uninterrupted project flow.

## Insight

**“The Company will seek to increase equipment productivity to minimise resource wastage and leverage SAP to make informed decisions related to timely project completion”**

A conversation with  
**ZN Shaikh**, Chief Operations Officer

**Q What are the operating strengths of the Company?**

The Company’s strengths comprise the deployment of state-of-the-art technology for construction. We possess six crushers of around 200 tonnes per manufacturing capacity; we own concrete batching plants; we have asphalt mixing plants, excavators,

rollers, filing grids and all complementary equipment required of a construction company. Besides, the Company employs skilled and experienced professionals to run large projects as any premier construction company would.

**Q What were the principal challenges faced during the year under review?**

In FY 2020-21, managing people was a major challenge. Most labourers migrated to their respective hometowns. The Company faced operational disruptions but recovered in the last six months leading to operation stability and visibility. The Company successfully retained 25% labourers during

the lockdown while attempting to mobilise from pan-India. The Company hired a large number of contract labourers during the year, arranged for their food and lodging in return. After the lockdown was lifted, the Company gradually returned to peak people engagement.



### Q What were the operational highlights of FY 2020-21?

During the last year, some projects were not operational but have since resumed following the settlement of arbitration cases with the Government of Maharashtra. We would like to communicate that most projects are on track, strengthening our financial performance. For instance, the ₹300 crore Devandi-Manodwara project was terminated by the government of

Maharashtra; we went to court and got a judgement in our favour and the client is seeking an amicable settlement. In one of our projects tolling is in progress but we proposed to the Government of Maharashtra to convert this into a concrete road and the government agreed. This ₹200 crore project was achieved without competition or bidding.

The Company conducted employee training modules, maintained pandemic protocols, regulated workflows, trained in new technologies and with new materials. The Company collaborated with ABSIS Technologies, Chennai, to upgrade equipment with GPS technology to measure fuel consumption and equipment utilisation.

### Q What is the outlook of the Company in FY 2021-22?

Effective and competitive bidding holds the key. The Company will seek to increase equipment productivity to minimise resource wastage and leverage SAP to make informed decisions related to timely project completion.

The Company intends to bag a ₹500 crore order from the Devandi-Manodwara project and another project without bidding. The company is working on a ₹250 crore road project at Ahmednagar-Karmala-Tembhurni where work is at a standstill due to land unavailability;

we challenged the case in Mumbai High Court and expect a verdict in our favour that could restart and complete the project in the coming financial year (coupled with two tolling stations). We plan to restart all delayed projects and complete them in FY 2021-22.

# 6 pillars of the inspiring PM Gati Shakti Master Plan

1

### Comprehensiveness

Gati Shakti programme marks a paradigm shift in decision making to break the silos of departmentalism. In the proposed plan, all the existing and proposed economic zones have been mapped along with the multimodal connectivity infrastructure in a single digital platform. The National Master Plan will employ modern technology and the latest IT tools for coordinated planning of infrastructure. A GIS-based Enterprise Resource Planning system with 200+ layers for evidence-based decision-making is one such example.

2

### Prioritisation

There would be no more fragmented nature of decision making, each department would work with joint efforts for creating the desired industrial network. If a rail network has been laid to connect a district to a city, it is also the responsibility of the allied departments to ensure last mile connectivity. The departments that have to lead the project first will be given prioritisation for example, laying the underground gas pipeline is necessary before finalising the road.

3

### Optimisation

The required facilities should be ensured before beginning the development of a project. For example, a fertiliser plant has been constructed but a gas pipeline is inaccessible leading to the plant being unable to reach its production potential. Thus, the fund raised for the project would not yield any result for the common man. Having an efficient logistics network and economies of scale in manufacturing are key conditions. Industrial parks and logistics parks need to grow in size to be globally competitive. The National Industrial Corridor Development Corporation (NICDC), formerly DMIDC will work in close coordination with state governments to develop these industrial corridors. State governments must take the lead in identifying parcels of land for industrialisation in consonance with the national plan to reap the maximum benefit of jobs and growth.

4

### Synchronisation

Achieving an efficient, seamless multi-modal transport network is no easy task. It requires independent government departments to work in close coordination and collaboration, guided by an overarching master plan. Ministry of Road, Transport and Highways, Ministry of Commerce and Industry, Ministry of Ports, Shipping, Waterways and Ayush, Ministry of Civil Aviation, Ministry of Power, New and Renewable Energy, Ministry of Railways, Communications, Electronics and Information Technology, Ministry of Petroleum and Natural Gas and Housing & Urban Affairs are going to work in synchronicity.

5

### Analytical

India has witnessed the completion of many infrastructural projects from 2014 that have been fast-tracked by many government departments. This has happened only because of digital platforms for accessing all documents on an online basis. For example, the Railways started a 'Common Drawing Approval System' on an online platform, so all the approvals can be accessed on one portal. This initiative taken by the Indian Railways has given great results by ensuring the approvals take not more than 90 days, where it was taking more than 180 days. Even for environmental clearances, online portals have been created, which usually would have taken more than 2 years, but can now be completed in a matter of a few weeks or months.

6

### Dynamic

The Gati Shakti scheme will ensure that a basic commonality is maintained for similar projects even if the end goal is to be achieved by inter-departmental coordination. For instance, Ministry of Road and Transport has already started acquiring the 'Utility Corridors' alongside the new national highways and expressways. So as to ensure that optic fibre cable, telephone and power cables can be installed while the expressways are being constructed. Additionally, digitisation will play a big role in ensuring timely clearances and flagging potential issues, as well as in project monitoring. (Source: Invest India)

### Targets under Gati Shakti

A massive infrastructure push has been one of the Modi government's key initiatives in the second term and Gati Shakti takes that forward.

The plan includes 11 industrial corridors, achieving a ₹1.7 Lakh crore turnover in defence production and having 38 electronics manufacturing clusters and 109 pharma clusters by FY 2024-25.

The National Master Plan fixes targets up to FY 2024-25 for all infrastructure ministries. Like for the Road Transport and Highways Ministry, the target is National Highways of 2 Lakh kilometers, completion of four or six-lane national highways of 5,590 kilometers along coastal areas and all state capitals in north-east to be connected with four-lane national highways or two two-lane national highways.

For Railways, the target by FY 2024-25 is to handle cargo of 1,600 million tonnes from 1,210 million tonnes in 2020, decongesting 51% of the Railway network by completing additional lines and implementation of two Dedicated Freight Corridors (DFCs).

In Civil Aviation, the target is to double the existing aviation footprint to have a total of 220 airports, heliports and water aerodromes by 2025, which would mean building additional 109 such facilities by then. In Shipping, the national masterplan says the target by FY 2024-25 is to have total cargo capacity to be handled at the ports at 1,759 MMTPA from 1,282 MMTPA in 2020.

The gas pipeline network in the country is aimed to be doubled to 34,500 kilometers by FY 2024-25 by building an additional 17,000 kilometers long trunk pipeline connecting major demand and supply centres for industries. In power lines, the total transmission network by FY 2024-25 is targeted to be 4.52 Lakh circuit kilometers and the renewable energy capacity will be increased to 225 GW from 87.7 GW presently. (Source: Moneycontrol.com)

# ESG and Supreme Infrastructure



## Overview

At Supreme Infrastructure, ESG is core to business sustainability.

We may be engaged in the business of construction; however, fundamentally, we are engaged in the activity to enhance stakeholder trust.

We are engaged in a business where customers need to provide us contracts, employees need to work with us, vendors need to provide resources and capital equipment, lenders need to provide debt, shareholders need to provide net worth and communities need to facilitate

our engagement in the areas of their presence.

As a result, trust is not peripheral to our business but integral to it.

## Passing the forensic audit

We are pleased to communicate that Supreme Infrastructure passed an important trust test during the last financial when the company's bank resolution plan was passed. The passing of this plan was determined largely by the report of an independent credit rating agency that scrutinised our financials and accounting practices, The



agency concluded that the company's decline from peak performance was the result of a rapid change in operating conditions and challenges related to business adaptability. The agency made a specific mention that it did not find any process inconsistency or irregularity that could be construed as unethical or questionable. The audit also indicated that the management had not diverted funds to personal destinations, did not create fictitious assets on the books and that all resources (equity or debt) had been invested in projects. We believe this report to be a validation of what we have always stood for – our commitment to run a passionate business in a clean and transparent manner. It is this governance commitment that proved to be a defining feature of the clearance that formed the basis of the bank resolution plan leading to our prospective recovery.

### Working with discipline

We believe that at the heart of our ESG commitment lies an operating discipline. This discipline has been drawn from a recognition of the mistakes of the company in its earlier years, translating into an understanding of what the company will not do in the future.

**One**, the company recognises the importance of calibrated and controlled growth as opposed to unbridled growth. In view of this, the operating plan of the company will be woven around responsible year-on-year growth that does not stretch the Balance Sheet, people competencies and the capacity of the company to address the needs of its stakeholders. The company expects to grow revenues 15 % each year, which should make it possible to grow without adding substantially to its debt, in turn making it possible to address business sustainability.

**Two**, the company will bid for projects that offer an EBITDA margin of at least 14 %. This hurdle rate in terms of margin and profitability will prevent the company

from seeking revenue growth over profit growth; this approach will ensure that the company's growth remains profitable and that the company's financials remain liquid at all times. This sync between revenue and profit growth represents the basis of business sustainability.

**Three**, the company expects to work with a defined debt size, ensuring that it does not exceed the prescribed ratio. In the company's case, gearing (debt-equity ratio) is expected to be remain around the prevailing level of 0.6 or lower, resulting in interest cost visibility across market cycles. The identification of sustainable debt by the lending banks will ensure a double check on debt mobilisation, protecting the company's Balance Sheet.

**Four**, the company will operate in areas of core (or adjacent) competence. The company's order book is weighted towards roads and bridges as well as moderately in the areas of buildings, power distribution and other infrastructure. We believe that this exposure is prudent given the vast growth prospects of the roads sector in India. We will bid for and embark on projects compatible with the company's Balance Sheet size and managerial bandwidth; we will not move to another project unless at least 75 % completion has been achieved across concurrent projects with adequate completion clarity. This will ensure a clarity between head and tail, enhancing control and data-driven accountability. We will bid for projects sponsored by sound multi-lateral funding agencies or credible partners possessing large and liquid Balance Sheets. Timely construction will generate milestone-based cash flows. As a measure of prudence, we will also focus on projects and segments not impacted by the holding back of retention money that could potentially affect our cash flows.

**Five**, we will not only do the right things but do them in the right manner. We will report our financials transparently,

demonstrate credit ratings that enhance lender confidence and ensure the presentation of accounts with auditor qualifications.

**Six**, we will establish our business around a long-term business approach, marked by prudent investments in assets, technologies, people and customers. We will balance caution with aggression (strategic aggression and tactical conservatism). We will mobilise moderate long-term debt sized with our bank funding and prequalification credentials, ensuring that we are always moderately risked.

**Seven**, our promoter will be hands-on across our operations, offering a credible and dependable face to stakeholders during this phase of the corporate journey.

We are dedicated to the principles of environment-social-governance (ESG). We believe that a responsible ESG commitment will be integral to our business where we need to construct with speed and quality on the one hand and contribute towards national economic growth on the other. Our environment commitment will focus on the use of environmentally responsible resources, moderating carbon footprint through optimal design, recycling waste, consuming a moderate quantum of fossil fuels and incorporating initiatives to resist climate change. Our social component will invest in people and organisational culture, vendor cum customer relationships and community responsibility. Our governance component will articulate strategic clarity, focus on values, outline the role of operating discipline, enunciate Board composition and align with UNGC principles. We believe that this combination – environment, social and governance – offers a platform for responsible sustainable long-term growth.

# The strengths that we are bringing to the table in our second innings

## Equipment bank

The company possesses an equipment bank of around ₹150 crore that had been expensed from the Balance Sheet; the equipment bank is functional and adequate to address the requirements of the day.

## Operating leverage

The fact that the equipment bank has been fully expensed has resulted in a superior pass-through of revenues to profits and cash flows.

## Clean record

The financial challenges notwithstanding, the company possesses a clean operating record with all its customers and was never blacklisted for under-delivery.

## Projects completion

The company has developed a respect for projects completion across its demanding customers, strengthening its credentials.

## Talent capital

The company retained a large portion of its talent capital through the slowdown and restructuring, a validation of its credentials. The experienced senior team is supported by professional employees

## Technology

The company has invested in information digitalisation with the objective to access multi-site operational realities in real time, enhancing control and responsiveness

## Expertise

The company possesses a rich experience of five infrastructure spaces, which empowered the company to enter the attractive mining sector

## Investor stability

The company's business plans have been supported by patient long-term equity investors

## Projects concentration

The company has selected to focus on projects coming out of Maharashtra (India's most industrialised State), enhancing equipment and logistics control, equipment utilisation and enhancing domain insight

# Our order book

# 1,053

(₹ crore), our order book,  
31 March 2021

# Our projects

## Our completed projects

### Power projects

46

14

Cost of power project, in (₹ Cr) for South Bihar Electricity Distribution Corporation

Cost of power project, in (₹ Cr) for Bihar Power

### Road & bridge projects

128

39

56

42

41

Cost of construction of a major bridge across Bankot Creek between village Kolmandla and Veshvi in Raigad District (₹ Cr) for PWD

Cost of design and construction of new bridge between Thane and Kalwa over Thane Creek in Thane Municipal Limit (₹ Cr) for Thane Municipal Corporation

Cost of Haji Malang - construction of a Funicular ropeway project in (₹ Cr) for Supreme Suyog Funicular Ropeways Private Limited

Cost of design & construction of a six-lane bridge across Ulhas Creek (₹ Cr)

Cost of improvement of Narayanghat-Mugling Road in (₹ Cr) for Ministry of physical Infrastructure & Department of Roads

13

81

34

21

35

Cost of construction of Sawombung bridge and approaches (₹ Cr) for PWD, Manipur

Cost of construction of a bridge over River Konarin (₹ Cr) for Damodar Valley Corporation

Cost of construction of Oodiabari Damdim flyover (₹ Cr) for NHAI

Cost of construction of Mayanaguri flyover (₹ Cr) for NHAI

Construction of drain water supply network including overhead water tank, Koderma (₹ Cr) for Damodar Building Corporation

## Building construction

27

Cost of implementation of offsite buildings at Koldam (₹ Cr)

18

Cost of construction of proposed IT Park (Incubation Center) within Calcutta Leather Complex (SEZ), Gangapur Mouja, Bantala, Dist. South 24 Pargana (₹ Cr)

41

Cost of construction of a district headquarter hospital at Jharsuguda (₹ Cr)

## Railway Projects

16

Cost of construction of Br. No. 33/4 & 33/5 in connection with provision of 5th & 6th lines between Thane and Kalwa Station of C.Riy (MUTP-11) in (₹ Cr) for Kolkata Municipal Corporation

## Our ongoing projects

46

Cost of construction of Mayanaguri flyover, NH, Circle-III in Silliguri (₹ Cr) for NHAI

19

Supreme Infraprojects Pvt Limited - maintenance works

17

Kaman Road maintenance work

## Bridges/ Flyovers

53

### Project value of PWD:

Construction of a major bridge across Bankot Creek between village Kolmandla in Raigad District and village Veshvi in Ratnagiri District on Major State Highway No. 4 (Revas Reddi Costal Highway) in Raigad District in Maharashtra (₹ Cr).

53

### Project value of TMC:

Design and construction of a new bridge between Thane and Kalwa over Thane Creek in Thane Municipal Limit in (₹ Cr).

7

### Project value of Supreme Suyog Funicular Ropeways Private Limited:

Haji Malang - Construction of Funicular ropeway project in (₹ Cr).

70

### Project value of MMRDA:

Design & Construction of Six Lane Bridge across Ulhas creek on proposed Motagaon- Mankoli Road on a lump sum basis in the State of Maharashtra under Extended MUIP in (₹ Cr).

## Power projects

### Buildings

14

### Project value of National Thermal Power Corporation:

implementation of offsite buildings at Koldam (₹ Cr)

79

### Project value of South Bihar Electricity Distribution Corporation:

Strengthening, improvement and augmentation of distribution system under special plan (BRGF) scheme (Phase I & II) (₹ Cr)

18

### Project value of Bihar Power:

Electrification work of Patna circle under integrated power development scheme (₹ Cr)

Our sectorial presence

# Roads and bridges



## Roads

India's road network is the second largest in the world at about 62.16 Lakh Km, comprising national highways of 1,36,440 Km, expressways of 1,76,818 Km, state highways, major roads, other district roads and village roads. Other roads comprise

a total length of 59,02,539 kilometers covering 90% of the passenger traffic and 64.5% of the freight traffic. National highways constitute 2% of the total road network and carry 40% of the total traffic. During FY 2020-21, the construction of

national highways has been the highest ever in the last five years with an average speed of 29.81 kilometers per day despite the Covid-19 crisis and months of lockdown.

### Sectorial demand drivers

- The enhanced production of commercial and passenger vehicles resulted in an increasing demand for broader and combined road networks. The production of all vehicle segments reached 26 million.
- Improved freight and passenger movement efficiency across the country
- Road connectivity needs of backward and tribal areas, economic activity, places of religious and tourist interest, border areas, coastal areas and trade routes with neighbouring countries are

largely getting addressed

- Moderated road congestion of local city traffic with highway traffic. The city traffic must be separated from the highway traffic to address the congestion points through the development of grade separators, city bypasses, ring roads and lane expansion etc.
- Enhanced connectivity across major economic hubs
- Road building in India is the second least expensive in Asia, which is

attracting foreign investors to invest in this sector.

- India has joined the league of 15 of global alliance, which will work towards the ethical use of Smart City technologies
- The government has allowed 100% FDI under the automatic route subject to applicable laws and regulations.
- The government has planned to invest USD1.4 trillion for infrastructure between 2020-25

## Industry scenario

The roads and highways market is expected to demonstrate a CAGR of 36.16% during 2016-2025, due to increased initiatives of the government to upgrade transportation infrastructure in the country. Until December 2019, nearly 40% of the 1,824 PPP projects awarded in India were related to roads. The highways segment in India has been spearheading performance and innovation in the road sector. The government has effectively rolled out over 60 projects valued over USD10 billion based on the Hybrid

Annuity Model (HAM). HAM enables the appropriate balancing of risks between private and public partners and has fostered PPP activity in the sector. The National Highways Authority of India (NHA) has undertaken asset recycling, through the toll-operate transfer (ToT) model for 100 highways. The first two sets of nine highways were monetised effectively for an investment of over USD 2 billion each. NHA has gone fully digital with the launch of a unique cloud based and artificial intelligence

powered big data analytics platform-Data Lake and project management software. This is one of the biggest reforms as the entire project management workflow of NHA has transformed from manual to online portal-based, whereas the entire project execution operations comprising 'workflow with time lines' and 'alert mechanism' have been composed. All project documentation, contractual decisions and approvals are now being done through the portal.

## Key national projects

The Government of India initiated key initiatives to develop and reinforce National Highways through numerous phases of the National Highways Development project (NHDP). The position of various programmes up to 31.12.2020 were as under:

ses	Total length in Km	Length completed up to 31.03.2020	Length completed during 01.04.2020 to 31.12.2020	Length completed up to 31.12.2020
Bharatmala Pariyojana (I+II+III+IV) gq, Port connection & Upgradation with 2/4/6 laning/ Development of North South- East West corridor	46,278	37,579	1,106	38,685
V 6-laning of GQ and High density corridor	6,500	3,799	289	4,088
VI Expressways	1,000	209	10	219
VII Ring Roads, Bypasses and flyovers and other structures	700 Km of ring roads/ bypass +flyovers etc	150	31	181
Other Schemes				
SARDP-NE (Phase A+ Arunachal Pradesh)	6,418	3,269	176	3,445
LWE (including Vijayawada Ranchi Route)	6,014	5,380	80	5,460
EAP (WB+JICA+ADB)	1,985	1,109	97	1,206

## Upcoming projects under Bharatmala Pariyojana Phase-I

A total of 571 infra projects with an average length of 19,785 kilometres and a cost of ₹593,820 crore have been approved till October 2021 under Bharatmala Pariyojana phase-I. Out of these 571 infra projects, 536 have been awarded with an average length of 18,782 kilometres and cost of ₹533,076 crore. Under the scheme, the government plans to construct 22 greenfield expressways coupled with access-controlled corridors. These 22 greenfield projects will be of 8,000 kilometers length and anticipated to amount ₹3.26 Lakh crore. The details of those 22 greenfield projects are as follows:

**1a) Delhi-Vadodara Expressway:** This corridor is being developed at a cost of ₹42,165 crore and is 845 kilometers long

**1b) Vadodara-Mumbai Expressway:** This corridor is being developed at a cost of ₹45,835 crore and is 446 kilometers long

**1c) Delhi-Faridabad-Sohna:** This is a 60 kilometres spur to the Delhi-Mumbai highway stretch, which has been already awarded and is to be constructed at a cost of ₹5,333 crore.

**2) Ahmedabad-Dholera Expressway:** This is 109 kilometres long and has already

been awarded. The project is being constructed at a total cost of ₹4,192 crore.

**3) Delhi-Amritsar-Katra Expressway:** This corridor is being developed at a cost of ₹37,775 crore and is 672 kilometers long



**4) Bengaluru-Chennai Expressway:** This expressway is being developed at a cost of ₹15,176 crore and is 262 kilometers long

**5) Kanpur-Lucknow Expressway:** This expressway is being developed at a cost of ₹4,183 crore and is 63 kilometers long

**6) Ambala-Kotputli Corridor:** The 313 kilometres long Ambala – Kotputli corridor is awarded at ₹11,375 crore cost.

**7) Chennai-Salem Corridor:** This 277 kilometre long flagship, access-controlled corridor from Chennai to Salem, will be developed at a cost of ₹9,681 crore.

**8) Amritsar-Bhatinda-Jamnagar Corridor:** The 917 kilometers long section of the 1,224 kilometers long Amritsar-Bhatinda Jamnagar corridor will be developed at a cost of ₹22,543 crore.

**9) Durg-Raipur-Arang Corridor:** This corridor is being developed at a cost of ₹2,689 crore and is 92 kilometers long

**10) Raipur-Vishakhapatnam Corridor:** This corridor is being developed at a cost

of ₹14,695 crore and is 465 kilometers long

**11) Chitoor-Thatchur Corridor:** This corridor is being developed at a cost of ₹3,997 crore and is 116 kilometers long

**12) Urban Extension Road II:** The 75 kilometres long UER II is planned to be developed at a cost of ₹7,495 crore.

**13) Delhi-Dehradun Corridor:** The project is to be developed as part of the 210 kilometre long corridor, with 169 kilometres of Greenfield section, the corridor is being constructed for ₹10,294 crore.

**14) Bengaluru-Satellite Ring Road:** This road is being developed at a cost of ₹14,337 crore and is 281 kilometers long

**15) Surat-Ahmednagar Solapur:** This corridor is being developed at a cost of ₹28,212 crore and is 641 kilometers long

**16) Solapur-Kurnool Corridor:** This corridor is being developed at a cost of ₹12,859 crore and is 335 kilometers long.

**17) Kharagpur-Siliguri (Till Morgram):**

This 235 kilometres long corridor is anticipated to be developed at a cost of ₹5,671 crore.

**18) Indore-Hyderabad Corridor:** The 687 kilometres long corridor is anticipated to be developed at a ₹15,014 crore cost.

**19) Hyderabad (Suryapet)-Vishakhapatnam (Devarpalle) Corridor:** The 222 kilometres corridor is expected to be constructed at a cost of ₹5,583 crore.

**20) Kota-Indore (Garoth – Ujjain):** This 135 kilometres long corridor is likely to be constructed at a cost of ₹1,887 crore.

**21) Hyderabad-Raipur Corridor:** This 330 kilometres long corridor is likely to be developed at a cost of ₹8,737 crore.

**22) Nagpur-Vijayawada Corridor:** This is 405 kilometers long access-controlled stretch is proposed to be constructed for an overall capital outlay of ₹14,666 crore.

## Bridges

The government is investing in a number of bridges – new construction and repair – to facilitate inter-regional movements, reduction in commuting time and catalysing local economic development.

### Dhubri-Phulbari Bridge over Brahmaputra:

The project emphasises the construction of the entire 19 Km length 4 - lane bridge over river Brahmaputra on NH-127B with JICA ODA loan. The construction of this bridge project will reduce major travel distance from 205.30 KM to only 19.282 KM and save time from 5 hrs to 20 minutes between Dhubri in Assam and Phulbari in Meghalaya. Construction work of 4-lane bridge (length-20 kilometers) over river Brahmaputra between Dhubri on North Bank and Phulbari on South bank on NH 127B has been awarded with the date of commencement of December 15th, 2020, allocating a total amount of ₹4,997 crore with a target date of completion of September 2028.

### Setu Bharatam (not implemented):

Prime Minister Narendra Modi initiated the Setu Bharatam programme for constructing bridges for secure and flawless travel on national highways. The Setu Bharatam programme aspires that all national highways should be free of railway level crossings by 2019. This initiative has been undertaken to reduce repeated accidents and deaths at level crossings. ₹20,800 crore was allocated as part of the programme for constructing 208 railway over bridges /railway under bridges at the level crossings. Under the programme, the government has recognised 208 places with around 1,500 bridges that are over 50 to 60 years old for reconstruction.

State	ROB/RUB
Andhra Pradesh	33
Assam	12
Bihar	20
Chattisgarh	5
Gujarat	8
Haryana	10
Himachal Pradesh	5

State	ROB/RUB
Jharkhand	11
Karnataka	17
Kerala	4
Madhya Pradesh	6
Maharashtra	12
Odisha	4
Punjab	10

State	ROB/RUB
Rajasthan	9
Tamil Nadu	9
Uttarakhand	2
Uttar Pradesh	9
West Bengal	22

In December 2020, the Ministry of Road Transport and Highways (MoRTH) declared the plan to construct an additional length of 60,000 kilometers of national highways over the next five years out of which 9000 kilometers will be economic corridors, 2500 kilometers expressways, 2000 kilometers coastal and port connectivity highways and 2000 kilometers will be border road highways. The government also plans to enhance connectivity for

100 tourist sites and develop bypasses for 45 towns/cities. The Ministry decided to complete all ongoing projects that had been awarded till FY 2015-16 and aimed at the highest ever target of construction of at least 11,000 kilometers of national highways, while aiming to increase the construction of nearly 12,000 kilometers of national highways compared to 10,237 kilometers achieved during FY 2019-20. The total length of national highway

construction during FY 2020-2021 stood at 13,298 kilometers, at an average speed of 29.81 kilometers per day the highest ever speed since last 5 years. Overall road projects of more than 55,000 kilometers in length, valuing more than ₹6.26 Lakh crore are under process. Despite a nationwide lockdown announced due to the Covid-19 pandemic, the Ministry has reached new heights in increasing highway infrastructure across the country.

## Major reforms

- The Union Budget FY 2021-22 announced the allocation ₹1.18 Lakh crore as capital expenditure to the Ministry of Road, Transport and Highways.
- The Ministry signed a Memorandum of Understanding (MoU) with the Federal Ministry of Climate Action, Environment, Energy, Mobility Innovation and Technology of the Republic of Austria to foster technology collaborations in road infrastructure
- In November 2020, the Ministry announced the 'Motor Vehicle Aggregator Guidelines 2020' to administer shared mobility and reduce pollution and traffic

congestion. Mr. Nitin Gadkari, the Union Minister of Road Transport and Highways issued a financial relief package of ₹8000 crore to benefit the workers related to their working capital requirements.

- The Cabinet has granted approval to NHAI to establish Infrastructure Investment Trust (s), to monetise completed National Highways with a toll collection track record of at least one year. NHAI infrastructure investment trust has been transferred five operational roads with a market value of ~₹5000 crore.
- With a vision to enhance the project base available with NHAI for monetisation

under Toll Operate Transfer (TOT) mode and for accumulating finance against toll receipts from recognised Public Funded/Hybrid Annuity Model (HAM) projects with the help of securitisation, the Cabinet Committee on Economic Affairs (CCEA) has granted the approval for allowing NHAI to accumulate long term finance from banks by securitising the user fee receipts from fee plazas as a substitute mode of asset monetisation.

- The government undertook key reforms in 2020 with the goal of improving ease of doing business in the road sector such as BOT (Toll) Model, TOT Model and HAM.

## Outlook

India's private sector has evolved as a major player in the construction of road infrastructure in India. Enhanced industrial activities, coupled with a growing number of two and four-wheelers have fueled the growth in road transport infrastructure projects. The Government's policy to enhance private sector participation has been a blessing for the infrastructure industry with private players getting into the business through the public-private

partnership (PPP) model. Various foreign companies have come into partnerships with domestic players to maximise the sectorial growth after the government's permission to introduce 100% Foreign Direct Investment (FDI) in the road sector. The country has attracted cumulative FDI in construction development of USD 25.93 billion between April 2000 and September 2020. The Government's decision to reduce GST rates on

construction equipment from 28% to 18% is anticipated to benefit the industry. The Government of India has allocated USD 1.4 trillion under the National Infrastructure Pipeline for FY 2018-19- FY2024-25. The roads sector is anticipated to cover about 18% capital expenditure over FY 2018-19- FY2024-25 (Source: ibef.org, MoRTH Annual Report, Indian Express, News on Air, Seminaronly. Com)

# Power segment



## Overview

Power is one of the most vital components of infrastructure, critical for the economic growth and welfare of the nation. India's power sector is

among the most diversified in the world. Sources of power generation span across conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power

to feasible non-conventional sources such as wind, solar, agricultural and domestic waste.

## The Indian power story

India is not just another electricity market. It is unique in a number of ways, which makes a long-term presence in this market imperative for companies seeking sustainable growth and enhanced value. India is an attractive market for generation, transmission and distribution sector investments. India's transmission line capacity stood at 4.42 Lakh circuit

kilometers (as on March 2021) and interregional power transfer capacity of more than 1.05 Lakh MW. The country added 16,750 circuit kilometres and 57,575 MVA of transformation capacity during the year under review. The country's national transmission grid needs to be upgraded to accelerate renewable energy adoption. This is a prerequisite for India to achieve its

ambitious renewable energy target of 175 GW by 2022, rising to 450GW by 2030. The power sector attracted USD 15.23 billion in foreign direct investment since 2000 and USD 0.67 billion in FY 2019-20; FDI in the country's power sector accounted for 3% of all the FDI in the country since 2020.

## Enhanced concentration on renewable source of energy

Power generation from renewable energy sources in India amounted to 7,356 MW in FY 2020-21. India's renewable capacity installations reached 94.43 Gigawatts (GW) as of March 31st, 2021. Solar energy was the biggest contributor in the total renewable energy capacity addition with a share of 30% followed by wind with 17% share. The renewable sector added more

new capacity than conventional energy sector in FY 2020-21 for the third year in a row, clean energy accounting for close to one-fourth of the total installed energy capacity in the country. India added 7,356 MW of total new capacity in the renewable energy sector in FY 2020-21 compared to 8,711 MW in FY 2019-20, accounting for 51% of the target (14,380

MW) for FY 2019-20. Renewable energy accounted for nearly 25% of the total energy mix as against 75% generated from conventional sources (including electricity imported from Bhutan). Even though the Indian power sector continues to be dominated by conventional sources of energy, which accounts for nearly three-quarters of the country's

installed power generation capacity, there has been a progressive shift towards renewable sources. In the last six years, the share of renewable energy (wind, solar,

bio-power and small hydro) in installed capacity reported a rise from 11.8 % (32 GW in March 2015) to 24.7 % (94 GW in March 2020). Renewable energy is

estimated at 55% of India's total installed power capacity by 2030. (Source: MNRE, HinduBusinessLine, Mercom India, PV magazine India)

## Transforming policies for the Power sector

**National Policy on Biofuels:** The government initiated the policy in May 2018 to encourage clean environment, employment generation, decreased import dependency, and foster infrastructural investment in rural areas.

**Ultra Mega Power Projects (UMPPs):** This is a tariff-based competitive bidding scheme.

**Saubhagya scheme:** The Pradhan Mantra Sahaj Bijli Har Ghar Yojana (Saubhagya) policy was initiated by the government with a vision to accomplish universal electrification by March 2019. Since the beginning of the scheme, 2.82 crore houses have been electrified. 2.63 crore un-electrified households in rural and urban areas of the country had received electricity connections in an unprecedented 18-month time frame as of March 2019. The scheme covered around 18.85 Lakh un-electrified households identified before March 31st, 2019 from the seven states-Assam, Chhattisgarh, Jharkhand, Karnataka, Manipur, Rajasthan and Uttar Pradesh which were unwilling earlier but got electricity connections, under the scheme

**UnnatJyoti by Affordable LEDs for All (UJALA) and Street Lighting National programme (SLNP):** More than 36.69

crore LED bulbs, 1.14 crore LED tube lights and 23 Lakh energy efficient fans were distributed across the country as of December 2020, preserving ~47.65 %.

**Jawaharlal Nehru National Solar Mission:** The government launched the Jawaharlal Nehru National Solar Mission (JNNSM) in 2010, which aspires to encourage ecologically sustainable growth while handling India's energy security challenge. In June 2015, India's Prime Minister Narendra Modi permitted the establishment of the country's solar power capacity target of 100 GW under the JNNSM by 2022. Numerous incentives such as zero import duty on capital investments, raw materials, low-interest rates and priority lending sector have been introduced for 2022 under this mission

**Green energy corridor:** India secured a soft loan of ₹75.26 billion from the German Development Bank with the object to implement the green corridor projects. The goal is to enhance the sectorial structure and circumstances for grid integration of renewable energies with conventional power grids. This loan is anticipated to finance 40% of intrastate and 70% of interstate transmission schemes.

### Ujwal DISCOM Assurance Yojana (UDAY):

The government introduced this scheme to enhance financial health of DISCOMs and restore power demand. The main focus of this scheme is to ascertain sustainability of distribution companies consisting operational improvement such as AT&C loss reduction. The financial allocation for the scheme stood at ₹25,913 crore.

**Tariff policy:** It is the system of the renewable purchase obligation (RPO) for deciding a minimum percentage of the purchase of energy consumption by the states from renewable energy sources. A special tariff is offered for solar energy among other renewable energies under this policy.

**Integrated Energy Policy:** This integrated policy advises concentration mainly on renewable energy development and undertakes definite targets for capacity addition.

**National Smart Grid Mission:** The focus of this mission is to exhibit smart grid capabilities via a range of initiatives and pilot projects. Under 12th Five Year Plan, a total outlay of ₹980 crore was allocated out of which ₹890 crore is allocated to smart grid development and ₹27 crore for micro grid development.

## Union Budget FY 2020-21 for the power sector

- The government granted ₹15,322 crore for the Ministry of Power and ₹5,753 crore for the Ministry of New and Renewable Energy.
- The government has set a target of installing smart electricity meters in all household sectors across the country by 2023.
- The government recommended initiating a National Hydrogen Mission in FY 2021-22 for producing hydrogen from green power sources.
- Moreover, the Union Budget FY 2021-22 granted a total outlay of ₹5,300 crore to the Integrated Power Development Scheme (IDPS) and ₹3,600 crore towards the Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY). Additionally, in a further push to the non-conventional energy sector, Solar Energy Corporation was allocated ₹1,000 crore and the Indian Renewable Energy Development Agency was allocated ₹1,500 crore

## Sectorial demand drivers

**Growing urbanisation:** India's population is anticipated to enhance from around 1.39 billion in 2021 to 1.52 billion by 2036 with 70% of the increase in urban areas. This mammoth growth in population and urbanisation is anticipated to enhance the demand for cleaner energy.

**Per capita consumption:** India's per capita electricity consumption of 1208 kWh in FY 2019-20 was low compared to 6752 TWh of China and 530TWh in Brazil, validating its scope for extensive growth.

**FDI inflow:** The industry attracted USD 15.33 billion in Foreign Direct Investment (FDI), accounting for 3% of total FDI inflow in India between April 2000 and March 2021

**NIP:** Energy sector projects accounted for the highest share of 24% originating from the total expected capital expenditure of ₹111 Lakh crore (USD 1.4 trillion) as per the National Infrastructure Pipeline 2019-25.

**Policy support:** Schemes like Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY), Ujwal DISCOM Assurance Yojana (UDAY), and Integrated Power Development Scheme (IPDS) are increasing support of electrification in the country.

## Outlook

The power generation capacity is anticipated to touch 6,19,066 MW by the end of FY 2026-27, which will comprise

238,150 MW from coal, 25,735 MW from gas, 63,301 MW from hydro, 16,880 MW from nuclear and 2,75,000 MW from

renewable energy sources. (Source: Economic Times, IBEF, Mercom, CEA)

# Marine infrastructure



Maritime transport is responsible for around 95% of India's trading by volume and 70% of the country's trade in terms of value. It is the sixteenth-largest maritime country in the world with a 7,517 kilometers coastline. The government introduced a number of fiscal and non-fiscal incentives for organisations and corporates that develop, maintain and operate ports, inland waterways and shipbuilding in India. (Source: Indiaglobalbusiness.com, Statista)

## Growth drivers

**Technological enhancement:** The efficiency of Indian ports is expected to improve with advancement on the technological front.

**Port efficiency:** There is an increasing

focus on port efficiencies, which helps in turning vessels around with increasing speed, strengthening its mutual competitiveness.

**Space productivity:** The less availability

of space in the current urban ports is leading to a rise in focus on space productivity. As a result, an increase in India's shipbuilding capacity is expected to take place in the near future. (Source: The wire, Statista, Deloitte)

## National projects

### Sagarmala Programme

To harness the 14,500 kilometers coastline of potentially navigable waterways and strategic location on key international maritime trade routes, the central government has taken off on the ambitious Sagarmala Programme for the promotion of port-led development in India. 504 projects have been identified under four pillars

under the Sagarmala programme – 211 port modernisation projects, 199 port connectivity projects, 32 port-led industrialisation projects and 62 coastal community development projects, which may unlock opportunities for port-led development and are anticipated to deploy over ₹3.57 Lac Cr of investment in infrastructure. Twenty Sagarmala projects worth ₹4,543

crore were completed between the time spanning July 2019 to October 2020, comprising nine projects of port modernisation worth ₹1,405 crore, seven port connectivity projects worth ₹2,799 crore and four coastal community development projects worth ₹339 crore.

**National Highway Project**

A budget of ₹1.18 crore has been laid out by the central government

for 8,500 kilometers of national highway projects and an additional 11,000 kilometers of the national

highway corridor by March 2022, which is expected to strengthen port throughput and productivity.

**Maritime India Vision 2030**

The Maritime India Vision-2030 is a 10-year blueprint with the aim of overhauling the Indian maritime sector. It envisages an investment of ₹3 Lakh crore in port projects that promises

to generate employment for 20 Lakh people.

Inland Water Transport: Major Inland Water Transport (IWT) projects are under construction in FY 2020-21

under the Jal Marg Vikas Project (JMVP) on National Waterway-1 (NW-1) (river Ganga) from Haldia to Varanasi. (Source: IBEF, The Hindu, Economic Times)

**Reforms**

**National logistics portal:** The Ministry of Shipping in India announced its plans to develop a National Logistics Portal (Marine) in October 2020. This consists of end-to-end logistic solutions to help the exporters, importers and service providers.

**Budget allocation:** As per the Union Budget FY 2021-22, total allocation for the Ministry of Shipping stood at ₹1,800 crore. Besides, the central government announced the privatisation of seven major ports worth ₹2,000 crore.

**Make in India:** In line with the 'Make in

India' policy of the central government and to boost shipbuilding in the country, the Ministry of Shipping reviewed the ROFR (Right of First Refusal) licensing conditions on October 22nd, 2020 for chartering vessels/ships through the tender process for all types of requirements.

**Shipbuilding Financial Assistance**

**policy:** An amount of ₹29.02 crore with 12 vessels in FY 2018-19 was released to the Indian shipyards under the Shipbuilding Financial Assistance Policy. This consists of

contracts signed during a ten-year period 2016-2026. This was followed by a layout of ₹26.97 crore for 7 vessels in FY 2019-20 and ₹5.06 crore for 3 vessels in FY 2020-21.

**Policies:** The Major Port Authorities Bill, 2020 was passed by the Parliament of India in February 2021. The bill seeks to decentralise decision-making, reinforcing excellence in major port governance. (Source: IBEF, The Hindu, Economic Times, pib.gov.in)

**Outlook**

The Indian ports sector is heading towards a healthy future with increasing investment and cargo traffic point in place. Service providers such as operation and maintenance (O&M), pilotage and harbouring as well as marine assets such as barges and dredgers are the beneficiaries of these investments.

The capacity addition at ports is anticipated to record a CAGR growth of 5-6% till the year 2022, adding a capacity of 275-325 MT. Over 57 projects worth

₹6 Lakh crore have been planned for implementation between 2015 and 2035 as a part of the Sagarmala project.

In the Maritime India Summit 2021, the Ministry of Ports, Shipping and Waterways identified a total of 400 projects with an investment potential of ₹2.25 Lakh crore.

The country's cargo traffic handled by ports is expected to touch 1,695 million metric tonnes by FY 2021-22, according to a report by the National Transport Development Policy Committee.

The government has raised the stakes with efforts to improve the maritime industry through infrastructure investments and introducing more technological solutions. Given everything goes well, it may get the country past its state of difficulty in the sector. This is expected to be summed up with steps to support trade, policy reforms, efforts to improve hinterland infrastructure, port connectivity and going paperless. (Source: IBEF, logisticsinsider.com)

Our sectorial presence

# Buildings



## Overview

The size of the Indian real estate sector is estimated at USD 180 billion in 2020, with the sector estimated to account for 13% of the country's GDP by 2025. The significant growth in retail, hospitality and commercial real estate is contributing to the required infrastructure to meet the country's increasing needs. New launches stood at 1.23 Lakh units in 2020 as against 2.36 Lakh units launched in 2019 in the top seven cities, out of which approximately 69% of the units belonged to the mid and affordable segments. The sale of houses witnessed a decline of 47% in 2020 as 1.38 Lakh homes were sold. The NRI investment in the Indian real estate market appreciated by more

than 100% from USD 5 billion in 2014 to USD 10.2 billion in 2018 and USD 13.3 billion in FY 2020-21. Moreover, this number is expected to rise to USD 14.9 billion in FY 2021-22 as the nonresident Indians are looking for property deals due to weakening of rupee, several Indians returning from the Middle East and low interest rates offered for housing loans. Due to discounts and deferred payment facilities offered by the developers during the pandemic, the demand of luxury homes surged as buyers found an opportunity to invest in premium properties and the developers were keen to liquidate their inventory. Moreover, the demand for residential real estate

surpassed pre-Covid levels in the fourth quarter of FY 2020-21, mainly on account of a good festive Q3 FY 2020-21 and buoyant fourth quarter.

The pandemic increased the speed of digital adoption in the real estate sector which will transform the way properties are sold in the country. The Indian real estate sector is projected to attract USD 8 billion capital inflow by FY 2021-22 due to growing transparency, change in accounting and management systems, tax relief measures and setting up of alternative investment funds. (Source: IBEF, Economic times, Financial express, Cushman & Wakefield)

## Emerging trends during Covid-19

**Need for larger homes:** People are now looking for larger homes even if they have to move to the peripheries to fit their budgets due to the forced lockdown and the companies preferring the work-from-home model for their employees along with online schooling for children. The market is showing a greater demand for

2.5 BHK and 3.5 BHK so that the extra space can be utilised into a workspace.

### Home layouts may be altered:

The change in consumer tastes and preferences have led to a change in new home layouts. There is a need for useful and workable homes that can fit into

working areas as work from home is the provisional new normal.

### Demand for plotted developments:

Self-owned homes help the residents to maintain better social distancing among themselves as against apartments, which have resulted in an increase in the



demand for plotted developments. There is a high demand for smaller plots ranging from 1,500 sq. ft to 2,000 sq. ft. As many professionals are working from home and could be working in the same mode for a considerable time in the future, one can work from anywhere and is not required to be residing in the main city areas.

#### **Weekend homes & farmhouses in**

**demand:** The desire to own a second home inside healthy green surroundings has now become the spirit of urban India

#### **Luxury projects garnering good**

**interest:** Luxury projects were not majorly affected by the pandemic.

**Townships may gain higher interest:** A growing interest in townships is expected to take place owing to an increasing preference to live, work and unwind in controlled environments.

#### **Large corporates and branded**

**developers:** The homebuyers have now preferred to buy from large corporates

and branded developers as it gives them a feeling of security that their investments will remain secured by timely delivery.

#### **Demand for ready-to-move-in homes:**

There is a growing demand for ready-to-move-in homes as home buyers are looking to buy residential buildings that can be seen, negotiated, evaluated and are readily available. (Source: Financial Express)

## Sectorial demand drivers

**Urbanisation:** India's population is expected to be 1.52 billion people by 2036 with a projected increase in the country's urban clusters from 34.47% of the population in 2020 to 39% by 2036.

**Demographic dividend:** India is expected to be the country with the youngest population around a median age of 28 by 2022. A younger population is anticipated to result in a higher demand for one's own home.

**Government's focus:** The Government has not amended or reduced its target of Smart Cities Mission and Affordable Housing Programs, with a provision of ₹6,450 Crore announced by the Government in the Union Budget 2020-21. Therefore, the government's strong commitment and determination for the development of the real estate sector is proven.

#### **Reversal of sentiments:**

Decrease in home loan rates and prices over the past few months have resulted in an increase in property sales.

#### **FDI norms relaxation will**

**attract investments:** The Government of India permitted FDI up to 100% in the real estate sector.

#### **Reduction in construction**

**premium:** In January 2021, the Maharashtra government announced a reduction in construction premium and levies by 50% till December 31st, 2021. This is anticipated to result in 12-17% savings in project costs in the cities of this State, especially in Mumbai and Pune. (Source: The wire, Statista, Financial Express, Business Standard)

## Reforms

• **Increase in safe harbour limit:** The Government proposed to enhance Safe Harbour limits from 10% to 20% to galvanise home buyers and real estate developers for the primary sale of residential units.

• **Additional deduction on interest:** The Government extended an additional deduction of ₹1.5 Lakh on affordable houses (up to ₹45 Lakh) for home loans till March 31st, 2022. Section 80IBA: With the objective to increase the supply of affordable houses, the government proposed that affordable housing projects can enjoy a tax holiday for another year till March 31st, 2022. The government has also proposed to allow tax exemptions for

notified affordable rental housing projects to encourage the supply of affordable rental housing for migrant workers.

• **Laws to encourage debt financing:** In the Union Budget, 2020-21, the Government proposed to make dividend payment to REIT/ InvIT exempt from TDS eliminate compliance issues and make it an easy process. This will gradually improve accessibility of finance to InvITs and REITs, and enhance funds for the infrastructure and real estate sectors.

• **Reduction in GST:** The GST Council cut the tax rates from 12% to 5% on premium houses and from 5% to 1% on affordable houses.

• **Pradhan Mantri Awas Yojana (PMAY):** As per the Union Budget, 2020-21, a person can get an interest subsidy of up to ₹3.5 Lakh on their home loans under this scheme. Moreover, the PMAY scheme has sanctioned 1.12 Crore houses in the urban areas of India. (Source: Economic Times, IBEF)

• **Stamp Duty Cut:** On 26 August, the Maharashtra government announced a reduction in stamp duty on housing units from 5% to 2% with effect until December 31st, 2020 and 3% from January 1st, 2021 to March 31st, 2021.

## Outlook

The Real Estate Investment Trust platform would create an opportunity worth ₹1.25 trillion (USD 19.65 billion) in the Indian market in the coming years. Acknowledging to a growingly well-informed consumer base and bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the transformation from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the increasing need for managing multiple projects across cities, are also investing

in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The residential sector is anticipated for a significant growth, with the central government positioning to construct 20 million affordable houses in urban areas across the country by 2022, under the ambitious Pradhan Mantri Awas Yojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs. Expected growth in the number of housing units in urban areas will enhance the demand for commercial and retail office space.

The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

The growing flow of FDI in Indian real estate is promoting growing transparency. Developers, in order to attract funding, have renovated their accounting and management systems to fulfill due diligence standards. Indian real estate is anticipated to attract an adequate amount of FDI in the next two years with USD 8 billion capital infusion by FY22.

# Management discussion & analysis



## Global economic review

The global economy reported a de-growth of 3.3% in 2020 compared to 2.9% in 2019, the worst contraction since World War II. This sharp decline in global economic growth was largely due to the outbreak of the novel coronavirus and the consequent suspension of economic activities due to the pandemic-induced lockdown. This led to supply chain

disruptions across the globe, resulting in the de-growth of some of the largest global economies.

Global FDI reported a significant decline from USD1.5 trillion in 2019 to USD859 billion in 2020, the lowest since the 1990s and was more than 30% below the investment trough that followed the 2008-09 global financial meltdown. The collapse

of the global economy had an adverse effect on the informally employed and the contract-intensive sector. China was the first economy to rebound from the pandemic with a growth of ~3.2% in the second quarter of 2020. Most European countries including UK, France and Italy recorded four consecutive quarters of GDP degrowth.

	2019	2020
World output	(3.3)	2.9
Advanced economies	(4.9)	1.7
Emerging and developing economies	(2.4)	3.7

(Source: IMF)

## Global economic growth over five years

Year	2016	2017	2018	2019	2020
Real GDP growth (%)	3.1	3.8	3.6	2.9	(3.3)

(Source: IMF)

## Outlook

The global economy is projected to grow by 5.5% in 2021 largely due to the successful roll-out of vaccines across the globe, coupled with additional policy support in the large economies. (Source: IMF)

## Indian economic overview

The Indian economy passed through one of the volatile periods in living memory in 2020-21.

At the start of 2020, India was among the five largest global economies; its economic growth rate was the fastest among major economies (save China); its population at 1.38 billion was the second largest in the world; its rural population of the under-consumed was the largest in the world.

The Indian government announced a complete lockdown in public movement and economic activity from the fourth week of March 2020. As economic activity came to a grinding halt, the lockdown had a devastating impact on an already-slumping economy as 1.38 billion Indians were required to stay indoors - one of the most stringent lockdowns enforced in the world.

The outbreak of the novel coronavirus and the consequent suspension of economic activities due to the pandemic-induced lockdown, coupled with muted consumer sentiment and investments, had a severe impact on the Indian economy during the first quarter of the year under review. The Indian economy de-grew 23.9% in the first quarter of 2020-21, the sharpest de-growth experienced by the country since the index was prepared.

The Indian Government announced a bold economic stimulus to combat the sharp slowdown caused by the lockdown, its various measures aimed at easing liquidity and credit unavailability faced by the MSME sector to reinvigorate economic activity. Similarly, various measures targeted at incentivising investments in economic segments and labour reforms, helped improve sentiment and attract global investments, strengthening India's self-reliance for critical needs.

The Indian and state governments selectively lifted controls on movement, public gatherings and events from June 2020 onwards with each stage of lockdown relaxation linked to the corresponding economic recovery. Interestingly, as controls relaxed, what the country observed was a new normal:

individuals were encouraged to work from home; inter-city business travel was replaced by virtual engagement; a greater premium was placed on the ownership of personal mobility modes (cars and two-wheelers); there was a sharp increase in home purchase following the need to accommodate an additional room for home working.

The result is that India's relief consumption, following the lifting of social distancing controls, translated into a full-blown economic recovery. A number of sectors in India – real estate, steel, cement, home building products and consumer durables, among others - reported unprecedented growth. The Indian economy de-grew at a relatively improved 7.5% in the July-September quarter and reported a 0.4% growth in the October-December quarter and a 1.6% growth in the last quarter of the year under review.

The result is that India's GDP contracted 7.3% during 2020-21, largely on account of the sharp depreciation of the first two quarters. This sharp Indian recovery – one of the most decisive among major economies – validated India's robust long-term consumption potential.

During FY 2020-21, while the Agricultural sector posted a growth of 3%, the Industrial sector contracted by (-) 7.4% and the Services sector was hit the hardest with a decline of (-) 8.4%. As a result, consumption expenditure declined (-) 7.1% while Gross Fixed Capital Formation contracted (-) 12.4%. A decline in global commodity prices helped contain inflation, with Consumer Price Index inflation rising 6.2% and Wholesale Price Index inflation rising 1.2% during the year.

### Indian economic reforms and recovery

There were a number of positive features of the Indian economy during the year under review.

India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of 2020-21 following the relaxation of the lockdown,

validating the consumption-driven improvement in the economy.

The per capita income was estimated to have declined by 5% from ₹1.35 Lakh in 2019-20 to ₹1.27 Lakh in 2020-21, which was considered moderate in view of the extensive demand destruction in the first two quarters of 2020-21.

The Indian currency strengthened from a level of ₹76.11 on April 1st, 2020 to a USD to ₹73.20 as on March 31st, 2021 after peaking at ₹76.97/ USD on April 21st, 2020 (Source: Poundsterlinglive, exchangerates.org.uk)

India's foreign exchange reserves continue to be in record setting mode – FY21 saw USD101.5 billion dollars accretion in reserves, the steepest rise in foreign exchange reserves in any financial year; India's forex reserves are ranked third after Japan and China and can cover more than a year's import payments.

India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking and was the only country in the emerging market basket that received positive FPIs of USD23.6 billion in 2020; the country ranked eighth among the world's top stock markets with a market capitalisation of USD2.5 trillion in 2020.

The Indian government initiated structural reforms in agriculture, labour laws and medium-small enterprise segments. The labour reforms were intended to empower MSMEs to increase employment and enhance labour productivity and wages.

India extended the Partial Credit Guarantee Scheme by relaxing the criteria and allowing state-owned lenders more time to purchase liabilities of shadow banks. Under the ₹45,000-crore partial credit guarantee scheme, announced as a part of the Atmanirbhar Bharat package, three additional months were given to banks to purchase the portfolio of non-banking financial companies.

The government approved amendments to the Essential Commodities Act and brought an ordinance to allow farmers

to sell their crop to anyone; the changes to the Essential Commodities Act, 1955, were intended to 'deregulate' agricultural commodities (cereals, pulses, oilseeds, edible oils, onions and potatoes from stock limits). The government approved the Farming Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020 to ensure barrier-free trade in agriculture produce.

The Government relaxed foreign direct investment (FDI) norms for sectors like defence, coal mining, contract

manufacturing and single-brand retail trading.

The Union Cabinet approved the production-linked incentive (PLI) scheme for 10 sectors. These incentives could attract outsized investments, catalysing India's growth journey.

### Outlook

The emergence of the second COVID-19 wave dampened outlook for a strong projected rebound in real GDP growth of 10.5% in FY 2021-22, which had been

supported by a strong revival achieved in Q4 FY 2020-21 and impact of fiscal stimulus packages under Atma Nirbhar 2.0 and 3.0 schemes, increased capital outlays and the promotion of investments in the Union Budget 2021-22.

As a result of the setback caused by the second wave, real GDP growth for FY 2021-22 may finish lower than expected before India returns to robust growth in FY 2022-23 with a projected 6.8% growth over FY 2021-22. (Source: Financial Express)

## Indian infrastructure sector overview

The infrastructure sector is a major growth driver for the Indian economy. The sector is immensely accountable for propelling India's overall development and the government is showing intense focus for formulation and implementation of policies that would ascertain the creation of world class infrastructure in the country. The work plan to India's infrastructure is enthralling and visionary which keeps a lot of promise for the sector in the coming decade. India aspires to spend USD 1.4 trillion on infrastructure in between 2019-23 for promotion of sustainable development in the country according to an industry report. This outlines the upward curve of the sector which is on the rise. As the Covid-19 restrictions were lifted, the infrastructure work has gained momentum and the national highways are constantly being rehabilitated based on newer technologies.

According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDIs in the construction development and construction sector was pegged at USD 25.78 billion and USD 17.22 billion, respectively, between April 2000 and September 2020. Infrastructure activities accounted for 13% of the total FDI inflows of USD 81.72 billion in FY 2020-21. The country is expected to become the third largest construction market in the world by 2022. The Government of India has undertaken key measures to strengthen the economic development of the country and to propel India's emergence as an economic powerhouse. It is aiming to eliminate structural and political blockages, attract increasing investments and revamp the economic performance comprehensively. The government of India introduced National Infrastructure Pipeline, expected to deepen infrastructure investments that

could catalyse India towards achieving USD 5-trillion in economic size during this decade. The government allocated ₹111 Lakh crore (USD 1.5 trillion) to National Infrastructure Pipeline to complete projects by 2025. The National Infrastructure Pipeline comprises a revised number of 7,400 projects, expected to widen and deepen the country's network of roads, railways, social and economic infrastructure, water, sanitation and power supported by the creation of Development Finance Institution. This is expected to create outsized road building opportunities in India across the foreseeable future. The government of India is extremely keen on developing the infrastructure sector in the country which is validated through numerous initiatives announced for this sector as part of the Union Budget 2020-21. (Source: IBEF, Times of India)

## Announcements on Union Budget 2020-21

- The government has initiated ₹103 trillion infra projects besides allocating ₹1.70 trillion for transport infrastructure and speed up highways construction.
- The government has already provided ₹22,000 crore as support to Infrastructure Pipeline prior to the budget announcements of FY 2020-21
- The government plans to accelerate the development of highways including development of 2,500-kilometers access control highways, 9,000-kilometers of economic corridors, 2,000-kilometers

of coastal and land port roads and 2,000-kilometers of strategic highways.

- The government aims to complete Delhi-Mumbai expressway and two other packages by 2023 and start working on Chennai-Bengaluru expressway.
- The government proposed to monetise at least twelve lots of highway bundles of over 6000-kilometers before 2024
- Indian railways aim to achieve electrification of 27,000 Km of tracks.
- The government plans to complete Jal

Vikas Margon National Waterway-1 in this financial year and proposes to complete 890 Km Dhubri-Sadiya connectivity by 2022

- The government proposes to develop 100 more airports by 2024 to support Udaan scheme and anticipates the air fleet number to increase from 600 to 1,200 during the same time period.
- The budget allocated ₹22,000 crore to power and renewable energy sector in FY 2020-21 (Source: Business Standard)

## Company overview

Incorporated in the year 1983, Supreme Infrastructure India Limited (SILL) is a public limited company with its head office near IIT Powai, Mumbai. SILL has steadily reached its position of being a diversified infrastructure EPC player with an inevitable presence across various industries. The Company is promoted

by Bhawanishankar.H. Sharma and the company's board of director's consist of people with more than 25 years of experience in the field of civil construction projects and agency business. The company implements extensive projects across roads, bridges, railways, power, buildings, irrigation and sewage. The

company enjoys strong presence in the roads BOT segment, where it has launched 18 projects, out of which 11 projects are functional, 7 projects are ceased and remaining projects are under consultation with respective authority.

## Financial overview

Total revenues from operations increased by 9% to ₹24,312.10 Lakh in FY 2021 as against ₹22,076.37 Lakh in FY 2020. Net loss of the company increased by 24 % to ₹(64,231.30) Lakh in FY 2021 compared to ₹(49093.38) Lakh in FY 2020.

## Risk management

The Company recognises that estimation and successful management of their risks is vital for a consistent performance and dispensing ample value to its shareholders. The Company evaluates risks periodically and undertakes precautionary steps to combat the same.

Acquisition of land is a decisive factor. There are delays in handling over obstacle-free land very often and improving progress of work and idling of resources. Commercial terms in the business are getting rigid, creating immense pressure on working capital. The sector is also uncovered to delays

in numerous approvals, creating to a domino effect. Excessive environmental events (such as incessant rainfall, flood and earthquake), National Green Tribunal bans and construction bans due to pollution creates an unfavourable risk to the business.

## Internal control systems and their adequacy

The internal control and risk management system is organised and employed accordingly with the principles and criteria set up in the corporate governance code of the organisation. It is an inherent part of the general

organisational structure of the Company and Group and involves various persons to coordinate among each other to complete their respective duties. The Board of Directors provides various guidelines to directors and management,

monitoring and support committees. The control and risk committee and the head of the audit department are supervised by the board appointed statutory auditors.

## Human resources

The Company believes that its dedicated and motivated employees are its greatest asset. The Company till now has offered competitive compensations, healthy work environment and the employee performances are recognised through

a planned reward and recognition programme. The Company intends to develop a workplace where every employee can recognise and attain his or her true power. The Company motivates individuals to undertake

voluntary projects apart from their scope of work that help them to learn and nurture creative thinking. Total number of employees in the Company stood at 81 as on 31st march, 2021.

## Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based

on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied

due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development, information or events.

# Notice

**NOTICE** is hereby given pursuant to the relevant provisions of the Companies Act, 2013, as amended (the “**Companies Act, 2013**”) read with the Companies (Management and Administration) Rules, 2014, and other applicable provisions, if any, that the **Thirty Eighth** Annual General Meeting of the Members of **SUPREME INFRASTRUCTURE INDIA LIMITED**, will be held on **Thursday, 25th August, 2022 at 11.00 A.M (IST)** through Video Conferencing (‘VC’)/ Other Audio Visual Means (‘OAVM’) facility to transact the following:

## ORDINARY BUSINESS:

### 1. To consider and adopt

- i. The Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon; and
- ii. The audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon and in this regard, to pass with or without modification(s), the following resolutions as Ordinary Resolutions:
  - a) **“RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
  - b) **“RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Mr. Vikram Bhawanishankar Sharma (DIN: 01249904) who retires by rotation and being eligible, offers himself for re-appointment;
3. To appoint/ re-appoint Statutory Auditors and to authorize Board of Directors to fix their remuneration and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments(s) thereof, for the time being in force), as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Ramanand & Associates, Chartered Accountants (Firm Registration No. 117776W) and M/s. Borkar & Muzumdar, Chartered Accountants (Firm Registration No, 101569W) be and are hereby re-appointed as Joint statutory auditors of the Company for a term of 3 (three) consecutive years from the conclusion of this Annual General Meeting (AGM) till the conclusion of 41st Annual

General Meeting of the Company, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company and in consultation with the Auditors.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and in accordance with applicable law for the time being in force.”

## SPECIAL BUSINESS

4. Appointment of Mrs. Kaveri Ramchandra Deshmukh (DIN: 09290507) as a Non-Executive Independent Woman Director of the company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150 and 152 and such other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule IV of the companies Act 2013, and Rules framed thereunder, as amended from time to time and as per the provision of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, Mrs. Kaveri Ramchandra Deshmukh (DIN: 09290507), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its Meeting held on September 18, 2021 and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the Company has received a notice in writing from member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2026.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. Appointment of Pankaj Prakash Sharma (DIN: 06521467) as Non-Executive Director of the Company;

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of the Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time

being in force) [the Act] Mr. Pankaj Prakash Sharma (DIN: 06521467) who was appointed as an Additional Director by the Board of Directors with effect from November 18, 2021 in terms of Section 161(1) of the Act and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors (including any committee thereof) of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and in accordance with applicable law for the time being in force."

6. Ratification of Cost Auditors' Remuneration

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹60,000 plus out-of-pocket expenses payable to M/s. Shashi Ranjan & Associates, Cost Accountants, (Firm Registration No.M-18347) and who

have been appointed by the Board of Directors as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company, for the Financial Year ending 31st March, 2022.

**RESOLVED FURTHER THAT** the Board of Directors (including any committee thereof) of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and in accordance with applicable law for the time being in force."

7. To Continue the Directorship of Mr. Bhawanishankar Harishchandra Sharma (DIN: 01249834), Director of The Company, As Non-Executive Director After Attaining the Age of Seventy-Five Years.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, Mr. Bhawanishankar Harishchandra Sharma (DIN: 01249834), can continue the directorship of the Company as a Non-Executive – Non-Independent Director of the Company after attaining the age of seventy-five years.

**RESOLVED FURTHER THAT** the board of directors of the Company be and is hereby authorized to do all such acts, deeds and things to give effect to the above resolution."

**For and on behalf of the Board of Directors  
Supreme Infrastructure India Limited**

**SD/-**

**Vikram Bhawanishankar Sharma**

Managing Director

DIN: 01249904

**Registered Office:**

Supreme House, Plot No. 94/c,  
Pratap Gad, Opp. I.I.T. Main Gate,  
Powai, Mumbai – 400076.  
CIN: L74999MH1983PLC029752  
Website: www.supremeinfra.com  
Date: 17th June 2022  
Place: Mumbai



**Notes:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The

facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.supremeinfra.com](http://www.supremeinfra.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

1. The remote e-voting period begins on Monday, 22nd August, 2022 at 09:00 A.M. and ends on Wednesday, 24th August, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 18th August, 2022 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, 18th August, 2022.
2. **How do I vote electronically using NSDL e-Voting system?**  
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="746 1160 981 1303" style="text-align: center;"> <p>NSDL Mobile App is available on</p> <p>   </p>   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login Type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B.** Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

**4. Your User ID details are given below:**

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

**5. Password details for shareholders other than Individual shareholders are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

**6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:**

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button
  9. After you click on the "Login" button, Home page of e-Voting will open.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nSDL.com to reset the password.
  3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nSDL.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail at info@khacs.com with a copy marked to evoting@nsdl.co.in and to the Company at cs@supremeinfra.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to (Company email id).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@supremeinfra.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/ AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation

in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.
6. Registration of Speaker related point needs to be added by company.

**SUBMISSION OF QUESTIONS OR QUERIES PRIOR TO AGM/ REGISTRATION OF SPEAKERS:**

Members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company latest by Sunday, 14th August, 2022 through email on [cs@supremeinfra.com](mailto:cs@supremeinfra.com). Such questions shall be taken up during the meeting or replied by the Company suitably.

Members who would like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and client ID/Folio no., No. of shares, PAN, mobile number at [cs@supremeinfra.com](mailto:cs@supremeinfra.com) or before Sunday 14th August 2022. Those Members who have registered themselves as a speaker will only be allowed to express their views, ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.

## STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“THE ACT”)

### ITEM NO. 3

Keeping in view the requirements set out in the Act, the Audit Committee and Board of Directors of the company have recommended appointment of Joint Statutory Auditor, M/s Borkar & Muzumdar, Chartered Accountants (Firm Registration No, 101569W) and M/s. Ramanand & Associates, Chartered Accountants (Firm Registration No. 117776W) as Joint Statutory Auditors of the company for a term of 3 (three) consecutive years from the conclusion of this Annual General Meeting (AGM) till the conclusion of 41st Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the company.

Both, M/s Borkar & Muzumdar, Chartered Accountants and M/s. Ramanand & Associates, Chartered Accountants have consented to and confirmed that their appointment, if made, would be within the limits specified under section 141(3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to section 139(1), section 141(2) and section 141(3) of the Act and the provisions of the companies (Audit and Auditors) Rules, 2014. The Board recommends the Ordinary Resolution set out at notice for approval by the members.

### ITEM NO. 4

Details pursuant to Reg. 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India is attached as Annexure-I

The Board of Directors, on the recommendation of Nominations and Remuneration Committee (NRC), appointed Mrs. Kaveri Ramchandra Deshmukh (DIN 09290507), as an Additional Director of the Company with effect from 18th September, 2021. Pursuant to the provisions of Section 161(1) of the Act, Mrs. Kaveri Ramchandra Deshmukh holds office upto the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing Mrs. Kaveri Ramchandra Deshmukh candidature for the office of Director. Based on the recommendations of the NRC and subject to the approval of the Members, Mrs. Kaveri Ramchandra Deshmukh was also appointed as an Independent Woman Director. of the Company, not liable to retire by rotation, for a period of 5 years, in accordance with the provisions of Section 149 read with Schedule IV of the Act.

Mrs. Kaveri Ramchandra Deshmukh has consented to act as Director of the Company and has given her declaration to the Board that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

She has also confirmed that she is not debarred from holding the office of a Director by virtue of any SEBI Orders or any such Authority. Further Mrs. Kaveri Ramchandra Deshmukh is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Mrs. Kaveri Ramchandra Deshmukh has confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors)

Rules, 2014, with respect to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mrs. Kaveri Ramchandra Deshmukh fulfills the conditions specified under the Act read with Rules thereunder and the Listing Regulations for her appointment as Independent Non-Executive Director of the Company and is independent of the management. Having regard to the qualifications, experience and knowledge, the Board considers that her association would be of immense benefit to the Company and it is desirable to avail the services of Mrs. Kaveri Ramchandra Deshmukh as an Independent Director. A copy of the draft letter for appointment of the Independent Director setting out the terms and conditions of her appointment will be available for inspection by the Members.

A brief profile of Mrs. Kaveri Ramchandra Deshmukh is as under:

Mrs. Kaveri Ramchandra Deshmukh aged 48 years is an Economist with experience in economic and financial sector research. She has done her MBA (Finance) from Lancaster University Management School, UK. She is pursuing PHD in Economics from Indian Institute of Technology (IIT), Mumbai.

The Board recommends the Special Resolution accompanying Notice for approval of the Members. Except Mrs. Kaveri Ramchandra Deshmukh, none of the Directors or Key Managerial Personnel (KMP) of the Company and their respective relatives are concerned or interested, financially or otherwise, in the resolution accompanying Notice. Mrs. Kaveri Ramchandra Deshmukh is not related to any other Director or KMP of the Company.

### ITEM NO. 5

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, have appointed Mr. Pankaj Prakash Sharma (DIN: 06521467) as an Additional Director of the Company in capacity of Non-Executive Director with effect from November 14, 2021 liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting (“AGM”). The Company has received following documents from Mr. Pankaj (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013.

He has also confirmed that he is not debarred from holding the office of a Director by virtue of any SEBI Orders or any such.

In terms of Section 160 of the Act, the Company has received notice in writing from a member proposing the candidature of Mr. Pankaj Prakash Sharma (DIN: 06521467) for appointment.

Mr. Pankaj Prakash Sharma is a Civil Engineering Graduate from Nagar Yuvak Shikshan Sanstha, Airoli in 1997. Mr. Pankaj has associated with the Supreme since Two decades. During his long tenure, he worked in various capacities like Chief Executive Officer

and Regional head. He has rich and varied experience in the field of civil engineering including roads, buildings, bridges and other verticals.

Details pursuant to Reg. 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India is attached as Annexure-I

The Board of Directors accordingly recommends the Ordinary Resolution set out at Item No. 5 of the Notice for the approval of the members.

#### **ITEM NO. 6**

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. Shashi Ranjan & Associates, Cost Accountants, to conduct the audit of the Cost records of the Company for the financial year ending 31st March, 2022.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the

Cost Auditor for the financial year ending 31st March, 2022, as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the said Resolution.

#### **ITEM NO. 7**

Pursuant to regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the person appointed or continuing the Directorship of the Company as a Non-Executive Director who has attained the age of seventy-five years need to approve by passing special resolution by the members of the Company.

Therefore, Mr. Bhawanishankar Sharma, the Chairman and Non-Executive Director of the Company, who has already attended the age of 75 years, may continue their office unless it would be approved by the members of the Company by passing Special Resolution.

The Board recommends the passing of the Special Resolution at Item No. 7 of the accompanying Notice for member's approval.

## ANNEXURE-I

Pursuant to the Provisions of Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) details in respect of Director seeking Appointment/ Reappointment at the Annual General Meeting is furnished below:

Name of Director	Mr. Vikram Bhawanishankar Sharma	Mrs. Kaveri Ramchandra Deshmukh	Mr. Pankaj Prakash Sharma
DIN	01249904	09290507	06521467
Brief Resume	Mr. Vikram Bhawanishankar Sharma is a Civil Engineering Graduate from Bombay University joined the company as Director in 1998. With successful execution and completion of various contracts under his expertise, the company has become eligible for handling of new contracts like Bridges, Flyovers, Sewerage Projects, Residential and Commercial Buildings, etc.	Mrs. Kaveri Ramchandra Deshmukh is an economist with experience in economic and financial sector research. She has done her MBA (Finance) from Lancaster University Management School, UK. She is pursuing PHD in Economics from Indian Institute of Technology (IIT), Mumbai.	Mr. Pankaj Prakash Sharma is a Civil Engineering Graduate from Nagar Yuvak Shikshan Sanstha, Airoli in 1997. Mr. Pankaj has associated with the Supreme since Two decades. During his long tenure, he worked in various capacities like Chief Executive Officer and Regional head. He has rich and varied experience in the field of civil engineering including roads, buildings, bridges and other verticals.
Date of Birth	08/03/1974	04/10/1973	30/05/1974
Age	48 years	49 years	48 Years
Date of first appointment on the Board of the Company	21/08/1998	18/09/2021	14/11/2021
Qualification	Civil Engineer	M.B.A.	Civil Engineer
Terms and Conditions of Appointment/ Reappointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Vikram Bhawanishankar Sharma who was re-appointed as a Managing Director in 37th Annual General Meeting for a term of 5 years and is liable to retire by rotation.	Subject to the approval of Members Mrs. Kaveri Ramchandra Deshmukh was appointed as non-Executive woman independent Director for the terms of 5 years.	Subject to the approval of Members Mr. Pankaj Prakash Sharma was appointed as non-Executive Director.
Remuneration last Drawn (including sitting fees, if any)	₹ 8,00,000/- per month. However, Mr. Vikram Sharma gave his consent to waive off his remuneration for F.Y. 2019-2020 and 2020-2021 in view of the losses incurred by the Company.	Sitting fees for attending Board Meetings.	Sitting fees for attending Board Meetings and Committee Meetings.
Remuneration Proposed to be paid	As per existing terms and conditions of his appointment	N.A.	Nil
Number of Board Meeting attended during the year 2020-21	Please Refer Corporate Governance section of the Annual Report 2020-21	Please Refer Corporate Governance Section of Annual Report 2020-21	Please Refer Corporate Governance Section of Annual Report 2020-21
Directorship held in other Listed Companies (As on March 31, 2021)	Please Refer Corporate Governance section of the Annual Report 2020-21	Please Refer Corporate Governance section of the Annual Report 2020-21	Please Refer Corporate Governance section of the Annual Report 2020-21
Chairmanship/ Membership of Committees of the Board of Directors of other listed companies as on March 31, 2021	Please Refer Corporate Governance section of the Annual Report 2020-21	Please Refer Corporate Governance section of the Annual Report 2020-21	Please Refer Corporate Governance section of the Annual Report 2020-21



Name of Director	Mr. Vikram Bhawanishankar Sharma	Mrs. Kaveri Ramchandra Deshmukh	Mr. Pankaj Prakash Sharma
Shareholding of Director in the Company (As on March 31, 2021)	10,82,942	Nil	Nil
Relationship with other Director/ Key Managerial Personnel ("KMP")	Mr. Vikram Bhawanishankar Sharma is son of Mr. Bhawanishankar Harishchandra Sharma Chairman of the Company.	No Relationship with other Directors/Key Managerial Personnel of the Company.	No Relationship with other Directors/Key Managerial Personnel of the Company.

Name of Director	Mr. Bhawanishankar Harishchandra Sharma
DIN	01249834
Brief Resume	Mr. Bhawanishankar Sharma is a Graduate in Science (B.Sc.) from Rajasthan University promoted and the founder Director of the company. He has over 25 years of rich and varied experience in construction and infrastructure industry.
Date of Birth	20/10/1947
Age	74 years
Date of first appointment on the Board of the Company	08/04/1983
Qualification	Graduate in Science (B.sc.)
Remuneration last Drawn (including sitting fees, if any)	₹ 8,00,000/- per month. However, he gave his consent to waive off his remuneration for F.Y. 2020-21
Remuneration Proposed to be paid	As per existing terms and conditions of his appointment
Number of Board Meeting attended during the year 2020-21	Please refer Corporate Governance Report section of the Annual Report 2020-21
Directorship held in other Listed Companies (As on March 31, 2021)	Please refer Corporate Governance Report section of the Annual Report 2020-21
Chairmanship/ Membership of Committees of the Board of Directors of other listed companies as on March 31, 2021	Please refer Corporate Governance Report section of the Annual Report 2020-21
Shareholding of Director in the Company (As on March 31, 2021)	13,46,708
Relationship with other Director/ Key Managerial Personnel ("KMP")	Mr. Bhawanishankar Sharma, Non-Executive Chairman is the father of Mr. Vikram Sharma, Managing Director.

# Corporate Information

## BOARD OF DIRECTORS

**Mr. B. H. Sharma**

Non-Executive Chairman

**Mr. Vikram Sharma**

Managing Director

**Mr. V. P. Singh**

Independent Director

**Mr. Vinod Agarwal**

Independent Director

**Mr. S.K. Mishra**

Independent Director

**Mrs. Payal Agarwal**

Independent Director

**Mr. Dakshendra Agarwal**

Independent Director

**Mrs. Kaveri Ramchandra Deshmukh**

Independent Director

**Mr. Pankaj Sharma**

Non-Executive Director

## STATUTORY AUDITORS

**Ramanand & Associates**

Chartered Accountants and

**M/s Borkar & Muzumdar**

Chartered Accountants

## BANKERS & INSTITUTIONS

State Bank of India

Union Bank of India

Punjab National Bank

Bank of India

Canara Bank

Syndicate Bank

ICICI Bank Ltd.

Axis Bank Ltd.

SREI Infrastructure Finance Ltd.

Central Bank of India

## REGISTERED OFFICE

**Supreme House,**

Plot No. 94/C Pratap Gad,

Opp. I.I.T Main Gate, Powai,

Mumbai – 400 076

Tel: +91 22 6128 9700

Fax: +91 22 6128 9711

## CIN

L74999MH1983PLC029752

## REGISTRAR AND TRANSFER AGENTS

**BIG SHARE SERVICES PVT. LTD.**

S6-2, 6th floor Pinnacle Business

Park, Next to Ahura Centre,

Mahakali Caves Road, Andheri

(East) Mumbai - 400093, India

Tel: +91 22 6263 8200

# Directors' Report

To  
The Members of  
**SUPREME INFRASTRUCTURE INDIA LIMITED**

Your Directors have pleasure in presenting their 38th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2021.

## 1. HIGHLIGHTS/ PERFORMANCE OF THE COMPANY

₹ In Lakhs (except EPS)

Particulars	Standalone Results for the year ended at		Consolidated Results for the year ended at	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Total Income	25,818.76	23,179.37	27,123.67	32,258.31
Total Expenses	89,647.30	71,770.13	1,06,857.10	98,996.24
Profit/(Loss) Before Tax and Exceptional Item	(63,828.54)	(48,590.76)	(79,773.43)	(66,737.93)
Exceptional Item	402.76	502.62	11,299.52	7,147.58
Profit/(Loss) Before Tax	(64,231.30)	(49,093.38)	(91,032.95)	73,885.51
Tax Expense (Net)	-	-	-	-
Profit/(Loss) After Tax	(64,231.30)	(49,093.38)	(91,032.95)	(83,089.17)
Earnings Per Share (₹)	(249.94)	(191.04)	(354.24)	(316.25)

## 2. OPERATION AND PERFORMANCE REVIEW

During the year under review on standalone basis your Company earned an income of ₹25,818.76 Lakh against ₹23,179.37 Lakh in the previous year. Your Company incurred losses of ₹64,231.30 Lakh as compared to the ₹49,093.38 Lakh in the previous year.

## 3. DIVIDEND

In view of the losses incurred and stressed financial resources, your Directors do not recommend any dividend on Equity Shares and Preference Shares for the year under review. Consequently, no amount is transferred to reserves for the year ended 31st March, 2021.

## 4. FINANCE

During the year under review, the Company's Financials were under severe stress on account of several factors like Covid 19 pandemic, delay in execution of projects, delay in execution of BOT Projects, cost over runs on delayed projects, high interest cost vis- a-vis volume of the Company's operation, stressed working capital finance and similar factors peculiar to the infrastructure sector.

## 5. CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

## 6. DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURES AND ASSOCIATES COMPANIES

The Company as on 31st March, 2021 had Sixteen Subsidiaries of which Fifteen are incorporated and based in India & One Overseas.

The Company also had one Associate Companies as on 31st March, 2021. Some Joint Venture Projects have become non operative on account of the completion of the projects.

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

The company had Two subsidiaries of which one Supreme Infrastructure BOT Private Limited is under the CIRP Process and Sanjose Supreme Tollways Development Private Limited is under the Liquidation Process.

SUBSIDIARY COMPANIES			
NAME	COUNTRY OF INCORPORATION	COMPANY'S HOLDING (IN %)	SUBSIDIARY OF
SUPREME INFRASTRUCTURE BOT PRIVATE LIMITED	INDIA	100	SUPREME INFRASTRUCTURE INDIA LIMITED
SUPREME PANVEL INDAPUR TOLLWAYS PRIVATE LIMITED	INDIA	64	SUPREME INFRASTRUCTURE INDIA LIMITED
SUPREME MEGA STRUCTURES PRIVATE LIMITED	INDIA	60	SUPREME INFRASTRUCTURE INDIA LIMITED
SUPREME INFRASTRUCTURE OVERSEAS LLC	OMAN	60	SUPREME INFRASTRUCTURE INDIA LIMITED
SUPREME MANOR WADA BHIWANDI INFRASTRUCTURE PRIVATE LIMITED	INDIA	49	SUPREME INFRASTRUCTURE BOT PRIVATE LIMITED
PATIALA NABHA INFRA PROJECTS PRIVATE LIMITED	INDIA	100	SUPREME INFRASTRUCTURE BOT PRIVATE LIMITED
SUPREME SUYOG FUNICULAR ROPEWAYS PRIVATE LIMITED	INDIA	98	SUPREME INFRASTRUCTURE BOT PRIVATE LIMITED
KOPARGAON AHMEDNAGAR TOLLWAYS (PHASE 1) PRIVATE LIMITED	INDIA	100	SUPREME INFRASTRUCTURE BOT PRIVATE LIMITED
SUPREME VASAI BHIWANDI TOLLWAYS PRIVATE LIMITED	INDIA	100	SUPREME INFRASTRUCTURE BOT PRIVATE LIMITED
MOHUL KURUL KAMTI MANDRUP TOLLWAYS PRIVATE LIMITED	INDIA	49	SUPREME INFRASTRUCTURE BOT PRIVATE LIMITED
KOTKAPURA MUKTSAR TOLLWAYS PRIVATE LIMITED	INDIA	99	SUPREME INFRASTRUCTURE BOT PRIVATE LIMITED

JOINTLY CONTROLLED ENTITIES			
NAME	COUNTRY OF INCORPORATION	COMPANY'S HOLDING (IN %)	SUBSIDIARY OF
SANJOSE SUPREME TOLLWAYS DEVELOPMENT PRIVATE LIMITED	INDIA	96.10	UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)
SUPREME INFRASTRUCTURE BOT HOLDINGS PRIVATE LIMITED	INDIA	51	UNDER CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)
SUPREME BEST VALUE KOLHAPUR (SHIROLI) SANGLI TOLLWAYS PRIVATE LIMITED	INDIA	45.90	SUPREME INFRASTRUCTURE BOT HOLDINGS PRIVATE LIMITED
SUPREME AHMEDNAGAR KARMALA TEMBHURNI TOLLWAYS PRIVATE LIMITED	INDIA	51	SUPREME INFRASTRUCTURE BOT HOLDINGS PRIVATE LIMITED
SUPREME KOPARGAON AHMEDNAGAR TOLLWAY PRIVATE LIMITED	INDIA	51	SUPREME INFRASTRUCTURE BOT HOLDINGS PRIVATE LIMITED

ASSOCIATE COMPANIES			
NAME	COUNTRY OF INCORPORATION	COMPANY'S HOLDING (IN %)	SUBSIDIARY OF
SOHAR STONES LLC	OMAN	30	

## 7. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

## 8. DEPOSITS

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

## 9. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

## 10. ENVIRONMENT & SAFETY

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

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

## 11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

## 12. DIRECTORS AND KEY MANAGERIAL PERSONNEL DIRECTORS

Pursuant to the provisions of Companies Act, 2013 and Articles of Association of the Company, Mr. Vikram Sharma, Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offered himself for re-appointment.

The Board has appointed Mrs. Payal Agarwal, as the Additional Director of the Company with effect from 01st December, 2020 and was regularized at the 37th Annual General Meeting of the Company held on 4th June, 2021 as Non-Executive, Non Independent Director of the Company.

During the year, Mr. Sushil Kumar Mishra (DIN:06411532) was re-appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation and continue to act as an independent director for a second term of five consecutive years up to March 31, 2026.

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

### KEY MANAGERIAL PERSONNEL

The Company has designated Mr. Vikram Sharma- Managing Director of the Company.

### FAMILIARISATION PROGRAM FOR THE INDEPENDENT DIRECTORS

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

### BOARD EVALUATION

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

### REMUNERATION POLICY

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

### MEETINGS

The Company held a minimum of Board meeting and Audit Committee Meeting as per companies Act, 2013. The details of the Meetings held during the financial year are given in the Corporate Governance Report.

## 13. PARTICULARS OF EMPLOYEES

The details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 is annexed as "Annexure III"

During the financial year 2020-2021 not applicable as there are no employee in the Company employed throughout the financial year with salary above ₹ 102 Lakhs per annum or employed in part of the financial year with average salary above ₹ 8.5 Lakhs per month.

The ratio of remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in the statement hereas follows:

Sr. No.	Particulars	Remarks
1.	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	During the year Directors of the Company are not being paid any remuneration
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	During the year, the Directors of the Company are not being paid any remuneration. There is no increase in the salary of CEO and Company Secretary during the year
3.	The number of permanent employees on the rolls of the company.	The total number of permanent employee of Supreme Infrastructure India Limited as on 31st March, 2021 were 81 (Eighty-One)
4.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	During the reporting period there is no increase in the compensation of the employees
5.	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company	Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior Management is as per the remuneration Policy of the Company

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

Details of loans, guarantees and investments covered under the provisions of Sections 186 of the

Companies Act, 2013 are given in notes to the financial statements.

#### 15. AUDITORS STATUTORY AUDITORS AND THEIR REPORT

M/s. Borkar & Muzumdar, Chartered Accountants (Firm Registration No, 101569W) and M/s. Ramanand & Associates, Chartered Accountants (Firm Registration No. 117776W) are the joint auditors of the Company appointed in the 37th Annual General Meeting of the Company for the period of from conclusion of the 37th Annual General meeting to till the conclusion of 38th Annual General Meeting for the financial year ended 2020-2021.

Your director to wish to re-appoint the same auditor for the financial year 2021-2022 to 2023-2024, Subject to approval of the shareholders, the Board of Directors of the Company has appointed M/s. Borkar & Muzumdar, Chartered Accountants (Firm Registration No. 101569W) and M/s Ramanand & Associates, Chartered Accountants (Firm Registration No. 117776W) as joint statutory auditor of the Company for the period of 3 years from conclusion of 38th Annual General Meeting for the financial year ended 31st March, 2021 till the conclusion of 41st Annual General Meeting of the Company to be held for the financial year ended 31st March, 2024.

The Company has received confirmation from M/s Borkar & Muzumdar, Chartered Accountants (Firm Registration No, 101569W) that they are not disqualified from continuing as

Auditors of the Company.

#### EXPLANATION TO THE QUALIFICATION IN AUDITORS' REPORT

The Directors submit their explanation to the qualifications made by the Auditors in their report for the year 2020-2021. The relevant Para nos. of the report and reply are as under:

- i. Auditor's Qualification and Management's Reply on standalone financial results:
  - a. As stated in Note 11.3 to the accompanying standalone financial statements, the Company's current financial assets as at March 31 2021 include trade receivables aggregating 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 amounts and balance confirmations, we are unable to comment upon the adjustments, if any, that are required to the carrying value of trade receivable, and consequential impact, if any, on the accompanying standalone financial statement. The Opinion on the statement for the year ended 31 March 2020 was also modified in respect of this matter.
  - b. As stated in Note 4.4 to the accompanying standalone financial statements, the Company's non-current investments as at March 31, 2021 include non-current investments in one of its subsidiary aggregating 142,556.84 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 March 31, 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, continued losses in this subsidiary for FY 2020-21, 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 statements. Previous opinion on the standalone financial statement for the year ended March 31, 2020 was also modified in respect of this matter.

- c. Note 16.1 to the accompanying statements, the Company's other current financial liabilities as at March 31, 2021 include balance amounting to ₹57,909.52 Lakhs, in respect of which confirmations/statements from the respective banks/lenders have not been provided to us by the management of the Company. Further, in respect of certain loans while principal balance has been confirmed from the confirmations issued by the banks/lenders, the interest accrued amounting ₹184,427.50 Lakhs have not been confirmed by banks/lenders. In the absence of such confirmation from banks/lenders or sufficient and appropriate alternate audit evidence, we are unable to comment on the adjustments and changes in classification of balances in accordance with the principle of Ind AS 1, presentation of financial statements, if any, that may be required to carrying value of the aforementioned balances in the accompanying statement.
- d. Note 37 to the accompanying standalone financial statements, which indicates that the Company has incurred a net loss of ₹64,150.95 lakhs during the year ended March 31 2021 and, as of that date; the Company's accumulated losses amounts to 241,787.27 lakhs which have resulted in a full erosion of net worth of the Company and its current liabilities exceeded its current assets by 377,940.02 lakhs. Further, as disclosed in Note 3 to the said financial statements, Company has defaulted in repayment of principal and interest in respect of its borrowing and has overdue operational creditor outstanding as at March 31, 2021. 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.

#### Management Reply to the above Auditor's Qualification

- (i) Trade receivables as at 31 March 2021 include ₹45,680.90 Lakh (31 March 2020: ₹45,680.90 Lakh), 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.

- (ii) The Company, as at March 31, 2021, has non-current investments in Supreme Infrastructure BOT Private Limited (SIBPL), a subsidiary company, amounting to ₹142,556.83 lakhs (March 31, 2020; ₹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 2021, 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 February 12, 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 March 31, 2021 and due to which these are considered as good and recoverable.
- (iii) Other current financial liabilities as at March 31, 2021 include balance amounting to ₹57,909.52 Lakhs, in respect of which confirmations/statements from the respective banks/lenders have not been received. Further, in respect of certain loans while principal balance has been confirmed from the confirmations issued by the banks/lenders, the interest accrued amounting ₹184,427.50 Lakhs have not been confirmed by banks/lenders. In the absence of confirmations/statements 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. Accordingly, classification of these borrowings into current and Non-Current as at 31st March, 2021 is based on the original maturity terms stated in the agreements with the lenders.

- (iv) In terms of the guidelines on Prudential Framework for Resolution of Stressed Assets issued by the Reserve Bank of India on June 7, 2019 ("RBI Circular") the majority of the lenders have in principle agreed to restructure the loan accounts of the Company with the lenders and have signed an Inter creditor arrangement as per the procedure laid down in the RBI Circular. On sanction of the resolution plan by the lenders under the aegis of the RBI circular and confirmation by the promoters to infuse additional funds, (wherein out of the total estimated debt ₹408,000 lakhs existing as at reference date i.e. February 28 2021 ₹650,000 lakhs are to be classified as sustainable debt to be serviced as per the existing terms and conditions and the remainder is to be converted into Non-Convertible Debenture, Compulsorily Convertible Debenture).

Further, the company has incurred a net loss after tax of ₹64,150 Lakhs for the year ended March 31, 2021 and has also suffered losses from operations during the preceding financial year and as of that date, the company's accumulated losses amounts to ₹241,787.27 lakhs, and its current liabilities exceeded its current assets by ₹377,940.02 Lakhs. The Company also has external borrowings from banks and financial institutions, principal and interest payment 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, Management has prepared the financial results on a "Going Concern" basis.

- (v) 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 September 18, 2021.

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

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

any further comments.

#### **COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Infrastructure activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s. Shashi Ranjan & Associates to audit the cost accounts of the Company for the financial year 2021-2022. Accordingly, a Resolution seeking Member's ratification for the appointment and remuneration payable to M/s. Shashi Ranjan & Associates, Cost Auditors is included at the Notice convening the Annual General Meeting.

#### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Nidhi Bajaj & Associates, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2020-2021 is annexed herewith as 'Annexure-IV. The Secretarial Audit Report has reported the following qualification, reservation or remark

- **Pursuant to the Regulation 33 there was a delay in declaration and submission of Financial Results to the Stock Exchange for the quarter and the year ended March 2020, quarter ended June 2020, quarter and half year ended September 2020. However, the reason for the delay was duly intimated to the stock exchange in accordance with the SEBI (LODR), 2015.**

The observations and comments given by the Secretarial Auditor in their Report are self-explanatory and hence do not call for any further comments under Section 134 of the Act.

#### **ANNUAL SECRETARIAL COMPLIANCE REPORT**

In Compliance with the Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI circular CIR/CFD/CMD1/27/2019 dated 8th February, 2019, the Company has undertaken an audit for the financial year 2020-2021 for all the applicable compliance as per the Securities and Exchange Board of India Regulation and Circular/Guidelines issued thereunder. The Annual Secretarial Compliance Report duly issued by M/s. Nidhi Bajaj & Associates, Company Secretary has been submitted to the Stock Exchanges within the prescribed time lines.

#### **16. BOARD COMMITTEES**

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

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



## 17. VIGIL MECHANISM

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

## 18. CORPORATE GOVERNANCE

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

## 19. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. In the preparations of the annual accounts for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. Selected such accounting policies as mentioned in the annual accounts and applied them consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the loss of the Company for the year ended on that date;
- c. taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. prepared the annual accounts on a going concern basis;
- e. laid down internal financial controls to be followed by the Company and that such financial controls are adequate and were operating effectively; and devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f. Devised proper systems to ensure compliance with the provisions of all applicable laws and that such system was adequate and operating effectively.

## 20. MANAGEMENT DISCUSSION AND ANALYSIS

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

## 21. COMPLIANCE WITH SECRETARIAL STANDARDS

Pursuant to the approval given on April 10, 2015 by Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings

(SS-2) came into effect from July 1, 2015. These secretarial Standards were thereafter revised and made effective from October 1, 2017. The Company is in compliance with the same.

## 22. REPORTING OF FRAUD

The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Act.

## 23. LISTING

Equity Shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has paid listing fees for the year 2020-2021.

During the year trading of the Equity shares of the Company was suspended by the National Stock Exchange of India Limited and BSE Limited with effect from 18th January, 2021. Company has filed the application for revocation of suspension of trading equity shares with National Stock Exchange of India Limited and BSE Limited and the Company has got the in principle approval of the BSE Limited for revocation of suspension.

## 24. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

### CONSERVATION OF ENERGY

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

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

### TECHNOLOGY ABSORPTION, ADAPTATION, RESEARCH & DEVELOPMENT AND INNOVATION

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

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

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

#### FOREIGN EXCHANGE EARNINGS AND OUT GO

During the year under review, there was no foreign exchange earnings and outgo.

#### 25. ANNUAL RETURN

Pursuant to Section 194(3) and 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 the Annual Return of the Company is available on the website of the Company i.e. [www.supremeinfra.com](http://www.supremeinfra.com).

#### 26. INTERNAL FINANCIAL CONTROL

Your Company operates in SAP environment and has its accounting records stored in an electronic form and backed up periodically. The SAP system is configured to ensure that all transactions are integrated seamlessly with the underlying books of account. Your Company has automated process to ensure accurate and timely updation of various master data in the underlying SAP system.

The statutory Auditor of the Company has pointed out some areas where the Company needs to strengthen the Internal Control. Management of your Company is taking effort to strengthen these areas in which more controls required to make the robust Internal Financial Control.

#### 27. RELATED PARTY TRANSACTIONS

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

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

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

#### 28. EMPLOYEE STOCK OPTION SCHEME

With an objective of participation by the employees in the ownership of the Company through share based compensation scheme/ plan, your company has implemented ESOS Scheme after having obtained the approval of the shareholders at

the Annual General Meeting of the Company held on 30th September, 2015. However, no ESOS have been granted during the year under review.

#### 29. GENERAL

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

- A. Details relating to deposits covered under chapter V of the Act.
- B. Neither the Managing Director nor the Whole-time Director of the Company receives any remuneration or commission from any of its subsidiaries.
- C. No significant or material orders in view of the management were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

#### 30. CAUTIONARY STATEMENT

The Board's Report and Management Discussion & Analysis may contain certain statements describing the Company's objectives, expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company is not obliged to update any such forward-looking statements. Some important factors that could influence the Company's operations comprise economic developments, pricing and demand and supply conditions in global and domestic markets, changes in government regulations, tax laws, litigation and industrial relations.

#### 31. ACKNOWLEDGEMENTS

The members of the Board of Directors wish to place on record their sincere appreciation for the devoted services rendered by all the employees and the continued co-operation and confidence of shareholders. The Board expresses their sincere thanks to the Bankers, Government and Semi-Government Authorities, Esteemed Customers, Suppliers, Business Associates and all other well-wishers for their consistent contribution at all levels to ensure that the Company continues to grow and excel.

SD/-

**Mr. Bhawanishankar Sharma**

Director

DIN: 01249834

SD/-

**Mr. Vikram Bhawanishankar Sharma**

Managing Director

DIN: 01249904

Date: 17.06.2022

Place: Mumbai

## FORM AOC-1

Statement pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC - 1 relating to subsidiary, joint venture and associate companies

### A. SUBSIDIARY COMPANIES

₹ in Lakhs

Sr. No.	Name of the Subsidiary Company	Reporting currency	Share Capital	Reserves & Surplus	Total Asset	Investments	Turnover	Profit Before Tax	Provision for Tax	Proposed Dividend	% of shareholding
1.	Supreme Infrastructure BOT Pvt. Ltd.	INR	1	(43,255.59)	83,343.01	60308.82	0	(2,010.78)			100%
2.	Supreme Panvel Indapur Tollways Pvt Ltd	INR	10	24,104.48	239,203.24	11.50	12,499.79	(55.67)			26%
3.	Supreme Mega Structures Pvt Ltd	INR	1	0	0	0	0	0			60%
4.	Supreme Manor Wada Bhiwandi Infrastructure Pvt Ltd	INR	10	(22,247.18)	53,581.92	0	76.55	(6,296.63)			49%
5.	Patala Nabha Infra Projects Pvt Ltd (Formerly known as Supreme Infra Projects Pvt Ltd)	INR	1	(8,298.11)	6,764.55	0	0	(1,239.89)			100%
6.	Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Pvt Ltd.	INR	5	(22,227.03)	38,966.42	0	0	(6,082.65)			39%
7.	Supreme Ahmednagar Karmala Tembhurni Tollways Pvt Ltd.	INR	57.14	(29,507.06)	67,046.74	0	0	(7,842.49)			49%
8.	Supreme Infrastructure BOT Holdings Pvt. Ltd. (SIBHPL)	INR	154.90	19,818	26,317.32	26215.50	0	(55.35)			51%
9.	Supreme Kopargaon Ahmednagar Tollways Private Limited	INR	1	(22,489.14)	2,260.05	0	0	(2,030.62)			100%
10.	Supreme Suyog Funicular Ropeways Private Limited	INR	10	(41.96)	14,566.39	0	0	(15.16)			98%
11.	Kopargaon Ahmednagar Tollways (Phase I) Private Limited	INR	1	0	0	0	0	0			100%
12.	Supreme Infrastructure Overseas LLC	INR	352.03	0	0	0	0	0			60%
13.	Supreme Vasai Bhiwandi Tollways Private Limited	INR	1	(15,528.19)	26,105.40	0	1,523.79	(3,561.57)			100%
14.	Kotkapura Muktsar Tollways Private Limited	INR	51	(4,768.61)	11,747.74	0	213.18	(1,911.05)			74%
15.	Mohol Kurul Kamati Mandrup Tollways Private Limited	INR	1	(40.02)	2.00	0	0	(0.35)			49%
16.	Sanjose Supreme Tollway Development Private Limited	INR	15.4	0	0	0	0	0			96.10%



## (c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(10)	(11)	
Sl. No	Name of the Project or Activity identified	Item from the list of activities In Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Mode of Implementation – Direct (Yes/No).	Mode of Implementation -Through Implementing Agency	
				State	District			Name	CSR Registration number.
TOTAL									

## (d) Amount spent in Administrative Overheads: Not Applicable

## (e) Amount spent on Impact Assessment, if applicable: Not Applicable

## (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Not Applicable

## (g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (in lacs.)
1.	Two percent of average net profit of the company as per section 135(5)	NIL
2.	Total amount spent for the Financial Year	NIL
3.	Excess amount spent for the financial year [(ii)-(i)]	NIL
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

## 9. (a) Details of Unspent CSR amount for the preceding three financial years: N.A.

Sl No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (inRs).	Date of transfer	
1.	2019-20	NA	NA	NA	NA	NA	NA
2.	2018-19	NA	NA	NA	NA	NA	NA
3.	2017-18	NA	NA	NA	NA	NA	NA

## (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): N.A.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing.
1.								
2.								
Total								

## 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details): Not Applicable

(a) Date of creation or acquisition of the capital asset(s) – Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset - Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) - Not Applicable

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable**

For and on behalf of the Board of Directors

SD/-

**Vikram Bhawanishankar Sharma**

Chairperson - CSR Committee

*Managing Director*

DIN: 01249904

## Annexure II

**REMUNERATION POLICY OF THE COMPANY**

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

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

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"

● **Remuneration for independent directors and non-independent non- executive directors;**

- Independent directors ("ID") and non-independent non- executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the Company and its future growth imperatives).
- Overall remuneration should be reflective of size of the company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration.
- Overall remuneration practices should be consistent with recognized best practices.
- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may

be decided by the Board.

- The NRC will recommend to the Board the quantum of commission for each Director.
- Based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings and general meetings.

● **Remuneration for managing director ("MD") executive directors ("ED")/ KMP/ rest of the Employees;**

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:

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

In terms of remuneration mix or composition,

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

**Policy implementation**

The Nomination and Remuneration Committee is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

**Annexure III**

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

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-2021, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-2021 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

	<b>Name of Director/ KMP</b>	<b>Designation</b>	<b>Remuneration of Director/ KMP for financial year 2020-2021 (₹ in Lakhs)</b>	<b>% increase in Remuneration in the Financial Year 2020-2021</b>	<b>Ratio of remuneration of each Director/ KMP to median remuneration of employees</b>
1.	Mr. Bhawanishankar Sharma	Non-Executive - Non Independent Director, Chairperson	NIL	NIL	NIL
2.	Mr. Vikram Sharma	Executive Director, MD	NIL	NIL	NIL
3.	Mr. Vishwanath Prasad Singh	Non-Executive - Independent Director	NIL	NIL	NIL
4.	Mr. Vinod Agarwala	Non-Executive - Independent Director	NIL	NIL	NIL
5.	Mr. Dakshendra Brijballabh Agrawal	Non-Executive - Independent Director	NIL	NIL	NIL
6.	Mr. Sushil Kumar Mishra	Non-Executive - Independent Director	NIL	NIL	NIL
7.	Mrs. Payal Agarwal	Non-Executive - Independent Director	NIL	NIL	NIL

Note: No Director received any remuneration other than sitting fees for the financial year 2020-2021.

- The median remuneration of employees of the company during the financial year was ₹0.23 Lacs.
- In the financial year 2020-2021, there was an increase of 7% in the median remuneration of employees.
- There were 81 (Eighty-One) permanent employees on the rolls of the Company as on 31st March, 2021.
- The average percentage decrease in the salaries of employees other than managerial personnel was 6.39% and increase in managerial remuneration NIL.
- Affirmation that the remuneration is as per the remuneration policy of the company:

It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors  
**Supreme Infrastructure India Limited**

SD/-  
**Vikram Bhawanishankar Sharma**  
Managing Director  
DIN: 01249904



## ANNEXURE IV

## FORM NO. MR. 3

SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

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

To,

The Members

SUPREME INFRASTRUCTURE INDIA LIMITED

(CIN: L74999MH1983PLC029752)

Supreme House, Pratap Gadh,

Plot No. 94/C, Opp. IIT,

Powai, Mumbai – 400 076.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SUPREME INFRASTRUCTURE INDIA LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -
  - a. The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents), Regulations, 1993 regarding the Companies Act, 2013 and dealing with Client.
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;  
*(Not Applicable as the Company has not delisted /or proposed to Delist its Equity Shares from Stock Exchange during the Audit period).*
- h. The Securities and Exchange Board of India (Buy Back of Securities)  
*(Not Applicable as the Company has not bought back / propose to buy – back any if its securities during the Audit period).*

We have also examined compliance with the applicable clauses of the following;

- a. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India; and
- b. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - Pursuant to the Regulation 33 there was a delay in declaration and submission of Financial Results to the Stock Exchange for the quarter and the year ended March 2020, quarter ended June 2020, quarter and half year ended September 2020. However, the reason for the delay was duly intimated to the stock exchange in accordance with the SEBI (LODR), 2015.
- c. The listing agreement entered into by the Company with Stock Exchanges in India.
- d. The Uniform Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- b) The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act
- c) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- d) As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- e) We further report that based on the information provided, received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- f) As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We inform that due to non-compliance and non-payment of the penalties the Company's trading was suspended on the Bombay Stock Exchange in January 2021 and same has been revoked on 2nd November, 2021 after the payment of all the penalties and compliance of all the relevant provisions of the applicable acts during the period under review.

We further informed that due to lockdown and social distancing guidelines issued by the Ministry of Home Affairs (MHA) on different dates vide orders dated 29th March, 2020, 15th April, 2020 and 1st May, 2020 for containment of spread of Covid-19, the abovementioned documents, registers, forms, etc. have not been physically verified by us, as being maintained by the Company at their offices. While we have taken all possible steps to verify the records as made available to us by the Company through electronic medium, wherever required but the audit was done subject to limitation of availability of documents.

**For Nidhi Bajaj & Associates**  
*Company Secretaries*

**Nidhi Bajaj**  
*Proprietor*

ACS – 28907, COP - 14596

UDIN: A028907C001376638

Date: 8th November, 2021  
Place: Mumbai

## Annexure – “A”

The Members

**SUPREME INFRASTRUCTURE INDIA LIMITED**

Mumbai

Our Secretarial Audit Report of even date is to be read along with this letter;

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc.;
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Nidhi Bajaj & Associates**

*Company Secretaries*

**Nidhi Bajaj**

*Proprietor*

ACS – 28907, COP - 14596

UDIN: A028907C001376638

Date: 8th November, 2021

Place: Mumbai

## Annexure to the Secretarial Audit Report:

Our report of even date is to be read along with this letter.

### Management's Responsibility

1. It is the Responsibility of Management of the Company to maintain Secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. I have followed the audit practices and processes based on materiality wherever required to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

### Disclaimer

6. The Secretarial Compliance Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

### FOR NIDHI BAJAJ & ASSOCIATES

PRACTICING COMPANY SECRETARY

### NIDHI BAJAJ

PROPRIETOR

ACS-28907, COP – 14596

UDIN: A028907C000493382

Date: 21st June, 2021

Place: Mumbai

# Corporate Governance Report

The Corporate Governance report for Financial Year ("FY") 2020-2021, which forms part of Boards' Report, is prepared pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). This report is in compliance with the Listing Regulations.

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

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

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

## 2. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING & CODE OF CORPORATE DISCLOSURE PRACTICES:

The Company has a Code of Conduct for Prevention of Insider Trading in the shares and securities of the Company as required under SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct to Regulate, Monitor and Report Trading By Insiders and Code of Practices and Procedures For Fair Disclosure of Unpublished Price Sensitive Information. All Directors, insiders and designated persons who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. The Code of Conduct for Prevention of Insider Trading is available on the website of the Company i.e. [www.supremeinfra.com](http://www.supremeinfra.com).

## 3. BOARD OF DIRECTORS:

### A. COMPOSITION AND CATEGORY OF DIRECTORS, ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND ANNUAL GENERAL MEETING, NUMBER OF OTHER BOARD OF DIRECTORS OR COMMITTEES IN WHICH A DIRECTOR IS A MEMBER OR CHAIRPERSON;

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

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

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

The names and categories of Directors, the number of Directorships and Committee positions held by them in other Public Limited Companies and in the Company in terms of SEBI Listing Regulations as on 31st March, 2021 are given below:

Name	Designation	Category	No. of Board Meeting Attended	No. of Directorship Held in other public Companies	No. of Board Committees of other Listed Companies in which Director is Chairperson(C)/ Member (M)		Attendance at last AGM	Name of the Listed entity & Category of Directorship in that entity
					C	M		
Mr. Bhawanishankar Harishchandra Sharma (DIN: 01249834)	Executive Chairman	Promoter NED	1	-	-	-	No	-
Mr. Vikram Bhavanishankar Sharma (DIN: 01249904)	Managing Director	Promoter ED	4	-	-	-	Yes	-
Mr. Vishwanath Prasad Singh (DIN: 00015784)	Director	NED (I)	4	-	-	-	Yes	-
Mr. Vinod Balmukand Agarwala (DIN: 01725158)	Director	NED (I)	4	3	1	4	Yes	<ul style="list-style-type: none"> <li>▪ GTL Infrastructure Ltd.</li> <li>▪ Technocraft Industries (India) Limited</li> <li>▪ IRIS Business Services Limited</li> </ul>
Mr. Dakshendra Brijballabh Agrawal (DIN: 01010363)	Director	NED (I)	1	-	-	-	Yes	-
Mr. Sushil Kumar Mishra (DIN: 06411532)	Director	NED (I)	4	-	-	-	Yes	-
Mrs. Payal Ashish Agarwal (DIN: 08977731)	Women Director	NED (I)	2	-	-	-	No	-

**Note:**

- a. ED - Executive Director/NED (I) - Non-Executive Director (Independent)/NED - Non-Executive Director.
- b. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationship Committee in Listed Companies other than Supreme Infrastructure India Limited. Member includes chairperson.
- c. Mr. Bhawanishankar Harishchandra Sharma and Mr. Vikram Bhavanishankar Sharma are related to each other.
- d. None of the Directors except mentioned in point "c" related to each other
- e. No. Directorship in other Companies do not include Directorship in Private Limited Companies and Companies formed under Section 8 of the Companies Act, 2013.
- f. Mrs. Payal Ashish Agarwal has appointed as an Additional Director with effect from 01st December, 2020.
- g. During the financial none of our Director acted as Member in more than 10 committees or as a Chairperson in more than 5 Committee across all Indian Companies (Listed/unlisted public), where he/she is a Director.

**B. SHAREHOLDING OF NON-EXECUTIVE DIRECTOR(S)**

Name of Director	No. of Shares	% of Capital
Mr. Bhawanishankar Harishchandra Sharma	13,46,708	5.24%

**C. SELECTION OF NEW DIRECTORS AND BOARD MEMBERSHIP CRITERIA**

The Nomination and Remuneration Committee ('NRC') assists the Board to determine the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, governance education and public service.

**D. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**
**Training & Familiarization Programme**

The Company Conducts Familiarization Programme for the Independent Directors (ID) to enable them to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company. They are given full opportunity to interact with Senior Management Personnel and are provided with all the documents required and/ or sought by them to have a good understanding of the Company, its business model and various operations, products, organization structure and the industry of which it is a part.

The IDs are also provided with an opportunity to visit the Company's plants. Details of Familiarization Programme are available on the website of the Company i.e. [www.supremeinfra.com](http://www.supremeinfra.com).

#### E. DIRECTORS QUALIFICATIONS, SKILLS, EXPERTISE, COMPETENCIES AND ATTRIBUTES

The Board Diversity Policy of the Company requires the Board to have a balance of skills, industry experience, expertise and diversity of perspectives appropriate to the Company which would strengthen the Corporate Governance structure in the Company. The Company currently has a right mix of Directors on the Board who possess the requisite qualifications, experience and expertise across multiple domains which facilitates quality decision making and enables them to contribute effectively to the Company in their capacity as Directors of the Company, more specifically in the areas of:

- i. Industry Knowledge and experience – knowledge of industry, sector and changes in industry specific policy.
- ii. Knowledge of Company - understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities).
- iii. Technical/Professional Skills and experience in the areas of Finance, Banking, Safety & Corporate Social Responsibility and allied fields, projects, accounting, law, general corporate management and strategy development and implementation to assist the ongoing aspects of the business.
- iv. Behavioral Competencies - attributes and skills to use their knowledge and experience to function well as team members and to interact with key stakeholders.

Further, the information in terms of Para C (2) (h) (ii) of Schedule V of the Listing Regulations is mentioned below;

Sr. No.	Name of Director	Skills / competencies / experience possessed
1.	Mr. Bhawanishankar Harishchandra Sharma	Leadership qualities, industry knowledge, strategic thinking, corporate governance, internal control systems and experience in overall general management including strategic and financial planning.
2.	Mr. Vikram Bhavanishankar Sharma	Leadership qualities, industry knowledge, strategic thinking, corporate governance, internal control systems and experience in overall general management including strategic and financial planning.
3.	Mr. Vishwanath Prasad Singh	Banking, Finance, Corporate Restructuring, Management
4.	Mr. Vinod Balmukand Agarwala	Finance, Regulatory, Strategy, Law, Risks & Governance
5.	Mr. Dakshendra Brijballabh Agrawal	Accounting and taxation, risk management experience, financial management expertise, regular column writing and contribution to leading journals on Sales Tax
6.	Mr. Sushil Kumar Mishra	Corporate Strategy & New Business, Financial Management, Information Technology and Government Banking.
7.	Mrs. Payal Ashish Agarwal	degree of Bachelor of Education (B.ed.), Diploma in Multimedia and Diploma in Textile Designing, Academic Counselor.

#### F. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees. The Board of Directors expressed their satisfaction with the evaluation process.

The Board evaluates its performance after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The Board evaluates by the performance of the committees after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Board reviews the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman is also evaluated on the key aspects of his role. In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman is evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same is discussed in the Board Meeting that followed the Meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors are also discussed. Performance evaluation of Independent Directors is carried out by the entire Board, excluding the Independent Director being evaluated.

#### G. BOARD MEETING

The information as required under Regulation 17(7) read with Schedule II Part A of the Listing Regulations, as

amended, is made available to the Board. The agenda and explanatory notes are sent to the Board in advance. The Board meets at least 4 times in a year to review the financial results and other items on the agenda. Committees of the Board meet before the Board Meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval and/or noting.

During the Financial Year 2020-21, Four (4) Board Meetings were held on: 02.07.2020, 16.09.2020, 06.01.2021 and 28.01.2021. The intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013, Secretarial Standards on Board Meetings and Listing Regulations as amended from time to time & exemption provided during the Covid.

#### H. BOARD COMMITTEES

The Board Committees are set up by the Board and play a crucial role in the governance structure. The Committees have been constituted to deal with specific areas / activities as mandated by applicable regulations. The Committees operate under the direct supervision of the Board, and Chairpersons of the respective committees' report to the

Board about the deliberations and decisions taken by the Committees. All Committee decisions are taken, either at the meetings of the Committee or by passing of circular resolutions. During the financial year, all recommendations, if any, made by the various Committees have been accepted by the Board. The minutes of the meetings of all committees of the Board are placed before the Board for noting. There are 4 Statutory Board constituted Committees as on March 31, 2021. The details of the various Board Committees are as mentioned below:

- i. Audit Committee
- ii. Nomination & Remuneration Committee
- iii. Stakeholders' Relationship Committee
- iv. Corporate Social Responsibility Committee

#### I. AUDIT COMMITTEE

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

#### COMPOSITION OF THE AUDIT COMMITTEE

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

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

During the FY 2020-2021, Fours meetings of the Audit committee were held on 16.09.2020, 06.01.2021 and 28.01.2021.

Composition of the Committee and attendance of members is as follows:

Sl. No.	Name of the Director	Designation	Category	No. of Audit Committee Meetings attended
1.	Mr. Dakshendra Agarwal	Chairman	Independent Director	0
2.	Mr. Vinod Agarwala	Member	Independent Director	3
3.	Mr. S. K. Mishra	Member	Independent Director	3
4.	Mr. Vikram Sharma	Member	Executive-Managing Director	3
5.	Mr. V. P. Singh	Member	Independent Director	3

The role of the audit committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of the Company's financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;



- d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  7. To review the financial statements, in particular, the investments made by the unlisted subsidiary Company;
  8. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  9. To formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor.
  10. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
  11. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  12. Discussion with internal auditors any significant findings and follow up there on.
  13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  14. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  15. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors.
  16. To review the functioning of the Whistle Blower mechanism.
  17. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
  18. Valuation of undertakings or assets of the Company, wherever it is necessary.
  19. Scrutiny of inter-corporate loans and investments.
  20. Evaluation of internal financial controls and risk management systems.
  21. Approval or any subsequent modification of transactions of the Company with related parties.
  22. To appoint a person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may be prescribed and appointed by the audit Committee for valuation, if required to be made, in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a Company or its liabilities.
  23. To ensure proper system for storage, retrieval, display or printout of the electronic records as deemed appropriate and such records shall not be disposed of or rendered unusable, unless permitted by law provided that the back-up of the books of account and other books and papers of the Company maintained in electronic mode, including at a place outside India, if any, shall be kept in servers physically located in India on a periodic basis.
  24. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments existing as on the date of coming into force of this provision.
  25. Reviewing the compliances under SEBI (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.
  26. Carrying out any other function as is mentioned in the terms of reference of the Committee.

#### POWERS

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

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

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:

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

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

The Minutes of the meetings of the Committee are placed before the Board for Noting.

## II. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration Committee is made in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations.

### A. THE TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE AS DEFINED BY THE BOARD ARE AS UNDER:

1. Identification and nomination of suitable candidates for the Board's approval in relation to appointment and removal of Directors and Key Managerial Personnel and Senior Management.
2. Identification of the key job incumbents in senior management and recommend to the Board whether the concerned individual be: (a) granted an extension in term/ service; or (b) replaced with an identified internal or external candidate or recruit other suitable candidates
3. Making recommendations to the Board in relation to the remuneration payable to the Directors and Key Managerial Personnel and Senior Management, in terms of the policy of the Company.
4. Determining the tenure of Key Managerial Personnel other than a Director, posted in a regulatory department.
5. Formulating criteria for evaluation of performance of the Board of Directors and Independent Directors.

6. Devising a policy on Board Diversity.
7. Laying out remuneration principles for employees linked to their effort, performance and achievement relating to the Company's goals.
8. Developing a succession plan to ensure the systematic and long- term development of individuals in the Senior Management level to replace when the need arises due to deaths, disabilities, retirements, and other unexpected occurrence and to regularly review the plan.
9. Framing & Reviewing the performance review policy to carry out evaluation of every Director's performance
10. Recommend to the Board, all remuneration in whatever form, payable to Senior Management.

As per Section 178(4) of the Act, the Nomination and Remuneration Committee shall, while formulating the policy under sub section (3) ensure that:

11. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
12. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
13. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
14. The composition of the Nomination and Remuneration Committee as at 31st March, 2021 and the details of Members participation at the Meetings of the Committee are as under:
15. During the F.Y. 2020-2021, One meeting of the Nomination and Remuneration Committee was held on 02nd July, 2020.

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

### B. REMUNERATION POLICY

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

### C. REMUNERATION TO NON-EXECUTIVE DIRECTORS

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

The details of the sitting fees and commission to paid/ due to be paid to Non-Executive Directors for the year ended 31st March, 2021 is as follows

Amount in Rupees

Sl. No.	Name of the Director	Sitting fees	Commission	Total
1	Mr. V.P Singh	3,80,000	Nil	3,80,000
2	Mr. Vinod Agarwala	8,80,000	Nil	8,80,000
3	Mr. S. K. Mishra	3,30,000	Nil	3,30,000
4	Mr. Dakshendra Agrawal	2,00,000	Nil	2,00,000
5	Mrs. Payal Ashish Agarwal	Nil	Nil	Nil
	<b>Total</b>	<b>17,90,000</b>		<b>17,90,000</b>

#### D. REMUNERATION TO EXECUTIVE DIRECTORS

The Executive Directors are entitled to fixed remuneration by way of salary of ₹5 Lakh per month and perquisites of ₹3 Lakh per month. Other than the above, the Executive Directors are not entitled to any bonuses, pensions, performance linked incentives, severance fees etc. The Company has not issued stock options to any Director. Considering the present business scenario and difficulties being faced by the infrastructure sector, Mr. Vikram Sharma, Managing Director gave their consent to waive the fixed managerial remuneration earned by them for the year 2020-2021 i.e. from April, 2020 to March, 2021 aggregating to ₹96,00,000/-.

The agreement with the above Executive Directors is for a period of five years with effect from 1st April, 2020 duly approved by the Shareholder at the Annual General Meeting of the Company held on 04th June, 2021. Either party to the agreement is entitled to terminate the agreement by giving not less than three-month notice in writing to the other party.

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

### III. STAKEHOLDERS RELATIONSHIP COMMITTEE

The terms of reference of the Stakeholders Relationship Committee is made in accordance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations. The terms of reference of the committee is to consider, monitor and resolve the grievances of shareholders, debenture holders and other security holders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

The composition of the Stakeholders Relationship Committee is as follows:

Name of the Director	Designation	Category
Mr. Vinod Agarwala	Chairman	Independent Director
Mr. Vikram Sharma	Member	Managing Director
Mr. Dakshendra Agarwal	Member	Independent Director

The Committee has powers to approve/authenticate all the Share transfers/transposition/transmission/duplicate shares requests received from the Shareholders. The Committee normally resolves the complaints received from the Investors/Shareholders within 7 days of receipt of the same. The Company Secretary places

before the Board the status of various complaints received by the Committee at every Board meeting.

During the F.Y. 2020-2021, no meeting of the Stake Holders Relationship Committee was held.

#### COMPLAINTS FROM INVESTORS

During the year under review, the Company had received 01 complaints from the investors which is resolved and there were no investor complaints pending as on 31st March 2021.

#### PROHIBITION OF INSIDER TRADING

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

#### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee constituted in accordance with Section 135 of the Companies Act, 2013, comprises the following three directors as on 31st March, 2021;

Name of the Director	Designation	Category
Mr. Vikram Sharma	Member	Chairman
Mr. Vinod Agarwala	Member	Member
Mr. Dakshendra Agarwal	Member	Member

The role of the CSR Committee is as under:

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

### 4. SUBSIDIARY COMPANIES

Regulation 16 (1)(c) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 defines a "material subsidiary" as subsidiary, whose income or Net worth exceeds 10% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

In terms of the provisions of the SEBI Listing Regulations, your

Company has a policy for determining 'Material Subsidiary' and the said policy is available on the Company's website at <https://www.supremeinfra.com>. Your Company has two material unlisted subsidiaries namely, Supreme Infrastructure BOT Private Limited and Supreme Panvel Indapur Tollways Private Limited.

For more effective governance, the Minutes of Board Meetings of Subsidiaries of the Company are placed before the Board of the Company for its review. The requirements of the Regulations of SEBI Listing Regulations, 2015 with regard to subsidiary companies have been complied with.

## 5. GENERAL BODY MEETINGS

AGM/EGM	Date	Venue and Time	Special Resolutions passed
AGM	04/06/2021	Video Conference	1. Re-Appointment Mr. Vikram Sharma as Managing Director of company 2. To Appoint Mr. Dakshendra Agrawal a Non-Executive Director of the Company as an Independent Director of the Company: 3. Re-Appointment of Mr. Sushil Kumar Mishra as Independent Director; 4. Appointment of Mrs. Payal Agrawal as a Director 5. Ratification of Cost Auditors Remuneration
AGM	30/12/2019	Athena Banquet Hall, 8th Floor, B-Wing, Supreme Business Park, Hiranandani, Powai, Mumbai – 400 076	1. Ratification of Cost Auditors' Remuneration; 2. Re-appointment of Mr. V. P. Singh as independent director; 3. Re-appointment of Mr. Vinod Agarwala as independent director
AGM	31/12/2018	Athena Banquet Hall, 8th Floor, B-Wing, Supreme Business Park, Hiranandani, Powai, Mumbai – 400 076	1. Ratification of Cost Auditors' Remuneration

## 6. MEANS OF COMMUNICATION

- Quarterly Results: The Company communicates the quarterly financial results to the Stock Exchanges immediately after its approval by the Board. Quarterly Results are normally published in the 'Active Times', English Daily and 'Mumbai Lakshdeep', Marathi Daily newspapers. Investors Presentations when made to institutional investors are also disseminated to the Stock Exchanges and on the website of the Company.
- Website: The Company's website [www.supremeinfra.com](http://www.supremeinfra.com) contains a separate dedicated section "investors" where shareholders information is available. Quarterly results and Annual Reports are also available on the website in user-friendly and downloadable forms.
- Annual Report: Annual Report containing, inter-alia, Directors' Report, Auditor's Report, Audited Annual Accounts and other important information is circulated to the Members of the Company and others entitled thereto. The Management's Discussion and Analysis Report forms part of the Annual Report.
- NSE Electronic Application Processing System (NEAPS): The Neaps is a web based application designed by NSE for corporate. All periodical compliance filings like shareholding pattern, Corporate Governance Report etc. are filed electronically on NEAPS.
- BSE Corporate Compliance & Listing Centre (the Listing Centre): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.
- SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the Complaint and its current status.

## 7. GENERAL SHAREHOLDER INFORMATION

1.	Company Registration details	The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74999MH1983PLC029752
2.	Annual General Meeting Date, Time and Venue	25th August, 2022
3.	Financial Year	1st April 2020 to 31st March 2021
4.	Dates of Book Closure	19th August, 2022 to 25th August, 2022
5.	Dividend	No Dividend is recommended for the year ended 31st March, 2021.
6.	Listing on Stock Exchanges	The Equity Shares of your Company are listed on: BSE Limited (BSE) Add: Floor 25, P.J. Towers, Dalal Street, Fort, Mumbai-400 001 and National Stock Exchange of India Ltd (NSE). Add:- Exchange Plaza, Bandra-Kurla Complex, Bandra, Mumbai-400 051.
7.	Annual Listing Fees	Annual Listing Fees for Financial year 2021-2022 is paid to both the exchanges
8.	Stock Code	BSE Limited (BSE): - "532904" National Stock Exchange of India Limited (NSE):- "SUPREMEINF"
9.	ISIN	INE550H01011
10.	Registrar & Transfer Agents	Bigshare Services Private Limited Add: 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Marol Maroshi Road, Andheri East, Mumbai 400059 Tel: + 91 22 62638200   Website:www.bigshareonline.com Email:cs@supremeinfra.com
11.	Share Transfer System	The Board of Directors has delegated the power of share transfer to the M/s Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company. Share Transfer Agent attends to share transfer formalities once in a fortnight.
12.	Address for Correspondence	Company Secretary Supreme Infrastructure India Limited Add:- Supreme House, Plot No.94/C, Opp. I.I.T. Main Gate, Pratap Gad, Powai, Mumbai- 400 076. Tel: + 91 22 6128 9700   Fax: + 91 22 6128 9711 Website:www.supremeinfra.com   Email:cs@supremeinfra.com
13.	Dematerialization of Shares and liquidity	As on 31st March, 2021, 2,56,98,361 Equity Shares of the Company constituting appx. 100% of the Equity Shares Capital is held in Dematerialized form. The equity shares of the Company are in compulsory dematerialized trading for all investors.
14.	Investor Complaints to be addressed to	Registrar and Share Transfer Agent M/s Bigshare Services Private Limited or to Company Secretary at the address mentioned earlier
15.	Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity.	There are no Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, which are likely impact on equity as at 31st March, 2021.
16.	Plant Locations	Hot Mix Plant, RMC Plant and Crusher Plant located at Padgha, Talvali, Near Vasare Village, Kalyan Padgha Road, Maharashtra and at various sites and locations.

## 8. DISTRIBUTION OF SHAREHOLDING

Face value: ₹10/- each (as on 31st March 2021)

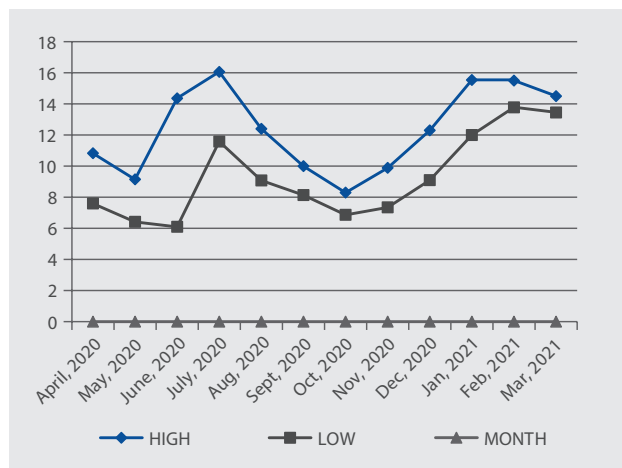
Sl. No.	Shareholding of nominal		Number of shareholders	% To total	Shares	% To total
1	1	500	7306	84.1608	815110	3.1718
2	501	1000	584	6.7273	484571	1.8856
3	1001	2000	294	3.3867	466022	1.8134
4	2001	3000	100	1.1519	259303	1.009
5	3001	4000	63	0.7257	225544	0.8777
6	4001	5000	60	0.6912	284936	1.1088
7	5001	10000	96	1.1059	684306	2.6628
8	10001	999999999	178	2.0505	22478580	87.4708
<b>Total</b>			<b>8681</b>	<b>100.0000</b>	<b>25698372</b>	<b>100.0000</b>

**Shareholding Pattern as on 31st March, 2021**

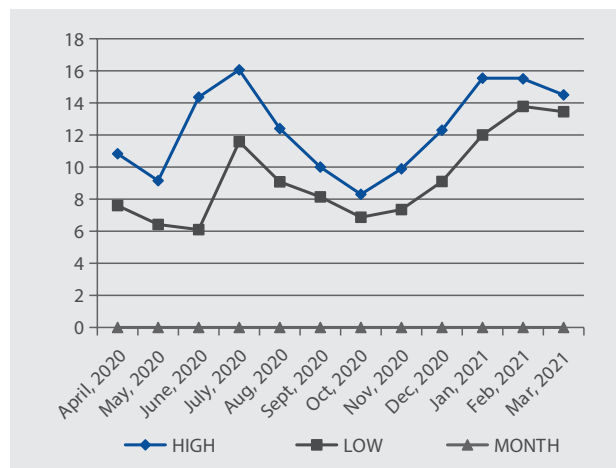
Sl. No.	Category of Shareholders	No. of Shares held	Percentage of Shareholding
<b>A.</b>	<b>Promoters &amp; Promoters Group</b>		
	Individuals/ HUF	4290903	16.70
	Bodies Corporates	4622171	17.99
	<b>Total A</b>	<b>8913074</b>	<b>34.69</b>
<b>B.</b>	<b>Public</b>		
<b>I.</b>	<b>Institutions</b>		
	Mutual Funds	0	0
	Venture Capital Funds	0	0
	Alternate Investment Funds	0	0
	Foreign Venture Capital Investors	0	0
	Foreign Portfolio Investors	3099201	12.06
	Financial Institution/Banks	0	0
	Insurance Companies	0	0
	Provident Funds/ Pension Funds	0	0
	<b>Sub Total I</b>	<b>0</b>	<b>0</b>
<b>II.</b>	<b>Central / State government(s)</b>		
	<b>Sub Total II</b>	<b>0</b>	<b>0</b>
<b>III.</b>	<b>Non-Institutional</b>		
	<b>Individuals</b>		
	Individual shareholders holding nominal share capital up to ₹2 lakhs	3371877	13.12
	Individual shareholders holding nominal share capital in excess of ₹2 lakhs.	4449803	17.32
	NBFCs registered with RBI	0	0
	Employee Trusts	0	0
	Bodies Corporate	2566817	9.99
	Clearing Member	372630	1.45
	Hindu Undivided Family	742028	2.89
	Non Resident Indians	2182942	8.49
	<b>Sub Total III</b>	<b>13686097</b>	<b>53.26</b>
	<b>Total Public Shareholding I+II+III</b>	<b>16785298</b>	<b>65.32</b>
	<b>Total A+B</b>	<b>25698372</b>	<b>100.00</b>

**Market Price Data**

Months	BSE Limited (BSE)		The National Stock Exchange of India Limited (NSE)	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2020	10.83	7.6	8.85	6.85
May 2020	9.15	6.42	8.75	6.35
June 2020	14.36	6.1	15.05	6.25
July 2020	16.06	11.58	17.20	11.4
August 2020	12.4	9.08	15.75	10.50
September 2020	10	8.14	10.95	8.2
October 2020	8.3	6.87	8.9	7.25
November 2020	9.89	7.35	10.75	08
December 2020	12.3	9.1	12.5	9.05
January 2021	15.54	12	15.50	12
February 2021	15.5	13.78	15.5	13.15
March 2021	14.5	13.45	14.45	13.1



Supreme Infra - BSE share price



Supreme Infra - NSE share price

## 9. RECONCILIATION OF SHARE CAPITAL AUDIT

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

### DEMATERIALISATION OF SHARES AND LIQUIDITY

As of the end of March 31, 2021 shares comprising approximately 100% of the Company's Equity Share Capital have been dematerialized.

Bifurcation of the category of shares in physical and electronic mode as on March 31, 2021 is given below:

Shares held through	No. of shares	Percentage of holding
NSDL	15268850	59.42
CDSL	10429511	40.58
Physical	11	0.00
<b>Total</b>	<b>25698372</b>	<b>100.00</b>

### DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

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

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

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

Dates of declaration of dividends since financial year 2011-12 and the corresponding dates when unclaimed dividends are due to be transferred to the IEPF are given in the table below:

Financial year ended	Date of declaration of dividend	Amount remaining unclaimed / unpaid as on 31.03.2020 (₹)	Last date for claiming unpaid dividend amount (before)	Last date for transfer to IEPF
31/03/2014	12/9/2014	19386.50	18/10/2021	17/11/2021

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

## 10. DISCLOSURES

A. All related party transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. Details of related party transactions entered into by the Company are included in the Notes to Accounts. Material individual transactions with related parties are in the normal course of business and do not have potential conflict with the interests of the Company at large. Transactions with

related parties entered into by the Company in the normal course of Business are placed before the Audit Committee. The policy on related party transactions as approved by the Board is uploaded on the Company's website.

- B. During the year trading of the Equity shares of the Company was suspended by National Stock Exchange of India and BSE Limited for non-compliance provisions of SEBI Regulation also both the Stock Exchanges has imposed the penalties for non-compliance or delayed compliance during the reporting period however Company has made the payment of all penalties charged by the Stock Exchanges and complied with the requirements of SEBI regulations. The suspension of trading relocked by the National Stock Exchange of India and BSE Limited with effect from 02nd November, 2021.
- C. The Audit Committee and the Board have adopted a Whistle-Blower policy which provides a formal mechanism for all employees of the Company to approach to the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no employee of the Company has been denied access to the Audit Committee.

D. The Company has complied with all the mandatory requirements of Regulation of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

E. The Company has complied with following non-mandatory and discretionary requirements as per Schedule II Part E of the SEBI Listing Regulations and as regards to the other Non-mandatory requirements, the Board has taken cognizance of the same and shall consider adopting the same as and when necessary:

- The quarterly and half-yearly financial performances are published in the newspaper and are also posted on the website of the Company and hence, it is not being sent to the Shareholders.
- The Company has complied with the requirement of having separate persons to the post of Chairman and MD & CEO.
- The internal auditors of the Company make presentation to the Audit Committee on their reports
- The Company has also adopted the policy on determination of Materiality for Disclosures [www.supremeinfra.com](http://www.supremeinfra.com)
- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) – Not applicable
- Details of fees paid to Statutory Auditors

Name of Auditor	Statutory Audit Fee	Limited Review	Other services
M/s. Ramanand and Associates	35,00,000	15,00,000	Nil
M/s Borkar & Muzumdar			Nil
<b>Total</b>	<b>35,00,000</b>	<b>15,00,000</b>	<b>50,00,000</b>

- F. During the year there is no complaints related to Sexual Harassment received.
- G. During the Financial Year Company has complied with all the mandatory requirements as specified in the Listing Regulations.

#### H. Non Disqualification Certificate

A certificate from practicing company secretary confirming that none of the Directors on the board of the Company were debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority attached as Annexure A.

#### I. Compliance Certificate

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

#### J. CEO/CFO Certification

The Managing Director and the Chief Financial Officer of the Company gave annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations, as attached to this report as Annexure – C.

#### CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

I, Vikram Sharma, Managing Director of Supreme Infrastructure India Limited hereby confirm that the Company has obtained affirmation from all the members of the Board and Management Personnel that they have complied with the Code of Conduct for Board of Directors and Senior Management and Code of Conduct for Independent Directors as applicable to them for the Financial Year 2020-2021.

SD/-

**Vikram Bhawanishankar Sharma**

Managing Director

DIN: 01249904

Date: 17.06.2022

Place: Mumbai



## ANNEXURES A

### CERTIFICATE ON NON DISQUALIFICATION OF DIRECTORS

PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE [10(1) OF THE SEBI  
(LISTING OBLIGATION AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015]

The Members

**SUPREME INFRASTRUCTURE INDIA LIMITED**  
**(CIN: L74999MH1983PLC029752)**

Supreme House, Pratap Gadh,  
Plot No. 94/C, Opp. IIT,  
Powai, Mumbai - 400 076.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Supreme Infrastructure India Limited having CIN L74999MH1983PLC029752 and having registered office at Supreme House, Pratap Gadh, Plot No. 94/C, Opp. IIT, Powai, Mumbai - 400076 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers. I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name	DIN	Date of appointment
1.	Mr. Bhawani Shankar Sharma	01249834	8/4/1983
2.	Mr. Vikram Sharma	01249904	21/08/1998
3.	Mr. V. P. Singh	00015784	20/01/2010
4.	Mr. Vinod Agarwala	01725158	20/01/2010
5.	Mr. Dakshendra Agarwal	01010363	13/11/2010
6.	Mr. S.K. Mishra	06411532	2/6/2015
7.	Mrs. Payal Ashish Agarwal*s	08977731	1/12/2020

\*Resigned with effect from 11th June, 2021.

For **Nidhi Bajaj & Associates**  
**Company Secretaries**

**Nidhi Bajaj**  
**Proprietor**

Date: 18th November, 2021  
Place: Mumbai

ACS – 28907, COP – 14596  
UDIN: A028907C001473933

## **ANNEXURES B**

### **COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members  
**SUPREME INFRASTRUCTURE INDIA LIMITED**  
**(CIN: L74999MH1983PLC029752)**  
Supreme House, Pratap Gadh,  
Plot No. 94/C, Opp. IIT,  
Powai, Mumbai – 400076

We have examined the compliance of conditions of Corporate Governance by Supreme Infrastructure India Limited, for the year ended March 31, 2021 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Collectively referred to as SEBI Listing Regulations, 2015).

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the guidance Note on certification of Corporate Governance, issued by the institute of Chartered Accountant of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For **Nidhi Bajaj & Associates**  
**Company Secretaries**

**Nidhi Bajaj**  
**Proprietor**

Date: 18th November, 2021  
Place: Mumbai

ACS – 28907, COP – 14596  
UDIN: A028907C001473790

## ANNEXURES C

# MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

To,  
The Board of Directors  
**SUPREME INFRASTRUCTURE INDIA LIMITED**

**Sub.: Certificate in accordance with Regulation 33(2) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

We, undersigned certify that the Audited Financial Results for the quarter and year ended March 31, 2021 prepared in accordance with Clause 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading and we further certify that;

- A. We have reviewed financial statements and the cash flow statement for the quarter and year ended March 31, 2021 and that to the best of their knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**Mr. Siddharth Jain**  
CFO (KMP)

**Mr. Vikram Bhawanishankar Sharma**  
Managing Director

# Independent Auditor's Report

## To the Members of Supreme Infrastructure India Limited

### Report on the Audit of Standalone Financial Statements

#### Qualified Opinion

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

#### Basis for Qualified Opinion

3. As stated in Note 11.3 to the accompanying standalone financial statements, the Company's current financial assets as at March 31 2021 include trade receivables aggregating ₹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 amounts and balance confirmations, we are unable to comment upon the adjustments, if any, that are required to the carrying value of trade receivable, and consequential impact, if any, on the accompanying standalone financial statement. The Opinion on the statement for the year ended 31 March 2020 was also modified in respect of this matter.
4. As stated in Note 4.4 to the accompanying standalone financial statements, the Company's non-current investments as at March 31, 2021 include non-current investments in one of its subsidiary aggregating ₹142,556.84 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 March 31, 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, continued losses in this subsidiary for FY 2020-21, 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 statements. Previous opinion on the standalone financial statement for the year ended March 31, 2020 was also modified in respect of this matter.

5. Note 16.1 to the accompanying statements, the Company's other current financial liabilities as at March 31, 2021 include balance amounting to ₹57,909.52 Lakhs, in respect of which confirmations/statements from the respective banks/lenders have not been provided to us by the management of the Company. Further, in respect of certain loans while principal balance has been confirmed from the confirmations issued by the banks/lenders, the interest accrued amounting ₹184,427.50 Lakhs have not been confirmed by banks/lenders. In the absence of such confirmation from banks/lenders or sufficient and appropriate alternate audit evidence, we are unable to comment on the adjustments and changes in classification of balances in accordance with the principle of Ind AS 1, presentation of financial statements, if any, that may be required to carrying value of the aforementioned balances in the accompanying statement.
6. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

## Material Uncertainty Related to Going Concern

7. We draw attention to Note 37 to the accompanying standalone financial statements, which indicates that the Company has incurred a net loss of ₹64,150.95 lakhs during the year ended March 31 2021 and, as of that date; the Company's accumulated losses amounts to ₹241,787.27 lakhs which have resulted in a full erosion of net worth of the Company and its current liabilities exceeded its current assets by ₹377,940.02 lakhs. Further, as disclosed in Note 3 to the said financial statements, Company has defaulted in repayment of principal and interest in respect of its borrowing and has overdue operational creditor outstanding as at March 31, 2021. 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.

The above assessment of the Company's ability to continue as going concern is by its nature considered as a key audit matter in accordance with SA 701. In relation to the above key audit matter, our audit work included, but was not limited to, the following procedures:

- i. Obtained an understanding of the management's process for identifying all events or conditions that may cast significant doubt over the company's ability to continue as a going concern and a process to assess the corresponding mitigating factors existing against each such event or condition. Also, obtained an understanding around the methodology adopted by the Company to assess their future business performance including the preparation of a cash flow forecast for the business.
- ii. Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management.
- iii. We obtained from the management, its projected cash flows for the next twelve months basis their future business plans and considering the impacts of

implementation of Tariff Order, 2017. Reconciled the cash flow forecast to the future business plan of the Company as approved by the Board of Directors

- iv. Assessed the methodology used by the management to estimate the cash flow projections including the appropriateness of the key assumptions in the cash flow projections for next 12 months by considering our understanding of the business, past performance of the Company, external data and market conditions apart from discussing these assumptions with the management and the Audit Committee.
- v. Tested mathematical accuracy of the projections and applied independent sensitivity analysis to the key assumptions mentioned above to determine and ensure that there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the calculations.
- vi. Assessed that the disclosures made by the management are in accordance with the applicable accounting standards.

Our opinion is not modified in respect of this matter.

### Emphasis of Matter

8. We draw attention to Note 38 to the accompanying standalone financial statements, which describes the effects of uncertainties relating to COVID-19 pandemic outbreak on the Company's operations and management's evaluation of its impact on the accompanying statement as at the reporting date, the extent of which is significantly dependent on future developments.

Our Opinion is not modified in respect of the above matters.

### Key Audit Matter

9. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
10. In addition to the matters described in the Basis for Qualified Opinion and Material Uncertainty Related to Going Concern sections, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Recognition of contract revenue, margin and contract costs (Refer note 2.1(xix) of the standalone financial statements)</b></p> <p>The Company's revenue primarily arises from construction contracts which, by its nature, is complex given the significant judgements involved in the assessment of current and future contractual performance obligations.</p> <p>Effective 1 April 2018, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' using the cumulative catch-up transition method. Accordingly, the Company recognizes revenue and margins based on the stage of completion which is determined on the basis of the proportion of value of goods or services transferred as at the Balance Sheet date, relative to the value of goods or services promised under the contract. All the projects of the Company satisfy the criteria for recognition of revenue over time (using the percentage of completion method) since the control of the overall asset (property/ site / project) lies with the customer who directs the Company. Further, the Company has assessed that it does not have any alternate use of these assets.</p> <p>The recognition of contract revenue, contract costs and the resultant profit/loss therefore rely on the estimates in relation to forecast contract revenue and the total cost. These contract estimates are reviewed by the management on a periodic basis. In doing so, the management is required to exercise judgement in its assessment of the valuation of contract variations and claims and liquidated damages as well as the completeness and accuracy of forecast costs to complete and the ability to deliver contracts within contractually determined timelines. The final contract values can potentially be impacted on account of various factors and are expected to result in varied outcomes.</p> <p>Changes in these judgements, and the related estimates as contracts progress can result in material adjustments to revenue and margins. As a result of the above judgments, complexities involved and material impact on the related financial statement elements, this area has been considered a key audit matter in the audit of the standalone financial statements.</p>	<p>Our audit of the recognition of contract revenue, margin and related receivables and liabilities included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the appropriateness of the Company's revenue recognition policies;</li> <li>• Assessed the design and implementation of key controls over the recognition of contract revenue and margins, and tested the operating effectiveness of these controls;</li> <li>• For a sample of contracts, tested the appropriateness of amount recognized by evaluating key management judgements inherent in the forecasted contract revenue and costs to complete that drive the accounting under the percentage of completion method, including:                         <ul style="list-style-type: none"> <li>- reviewed the contract terms and conditions;</li> <li>- evaluated the identification of performance obligation of the contract</li> <li>- evaluated the appropriateness of management's assessment that performance obligation was satisfied over time and consequent recognition of revenue using percentage of completion method.</li> <li>- tested the existence and valuation of claims and variations within contract costs via inspection of correspondence with customers;</li> <li>- obtained an understanding of the assumptions applied in determining the forecasted revenue and cost to complete;</li> <li>- assessed the ability of the Company to deliver contracts within budgeted timelines and exposures, if any, to liquidated damages for late delivery; and</li> </ul> </li> <li>• Assessed that the disclosures made by the management are in accordance with applicable accounting standards.</li> </ul>

## Other Matters

11. The standalone financial statements of the company for the year ended March 31, 2020 were audited by one of the joint statutory auditors Ramanand & Associates, Chartered Accountants, in sole capacity on which they had issued a modified opinion vide report dated 6 January 2021.

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

12. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with

the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate audit evidence about the carrying amount of Trade receivables, Non-current Investments and other financial liabilities as at March 31, 2021. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter. With respect to the information in Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have not yet received information on the same till date of issuance of this report.

## Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

13. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other

comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

14. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
15. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

16. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
17. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal

financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
18. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  19. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  20. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

21. The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
22. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

23. Further to our comments in Annexure 1, as required by section 143(3) of the Act, we report that:
- a) we have sought and except for the possible effects of the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) the matters described in paragraphs 3, 4, 5 and 7 under the Material Uncertainty related to Going Concern /Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company;
  - f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
  - g) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;
  - h) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated September 18, 2021 as per Annexure 2 expressed modified opinion; and
    - i) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
      - i. the Company, as detailed in Notes 4.4, 11.3, 15.1, 15.4, 30(A)(i), 30(A)(iii), 30(A)(iv) and 37 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;
      - ii. except for the possible effects of the matters described in the Basis for Qualified Opinion section, the Company, as detailed in Note 2.1 xvi to the standalone financial statements, has made provision as at 31 March 2021, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
      - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021;

**For Borkar & Muzumdar***Chartered Accountants*

FRN: 101569W

**Devang Vaghani***Partner*

Membership No: 109386

UDIN: 21109386AAAAIA9884

Date: September 18, 2021

Place: Mumbai

**For Ramanand & Associates***Chartered Accountants*

FRN: 117776W

**Ramanand Gupta***Partner*

Membership No. 103975

UDIN: 21103975AAAATX4768

Date: September 18, 2021

Place: Mumbai



## Annexure 1 to the Independent Auditor's Report

of even date to the members of Supreme Infrastructure India Limited, on the standalone financial statements for the year ended 31 March 2021

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment (fixed assets).
- (b) The Company has a regular program of physical verification of its property, plant and equipments (PPE) under which PPE are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has granted interest free unsecured loans to three (3) companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
  - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
  - (b) the schedule of repayment of the principal and the payment of the interest has not been stipulated and hence we are unable to comment as to whether repayments/receipts of the principal amount and the interest are regular;
  - (c) in the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days and whether reasonable steps have been taken by the Company for recovery of the principal amount and interest.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act, to the extent applicable, in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited to the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

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

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Tax Deducted at Source	2,339.30	April 2015 to March 2021	Various Dates	Not yet Paid
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	479.69	April 2016 to March 2021	Various Dates	Not yet Paid
Profession Tax Act, 1975	Profession Tax	15.42	April 2016 to March 2021	Various Dates	Not yet Paid
Employees' State Insurance Act, 1948	Employees' State Insurance Corporation	28.21	April 2016 to March 2021	Various Dates	Not yet Paid
Goods and Service Tax Act, 2017	Goods and Service Tax	1,525.32	July 2017 to March 2021	Various Dates	Not yet Paid
Maharashtra Value Added Tax, 2002	Value Added Tax	144.67	April 2014 to June 2017	Various Dates	Not yet Paid
The Central Excise Act, 1944	Excise Duty	33.23	December 2012 to June 2017	Various Dates	Not yet Paid

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

**Statement of Disputed Dues:**

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Amount paid under Protest (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax	119,87.26	-	F.Y. 2008-09 to 2011-12	Custom, Excise and Service Tax Appellate Tribunal
Maharashtra Value Added Tax, 2002	Value Added Tax	1,919.78	-	F.Y. 2014-15 to 2015-16	Assistant commissioner of State Tax.
Goods and Service Tax Act, 2017	Goods and Service Tax	2,797.22	-	July 2017 to Oct 2018	Assistant commissioner of State Tax.
Income Tax Act, 1961	Income Tax	7,040.05	-	A.Y. 2007-08 to 2015-16	Income Tax Officer, Commissioner of Income Tax (Appeals), CPC Bengaluru

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

Banks/Financial Institution	Principal amount of default as on 31 March 2021 (Amount in Lakhs)	Period of Default
State Bank of India	1,01,432.70	> 365 days
Union Bank of India	23,865.80	> 365 days
Punjab National Bank	29,630.00	> 365 days
Bank of India	14,923.00	> 365 days
Central Bank of India	11,806.70	> 365 days
Syndicate Bank	8,821.00	> 365 days
Canara Bank	10,832.10	> 365 days
ICICI Bank	11,561.00	> 365 days
Axis Bank	1,858.00	> 365 days
HDFC Bank	255.10	> 365 days
Indian Overseas Bank	1,367.00	> 365 days
SREI	14,480.90	> 365 days
JM Financial Asset Reconstruction	8,167.00	> 365 days
L&T Finance Limited	351.30	> 365 days

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

**For Borkar & Muzumdar***Chartered Accountants*

FRN: 101569W

**Devang Vaghani***Partner*

Membership No: 109386

UDIN: 21109386AAAAIA9884

Date: September 18, 2021

Place: Mumbai

**For Ramanand & Associates***Chartered Accountants*

FRN: 117776W

**Ramanand Gupta***Partner*

Membership No. 103975

UDIN: 21103975AAAATX4768

Date: September 18, 2021

Place: Mumbai

## Annexure 2 to the Independent Auditor's Report

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

1. In conjunction with our audit of the standalone financial statements of Supreme Infrastructure India Limited ("the Company") as at and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting ("IFCoFR") of the Company as at that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Company's IFCoFR.

### Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Basis for Qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at 31 March 2021:
  - 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.

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

**For Borkar & Muzumdar**

*Chartered Accountants*  
FRN: 101569W

**Devang Vaghani**

*Partner*  
Membership No: 109386  
UDIN: 21109386AAAAIA9884

Date: September 18, 2021  
Place: Mumbai

**Qualified Opinion**

10. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weaknesses described above in the Basis for Qualified Opinion paragraph, the Company's IFCoFR were operating effectively as at 31 March 2021.
11. We have considered the material weaknesses identified and reported above in determine the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2021 and the material weakness has effected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

**For Ramanand & Associates**

*Chartered Accountants*  
FRN: 117776W

**Ramanand Gupta**

*Partner*  
Membership No. 103975  
UDIN: 21103975AAAATX4768

Date: September 18, 2021  
Place: Mumbai

# Standalone Balance Sheet

as at 31 March 2021

All amounts are in Indian Rupees and in lakhs

	Note No.	As at 31 March 2021 Amount	As at 31 March 2020 Amount
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	11,960.01	16,971.06
Capital work-in-progress		-	669.30
Investments in subsidiaries, joint venture and associates carried at deemed cost	4I	85,778.03	85,778.03
<b>Financial assets</b>			
Investments	4 II & III	73,372.03	76,824.73
Loans	5	-	-
Other financial assets	6	311.09	339.32
Deferred tax assets (net)	7	-	-
Other non-current assets	8	-	-
<b>Total non-current assets</b>		<b>1,71,421.16</b>	<b>1,80,582.44</b>
<b>Current assets</b>			
Inventories	9	3,632.41	3,519.46
<b>Financial assets</b>			
Investments	10	2.63	2.63
Loans	5	34.87	7.98
Trade receivables	11	81,151.60	77,739.00
Cash and cash equivalents	12	317.36	318.72
Other bank balances	13	0.82	0.82
Other financial assets	6	75.83	79.65
Other current assets	8	13,689.41	13,499.04
<b>Total current assets</b>		<b>98,904.93</b>	<b>95,167.30</b>
<b>TOTAL ASSETS</b>		<b>2,70,326.09</b>	<b>2,75,749.74</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	14	2,569.84	2,569.84
Other equity		(2,11,842.35)	(1,47,745.28)
<b>Total equity</b>		<b>(2,09,272.51)</b>	<b>(1,45,175.44)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	15	2,471.49	2,005.91
Other financial liabilities	16	191.54	347.83
Provisions	17	90.62	161.40
<b>Total non-current liabilities</b>		<b>2,753.65</b>	<b>2,515.14</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	18	1,55,605.32	1,42,215.49
Trade payables	19		
- To micro enterprise and small enterprise		172.94	198.59
- To others		13,114.02	12,418.31
Other financial liabilities	16	2,90,710.66	2,47,167.35
Other current liabilities	20	14,160.97	13,265.84
Provisions	17	22.39	19.90
Income tax liabilities (net)	7	3,058.65	3,124.55
<b>Total current liabilities</b>		<b>4,76,844.95</b>	<b>4,18,410.03</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,70,326.09</b>	<b>2,75,749.74</b>

Summary of Significant Accounting Policies

1-2

The accompanying notes form an integral part of the standalone financial statements

3A-39

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

**For Ramanand & Associates**

Chartered Accountants

Firm Registration No: 117776W

**CA Ramanand Gupta**

Partner

M. No.: 103975

Place: Mumbai

Date: 18 September 2021

**For Borkar & Muzumdar**

Chartered Accountants

Firm Registration No: 101569W

**Devang Vaghani**

Partner

M. No. 109386

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

Chairman

DIN No: 01249834

Place: Mumbai

Date: 18 September 2021

**Vikram Sharma**

Managing Director

DIN No: 01249904

## Standalone Statement of Profit and Loss

for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
		Amount	Amount
<b>INCOME</b>			
Revenue from operations	21	24,312.10	22,076.37
Other income	22	1,506.66	1,103.00
<b>Total income</b>		<b>25,818.76</b>	<b>23,179.37</b>
<b>EXPENSES</b>			
Cost of construction materials consumed	23	4,158.70	4,520.68
Subcontracting expenses		16,852.02	13,755.37
Employee benefits expense	24	551.88	978.73
Finance costs	25	61,079.56	48,148.43
Depreciation and amortisation expense	26	1,515.47	1,854.05
Other expenses	27	5,489.66	2,512.87
<b>Total expenses</b>		<b>89,647.30</b>	<b>71,770.13</b>
<b>Profit/ (loss) before exceptional items and tax</b>		<b>(63,828.54)</b>	<b>(48,590.76)</b>
Exceptional items [expense/ (income)]	28	402.76	502.62
<b>Profit/ (loss) before tax</b>		<b>(64,231.30)</b>	<b>(49,093.38)</b>
<b>Tax expense/ (credit)</b>	7		
Current income tax		-	-
Deferred income tax		-	-
<b>Profit/ (loss) for the year (A)</b>		<b>-</b>	<b>-</b>
<b>Other comprehensive income (OCI)</b>		<b>(64,231.30)</b>	<b>(49,093.38)</b>
Items not to be reclassified subsequently to profit or loss			
- Gain on fair value of defined benefit plans as per actuarial valuation		80.35	(6.87)
- Income tax effect on above		-	-
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>80.35</b>	<b>(6.87)</b>
<b>Total comprehensive income/ (loss) for the year, net of tax (A+B)</b>		<b>(64,150.95)</b>	<b>(49,100.25)</b>
Earnings per equity share of nominal value ₹10 each			
Basic and diluted (in ₹)	29	(249.94)	(191.04)

Summary of Significant Accounting Policies

1-2

The accompanying notes form an integral part of the standalone financial statements 3A-39

This is the Standalone statement of profit and loss referred to in our audit report of even date

**For Ramanand & Associates**

Chartered Accountants

Firm Registration No: 117776W

**CA Ramanand Gupta**

Partner

M. No.: 103975

Place: Mumbai

Date: 18 September 2021

**For Borkar & Muzumdar**

Chartered Accountants

Firm Registration No: 101569W

**Devang Vaghani**

Partner

M. No. 109386

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

**Bhawanishankar Sharma**

Chairman

DIN No: 01249834

Place: Mumbai

Date: 18 September 2021

**Vikram Sharma**

Managing Director

DIN No: 01249904

## Standalone Cash Flow Statement

for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (loss) / profit before tax	(64,151)	(49,093)
Depreciation and amortisation expense	1,515	1,854
Finance costs	61,080	47,478
Interest income	(21)	(166)
Impairment allowance (allowance for doubtful financial assets)	558	(426)
Impairment loss - financial assets written off	407	-
Gratuity and compensated absences	33	21
Excess provision no longer required written back	420	-
Impairment provision on investments	-	929
Interest unwinding on financial assets	(989)	(862)
Impairment provision on investments	(669)	-
Profit on sale of property, plant and equipment (net)	673	-
Fair value gain on investments (valued at FVTPL)	3,699	-
<b>Operating profit before working capital changes</b>	<b>2,555.58</b>	<b>(265.75)</b>
<b>Adjustments for changes in working capital:</b>		
Decease/(Increase) in trade receivables	(3,989.67)	(7,635.38)
Decrease/(Increase) in loans and advances / other advances	21.72	2,148.76
Decrease in inventories	(303.31)	67.68
(Decrease) / Increase in trade and other payables	397.97	(1,238.31)
Cash generated used in operations	(1,317.70)	(6,923.00)
Direct taxes paid (net of refunds received)	(208.68)	(226.32)
<b>Net cash used in generated from operating activities</b>	<b>(1,526.40)</b>	<b>(7,149.32)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of PPE	4,174.78	-
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	-	1,580.75
Interest received	-	(99.51)
<b>Net cash generated /(used in) from investing activities</b>	<b>4,174.78</b>	<b>1,481.24</b>



## Standalone Cash Flow Statement

for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long-term borrowings	(3,550.00)	-
Proceeds from short-term borrowings (net)	-	5,655.81
Proceeds/(repayment) of loan from related parties (net)	997.55	-
Interest paid	(82.00)	183.64
<b>Net cash generated from financing activities</b>	<b>(2,634.45)</b>	<b>5,839.45</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>13.93</b>	<b>171.37</b>
Cash and cash equivalents at the beginning of the year	303.44	132.08
Cash and cash equivalents at the end of the year (Refer notes 12 and 18)	317.36	303.44
<b>Components of cash and cash equivalents considered only for the purpose of cash flow statement</b>		
In bank current accounts in Indian rupees	300.80	316.39
Cash on hand	16.55	2.33
Bank overdraft	-	(15.28)
	<b>317.36</b>	<b>303.44</b>

### Notes:-

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows. Effective 1 April 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.
- Additions to property, plant and equipment include movements of capital work-in-progress, capital advances and capital creditors respectively during the year.

The accompanying notes form an integral part of the standalone financial statements 3A-39  
This is the Cash Flow Statement referred to in our audit report of even date

#### For Ramanand & Associates

Chartered Accountants

Firm Registration No: 117776W

#### CA Ramanand Gupta

Partner

M. No.: 103975

Place: Mumbai

Date: 18 September 2021

#### For Borkar & Muzumdar

Chartered Accountants

Firm Registration No: 101569W

#### Devang Vaghani

Partner

M. No. 109386

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

#### Bhawanishankar Sharma

Chairman

DIN No: 01249834

Place: Mumbai

Date: 18 September 2021

#### Vikram Sharma

Managing Director

DIN No: 01249904

## Standalone Statement of Changes in Equity

for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### a) Equity share capital

Particulars	Number	Amount
Equity shares of ₹10 each issued, subscribed and paid up		
As at 1 April 2019	2,56,98,372	2,569.84
Issue of equity shares	-	-
As at 31 March 2020	2,56,98,372	2,569.84
Issue of equity shares	-	-
As at 31 March 2021	2,56,98,372	2,569.84

### b) Other equity

Particulars	Equity component on fair valuation of preference shares	Reserves and surplus			Total equity attributable to equity holders
		Securities premium reserve	General reserve	Retained earnings	
As at 1 April 2019	1,619.54	25,291.56	3,033.82	(1,28,589.95)	(98,645.03)
Profit/ (loss) for the year	-	-	-	(49,093.38)	(49,093.38)
Other comprehensive income for the year	-	-	-	(6.87)	(6.87)
As at 31 March 2020	1,619.54	25,291.56	3,033.82	(1,77,690.20)	(1,47,745.28)
Transitional impact on implementation of Ind AS 115 [Refer note 2.1 (xvi)]	-	-	-	53.88	53.88
Profit/ (loss) for the year	-	-	-	(64,231.30)	(64,231.30)
Other comprehensive income for the year	-	-	-	80.35	80.35
As at 31 March 2021	1,619.54	25,291.56	3,033.82	(2,41,787.27)	(2,11,842.35)

#### Nature and purpose of reserves

##### i. Securities premium reserve

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

##### ii. General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

##### iii. Retained earnings

Retained earnings represents the profits/losses that the Company has earned / incurred till date including gain / (loss) on fair value of defined benefits plans as adjusted for distributions to owners, transfer to other reserves, etc.

##### iv. Net gain on fair value of defined benefit plans

The Company has recognised remeasurement gains/ (loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within retained earnings.

The accompanying notes form an integral part of the standalone financial statements

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

#### For Ramanand & Associates

Chartered Accountants

Firm Registration No: 117776W

#### CA Ramanand Gupta

Partner

M. No.: 103975

Place: Mumbai

Date: 18 September 2021

#### For Borkar & Muzumdar

Chartered Accountants

Firm Registration No: 101569W

#### Devang Vaghani

Partner

M. No. 109386

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

#### Bhawanishankar Sharma

Chairman

DIN No: 01249834

Place: Mumbai

Date: 18 September 2021

#### Vikram Sharma

Managing Director

DIN No: 01249904

# Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

## Note 1 Corporate Information

Supreme Infrastructure India Limited ("the Company") having CIN L74999MH1983PLC029752, is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is principally engaged in engineering and construction of roads, highways, buildings, bridges etc. The Company also owns and operates Ready Mix Concrete ("RMC") plant, Asphalt plant and Crushing plant. Its shares are listed on two recognised stock exchanges in India - the Bombay Stock Exchange and the National Stock Exchange. The registered office of the Company is located at Supreme House, Plot No. 94/C Pratap Gad, Opp. I.I.T Main Gate, Powai, Mumbai - 400 076, India.

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

## Note 2.1 Significant Accounting Policies

### i Basis of Preparation

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") 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 financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

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

The statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

### ii Operating cycle for current and non-current classification:

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

### iii Accounting Estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and

liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

### iv Key estimates and assumptions

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

#### a. Contract estimates

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

#### b. Recoverability of claims

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

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

### c. Valuation of investment in/ loans to subsidiaries/ joint ventures

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

### d. Deferred tax assets

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

### e. Defined benefit plans

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

### f. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as result of a past event and it is

probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

### v Fair value measurement

The Company measures financial instruments, at fair value at each balance sheet date. (Refer Note 33)

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

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

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

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

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

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

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

### vi Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss. As at April 1, 2015, i.e., its date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost.

### vii Capital work-in-progress

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

### viii Intangible assets

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

### ix Asset classified as held for sale

Assets that are available for immediate sale and where the sale is highly probable of being completed within one year from the date of classification are considered and classified as assets held for sale. Assets classified as held for sale are measured at the lower of carrying amount or fair value less

costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions. The fair value of asset held for sale has been estimated using observable inputs such as price quotations.

### x Depreciation/ Amortisation

Depreciation is provided for property, plant and equipment so as to expense the cost less residual value over their estimated useful lives on a straight line basis. Intangible assets are amortised from the date they are available for use, over their estimated useful lives. The estimated useful lives are as mentioned below:

Asset category	Useful life (in years)
Building and sheds	60
Plant and equipment	5-12
Furniture and fixtures	10
Heavy Vehicles	3 to 12
Light Vehicles	8 to 12
Office equipment	5
Computers	3
Intangible (Computer software)	3 to 5

^ Useful lives of asset classes determined by management estimate, which are generally lower than those prescribed under Schedule II to the Act are supported by internal technical assessment of useful lives.

The estimated useful life and residual values are reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

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

Depreciation on additions is provided on a pro-rata basis, from the date on which asset is ready to use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are accounted in the Statement of Profit and Loss under Other income and Other expenses.

### xi Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27 except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

### xii Financial Instruments

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

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

### a Financial Assets

#### i) Initial Recognition

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

#### ii) Subsequent Measurement

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

##### - Financial Assets at Amortised Cost

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

##### - Financial Assets Measured at Fair Value

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

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

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

#### Interest free intercompany loans

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

#### iii) Impairment of Financial Assets

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

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

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

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

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

#### iv) De-recognition of Financial Assets

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

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

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

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

### b Equity Instruments and Financial Liabilities

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

#### i) Equity Instruments

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

#### ii) Financial Liabilities

##### - Initial Recognition

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

##### - Subsequent Measurement

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

##### - Financial liabilities at FVPL

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

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair

value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

##### - Financial liabilities at amortised cost

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Where the Company issues optionally convertible debenture, the fair value of the liability portion of such debentures is determined using a market interest rate for an equivalent non-convertible debenture. This value is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the debentures. The remainder of the proceeds is attributable to the equity portion of the instrument. This is recognised and included in shareholders' equity (net of income tax) and are not subsequently re-measured.

Where the terms of a financial liability is re-negotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss; measured as a difference between the carrying amount of the financial liability and the fair value of equity instrument issued.

##### - De-recognition of Financial Liabilities

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

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

### c Offsetting Financial Instruments

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

### xiii Employee Benefits

#### a Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund and superannuation scheme are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

#### b Defined Benefit Plan

In respect of certain employees, provident fund contributions are made to a trust administered by the Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Company. Accordingly, the contribution paid or payable and the interest shortfall, if any, is recognised as an expense in the period in which services are rendered by the employee.

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

#### c Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the

Statement of Profit and Loss in the period in which they occur.

#### d Short-term Benefits

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

### xiv Inventories

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

### xv Cash and Cash Equivalents

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

### xvi Segment Reporting

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

### xvii Borrowing Costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

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

### xviii Foreign Exchange Translation of Foreign Projects and Accounting of Foreign Exchange Transaction

#### a Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the



## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

### b Conversion

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

### c Treatment of Exchange Difference

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

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a Property, Plant and Equipment are capitalised and depreciated over the remaining useful life of the Property, Plant and Equipment and exchange differences arising on all other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Reserve" and amortised over the remaining life of the concerned monetary item.

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

### xix Revenue Recognition

The Company derives revenues primarily from providing engineering and construction services.

Effective 1 April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of 1 April 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant. On account of adoption of Ind AS 115, unbilled work-in-progress (contract asset) as at 31 March 2019 has been considered as non-financial asset and accordingly classified under other current assets.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Revenue from engineering and construction services, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. The Company determines the percentage-of-completion on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled work-in-progress) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as due to customers).

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

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

### xx Other Income

#### a. Interest Income

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

#### b. Dividend Income

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

#### c. Other Income

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

### xxi Interest in Joint Arrangements

As per Ind AS 111 - Joint Arrangements, investment in Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

and obligations of each investor rather than legal structure of the Joint Arrangement. The Company classifies its Joint Arrangements as Joint Operations.

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

### xxii Income Tax

Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

#### a Current Income Tax

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

#### b Deferred Income Tax

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

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against

future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

### xxiii Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

Company shall reassess whether a contract is, or contains, a lease if the terms and conditions of the contract are changed.

#### As a Lessee

At the commencement date, Company recognizes a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and;
- the Company has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability (at present value) adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (at present value) except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the Company's incremental borrowing rate computed on periodic basis based on lease term. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to Statement of Profit and Loss as Finance cost.

#### As a Lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease.

#### a) Finance leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

# Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

Company shall recognize assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease.

## b) Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Company shall recognize lease payments from operating leases as income on systematic basis in the pattern in which benefit from the use of the underlying asset is diminished.

## xxiv Impairment of Non-Financial Assets

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

### Recoverable amount is determined:

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

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

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

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

## xxv Trade receivables

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

## xxvi Trade payables

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

## xxvii Earnings Per Share

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

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

## xxviii Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

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

Contingent assets are disclosed where an inflow of economic benefits is probable.

### xxix Share Issue Expenses

Share issue expenses are charged off against available balance in the Securities premium reserve.

### xxx Share Based Payments

Certain employees of the Company are entitled to remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest using fair value in accordance with Ind-AS 102, Share based payment.

### xxxi Exceptional Items

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

## Note 3 Property, plant and equipment

### A: Tangible Assets

#### Gross carrying value

	Freehold land	Leasehold land	Buildings	Plant and Equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Balance as at 31 March 2020	6,835.67	54.70	5,709.18	15,324.07	297.11	262.95	75.28	29.17	28,588.28
Additions		-	-	1.14	0.79	0.23	3.69	-	5.84
Disposals	3,501.42	-	-	-	-	-	-	-	3,501.42
Balance as at 31 March 2021	3,334.25	54.70	5,709.18	15,325.21	297.90	263.18	78.97	29.17	25,092.70
Accumulated depreciation									
Balance as at 31 March 2020	-	-	507.93	10,542.00	211.61	255.66	70.70	29.17	11,617.07
Depreciation charge	-	-	101.60	1,363.10	38.90	7.29	4.58	-	1,515.47
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	-	-	609.53	11,905.10	250.51	262.95	75.28	29.17	13,132.53
Net carrying value									
Balance as at 31 March 2020	6,835.67	54.70	5,201.25	4,782.07	85.50	7.29	4.58	-	16,971.06
Balance as at 31 March 2021	3,334.25	54.70	5,099.65	3,420.10	47.39	0.23	3.69	-	11,960.01

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### B: Intangible assets

	Computer Software	Total
Gross carrying value		
Balance as at 31 March 2020	53.71	53.71
Additions	-	-
Disposals	-	-
Balance as at 31 March 2021	53.71	53.71
Accumulated depreciation and amortisation		
Balance as at 31 March 2020	53.71	53.71
Amortisation Charge	-	-
Balance as at 31 March 2021	53.71	53.71
Net carrying value		
Balance as at 31 March 2020	-	-
Balance as at 31 March 2021	-	-

### Note 4 Non-current investments

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>I. Investments valued at deemed cost</b>		
Investment in equity shares		
In subsidiaries	4.20	4.20
In joint venture	-	-
In associate	-	-
Investment in preference shares		
In joint venture	-	-
Investment in other instruments (deemed investment)		
Corporate guarantee		
In subsidiaries	715.49	715.49
In joint venture	-	-
In associates	-	-
Debt instruments		
In subsidiaries	85,058.34	85,058.34
	<b>85,778.03</b>	<b>85,778.03</b>
<b>II. Investments valued at amortised cost</b>		
Investment in preference shares		
In other companies	506.97	506.97
Investment in debentures		
In subsidiaries	70,572.69	73,467.60
<b>III. Investments valued at fair value through profit and loss</b>		
Investment in equity shares		
In other companies	2,292.37	2,850.16
	<b>73,372.03</b>	<b>76,824.73</b>
<b>Total non-current investments</b>	<b>1,59,150.06</b>	<b>1,62,602.76</b>

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 4.1 Detailed list of non-current investments

Face value of ₹10 each, unless otherwise stated

	As at 31 March 2021		As at 31 March 2020	
	Nos	Amount	Nos	Amount
<b>I. Investments valued at deemed cost, fully paid up, unquoted</b>				
a) Investments in equity shares:				
i) In subsidiaries				
- within India				
Supreme Infrastructure BOT Private Limited (Refer note 4.4)	10,000	1.00	10,000	1.00
Supreme Panvel Indapur Tollways Private Limited	26,000	2.60	26,000	2.60
Supreme Mega Structures Private Limited	6,000	0.60	6,000	0.60
Kotkapura Muksar Tollways Private Limited	5,099	0.51	5,099	0.51
Less: Impairment provision		(0.51)		(0.51)
- outside India				
Supreme Infrastructure Overseas LLC (Face Value of Omani Riyal 1 each)	1,50,000	211.92	1,50,000	211.92
Less: Impairment provision		(211.92)		(211.92)
		<b>4.20</b>		<b>4.20</b>
ii) Investments in joint venture in India				
Supreme Infrastructure BOT Holdings Private Limited	7,90,000	9,337.60	7,90,000	9,337.60
Less: Impairment provision		(9,337.60)		(9,337.60)
		-		-
iii) In associate				
Rudranee Infrastructure Limited	1,21,83,648	-	1,21,83,648	-
		-		-
iv) Investments in joint venture in India				
Sanjose Supreme Tollways Development Private Limited	1,47,998	14.80	1,47,998.00	14.80
Less: Impairment provision		(14.80)		(14.80)
		-		-
b) Investments in preference shares:				
In joint venture in India				
Supreme Infrastructure BOT Holdings Private Limited	1,00,789	1,758.64	1,00,789	1,758.64
0.001% Compulsorily Convertible Cumulative Participatory Preference shares				
Less: Impairment provision		(1,758.64)		(1,758.64)
		-		-
c) Investments in other instruments (deemed investment):				
Corporate guarantees				
(i) In subsidiaries in India				
Supreme Vasai Bhiwandi Tollways Private Limited		134.00		134.00
Less: Impairment provision		(134.00)		(134.00)
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited		147.59		147.94
Less: Impairment provision		(147.59)		(147.94)
Patiala Nabha Infra Projects Private Limited		57.00		57.00
Less: Impairment provision		(57.00)		(57.00)
Supreme Suyog Funicular Ropeways Private Limited		51.72		51.72

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

	As at 31 March 2021		As at 31 March 2020	
	Nos	Amount	Nos	Amount
Less: Impairment provision		(51.72)		(51.72)
Kotkapura Mukstar Tollways Private Limited		71.80		71.80
Less: Impairment provision		(71.80)		(71.80)
Supreme Panvel Indapur Tollways Private Limited		715.49		715.49
		<b>715.49</b>		<b>715.49</b>
<b>(ii) In joint ventures in India</b>				
Supreme Kopargaon Ahmednagar Tollways Private Limited		114.00		114.00
Less: Impairment provision		(114.00)		(114.00)
		-		-
<b>(iii) In associates</b>				
Rudranee Infrastructure Limited		-		-
		-		-
<b>Others</b>				
<b>In subsidiaries in India</b>				
Supreme Infrastructure BOT Private Limited (Refer note 4.4)		80,101.71		80,101.71
Supreme Panvel Indapur Tollways Private Limited		4,956.63		4,956.63
		<b>85,058.34</b>		<b>85,058.34</b>
<b>II. Investments valued at amortised cost</b>				
<b>a) Investments in preference shares</b>				
<b>In other companies in India</b>				
Kalyan Sangam Infratech Limited	6,09,375	506.97	6,09,375	506.97
Green Hill Barter Private Limited [Face value of ₹600 each]	1,00,000	438.83	1,00,000	438.83
Less: Impairment provision		(438.83)		(438.83)
		<b>506.97</b>		<b>506.97</b>
<b>b) Investments in debentures</b>				
<b>In a subsidiary companies in India</b>				
Supreme Infrastructure BOT Private Limited (Refer note 4.4)	80,60,00,000	62,454.12	80,60,00,000	62,454.12
0.001% Optionally Convertible Debenture				
Supreme Panvel Indapur Tollways Private Limited ^	11,10,00,000	8,118.57	11,10,00,000	11,013.48
0.001% Compulsory Convertible Debenture				
		<b>70,572.69</b>		<b>73,467.60</b>
^ On 29 March 2019 Company has made investment in 13,000,000 Compulsory Convertible Debentures of ₹10 each aggregating ₹130,000,000.				
<b>III. Investments valued at fair value through profit and loss, fully paid up, unquoted</b>				
<b>Investments in equity shares</b>				
<b>In other companies in India</b>				
Kalyan Sangam Infratech Limited	3,90,625		3,90,625	
The Saraswat Co-op Bank Limited	2,500	0.51	2,500	0.51
Rudranee Infrastructure Limited	1,21,83,648	2,291.86	1,21,83,648	2,849.65
Kalyan Sangam Infratech Limited	3,90,625	-	3,90,625	-
<b>a) In associates in India</b>		2,292.37		2,850.16
<b>Total non-current investments</b>		<b>1,59,150.07</b>		<b>1,62,602.75</b>

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

Details: Aggregate of non-current investments:	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
(i) Carrying value of unquoted investments	1,59,150.07	1,62,602.74
(ii) Aggregate amount of impairment in value of investment	12,338.42	12,338.42
(i) Investments carried at deemed cost	85,778.03	85,778.02
(ii) Investments carried at amortised cost	71,079.66	73,974.57
(iii) Investments carried at fair value through profit and loss	2,292.37	2,850.15
Less: Impairment provision		
	1,59,150.06	1,62,602.74

**Note 4.2** The Company has pledged the following shares/ debentures in favour of the lenders as a part of the financing agreements for facilities taken by the Company, subsidiaries, jointly controlled entities and associate as indicated below:

Details: Aggregate of non-current investments:	No. of equity shares pledged	
	31 March 2021	31 March 2020
Supreme Infrastructure BOT Private Limited	8,100	8,100
Supreme Panvel Indapur Tollways Private Limited	26,000	26,000
Rudraanee Infrastructure Private Limited	84,62,385	84,62,385
Kotkapura Muksar Tollways Private Limited	5,099	5,099
Kalyan Sangam Infratech Limited	3,90,625	3,90,625
Supreme Infrastructure BOT Holdings Private Limited	7,89,999	7,89,999

	No. of preference shares pledged	
	31 March 2021	31 March 2020
Supreme Infrastructure BOT Holdings Private Limited	95,000	95,000
Kalyan Sangam Infratech Limited	6,09,375	6,09,375

	No. of debentures pledged	
	31 March 2021	31 March 2020
Supreme Panvel Indapur Tollways Private Limited	4,80,20,000	4,80,20,000
Supreme Infrastructure BOT Private Limited	80,54,97,117	80,54,97,117

**Note 4.3** Also, the Company has given a "Non Disposal Undertaking" to the lenders to the extent of 18.99% (31 March 2020: 18.99%) equity shares of Supreme Infrastructure BOT Private Limited.

**Note 4.4** The Company's non-current investments as at March 31, 2021 include investments in Supreme Infrastructure BOT Private Limited ('SIBPL'), a subsidiary company, amounting to ₹142,556.83 lakhs (March 31, 2020: ₹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 2021, 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 February 12, 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



## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

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 March 31, 2021 and due to which these are considered as good and recoverable.

### Note 5 Loans

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Unsecured, considered good</b>		
<b>Non-current</b>		
Loans to related parties (Refer note 34)		
- considered doubtful	2,544.17	2,544.17
Less: Impairment loss provision	(2,544.17)	(2,544.17)
<b>Total non-current loans</b>	-	-
<b>Current</b>		
Security and other deposits	34.87	7.98
Advance to related party (Refer note 34)	-	-
- considered good	-	-
- considered doubtful	-	-
Less: Impairment loss provision	-	-
<b>Total current loans</b>	34.87	7.98
<b>Total loans</b>	34.87	7.98

### Note 5.1 Break up of security details

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Loans considered good - secured	-	-
Loans considered good - unsecured	34.87	7.98
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	2,544.17	2,544.17
<b>Total</b>	2,579.04	2,552.15
Less: Loss allowance	(2,544.17)	(2,544.17)
<b>Total loans</b>	34.87	7.98

### Note 5.2 Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of loans and advances in the nature of loans

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

Name of the entity	Outstanding balance		Maximum balance outstanding during	
	As at 31 March 2021	As at 31 March 2020	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount	Amount	Amount
Supreme Infrastructure BOT Private Limited <sup>^</sup>	40,954.14	40,954.14	40,954.14	40,954.14
Supreme Infrastructure Overseas LLC	316.77	316.77	316.77	316.77
Rudra Infrastructure Limited	2,227.40	2,227.40	2,227.40	2,227.40
<b>Total</b>	43,498.31	43,498.31	43,498.31	43,498.31

<sup>^</sup> Represents contractual interest free loan to subsidiary amounting to ₹40,954.14 lakhs (31 March 2020: ₹40,954.14 lakhs) considered and included in deemed investment as per Ind AS as these loans are perpetual in nature.

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 5.3 Investment by the loanee in the Company's/ subsidiary companies shares [Refer note (i) below]

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

Name of the Company	As at	As at
	31 March 2021	31 March 2020
	Amount	Amount
<b>Investments in preference shares</b>		
0.001% CCPS of Sanjose Supreme Tollways Development Private Limited	11,734.00	11,734.00
<b>Investments in debentures</b>		
0.001% CCD of Kotkapura Muksar Tollways Private Limited	3,098.00	3,098.00
0.001% CCD of Supreme Manor Wada Bhiwandi Infrastructure Private Limited	17,245.00	17,245.00
0.001% CCD of Supreme Panvel Indapur Tollways Private Limited	17,700.00	17,700.00
0.001% CCD of Supreme Vasai Bhiwandi Tollways Private Limited	6,000.00	6,000.00
0.001% CCD of Supreme Suyog Funicular Ropeways Private Limited	3,900.00	3,900.00
0.001% CCD of Kopargaon Ahmednagar Phase-I Private Limited	9,200.00	9,200.00
0.001% CCD of Patiala Nabha Infra Projects Private Limited	2,995.00	2,995.00
<b>Investment in equity shares</b>		
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	1.00	1.00
Manor Wada Bhiwandi Infrastructure Private Limited	4.90	4.90
Supreme Panvel Indapur Tollways Private Limited	3.80	3.80
Patiala Nabha Infra Projects Private Limited	1.00	1.00
Supreme Suyog Funicular Ropeways Private Limited	9.80	9.80
Supreme Vasai Bhiwandi Tollways Private Limited	1.00	1.00
Supreme Tikamgarh Orcha Annuity Private Limited	1.00	1.00
Mohol Kurul Kamti Tollways Private Limited	0.49	0.49
Kotkapura Muksar Tollways Private Limited	49.98	49.98
	<b>71,944.97</b>	<b>71,944.97</b>
Supreme Infrastructure BOT Holdings Private Limited has invested in following subsidiary companies:		
<b>Investments in debentures</b>		
0.001% CCD in Supreme Ahmednagar Karmala Tembhorni Tollways Private Limited	13,499.00	13,499.00
0.001% CCD in Supreme Kopargaon Ahmednagar Tollways Private Limited	7,715.00	7,715.00
0.001% CCD in Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	9,545.00	9,545.00
<b>Investments in equity shares</b>		
Supreme Ahmednagar Karmala Tembhorni Tollways Private Limited	2,701.00	2,701.00
Supreme Kopargaon Ahmednagar Tollways Private Limited	1.00	1.00
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	4.50	4.50
	<b>33,465.50</b>	<b>33,465.50</b>
Supreme Infrastructure Overseas LLC has invested in following:		
<b>Investment in partnership firm</b>		
Sohar Stone LLC	493.89	493.89
	<b>493.89</b>	<b>493.89</b>

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 6 Other financial assets

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current</b>		
Margin money deposits (Refer note below)	311.09	339.32
Interest receivables on deposits	-	-
<b>Total non-current financial assets</b>	<b>311.09</b>	<b>339.32</b>
<b>Current</b>		
Interest accrued		
- from related parties (Refer note 35)	-	-
- on deposits	18.96	30.66
Receivable from related party (Refer note 34)		
- considered good	-	-
- considered doubtful	-	419.98
Employee advances		
- considered good	56.87	48.99
- considered doubtful	250.24	249.20
	<b>326.07</b>	<b>748.83</b>
<b>Less: impairment loss provision</b>	<b>(250.24)</b>	<b>(669.19)</b>
<b>Total current financial assets</b>	<b>75.83</b>	<b>79.65</b>
<b>Total other financial assets</b>	<b>386.92</b>	<b>418.97</b>

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

### Note 7 Income tax assets (net)

i. The following table provides the details of income tax assets and liabilities as at 31 March 2021 and 31 March 2020:

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
a) Income tax assets	33.31	2,067.41
b) Current income tax liabilities	3,091.96	5,191.96
<b>Net income tax assets/(liabilities)</b>	<b>(3,058.65)</b>	<b>(3,124.55)</b>
<b>Net income tax liabilities</b>	<b>-</b>	<b>-</b>

ii. The gross movement in the current tax asset/ (liability) for the years ended 31 March 2021 and 31 March 2020 is as follows:

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Net current income tax assets/ (liabilities) at the beginning	(3,124.55)	(2,898.23)
Tax adjustments for earlier years	-	-
Income tax paid	65.90	(226.32)
<b>Net current income tax assets/ (liabilities) at the end</b>	<b>(3,058.65)</b>	<b>(3,124.55)</b>

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

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

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Profit/ (loss) before income tax	(64,231.30)	(49,093.38)
Applicable income tax rate	31.20%	31.20%
<b>Computed expected tax expense</b>	-	-
Effect of expenses not allowed for tax purpose	-	-
Effect of income not considered for tax purpose	-	-
Tax adjustments for earlier years	-	-
Reversal of deferred tax assets in absence of reasonable certainty	-	-
<b>Income tax (income)/ expense charged to the Statement of Profit and Loss</b>	-	-

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

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Deferred income tax asset</b>		
Impairment loss provision of financial assets	9,364.81	446.60
Provision for employee benefits	38.79	6.56
Unpaid bonus	-	-
Unabsorbed depreciation and losses	20,247.94	55,439.34
Others	-	-
<b>Deferred tax assets</b>	<b>29,651.52</b>	<b>55,892.49</b>
<b>Deferred income tax liability</b>		
Timing difference on tangible and intangible assets depreciation and amortisation	46.30	1,243.23
Timing difference on recognition of margin on the projects initiated post 1 April 2016	-	-
Timing difference on disputed claims excluded for tax purpose	-	-
<b>Deferred tax liability</b>	<b>46.30</b>	<b>1,243.23</b>
<b>Deferred tax assets recognized to the extent of liabilities (Refer note below)</b>	<b>46.30</b>	<b>1,243.23</b>
<b>Deferred tax assets (net)</b>	<b>-</b>	<b>-</b>

**Note 7.1** The Company has recognised deferred tax assets to the extent of deferred tax liabilities in the absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### Note 8 Other assets

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current</b>		
Capital advances	-	-
Balances with government authorities	-	-
Prepaid expenses	-	-
<b>Total other non-current assets</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
Advance to suppliers and sub-contractors		
- considered good	0.03	664.38
- considered doubtful	3,136.49	3,055.52
Unbilled work	13,689.38	12,834.66
<b>Total other current assets</b>	<b>16,825.90</b>	<b>16,554.56</b>
Less: Impairment loss provision	(3,136.49)	(3,055.52)
	<b>13,689.41</b>	<b>13,499.04</b>
<b>Total other assets</b>	<b>13,689.41</b>	<b>13,499.04</b>

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 9 Inventories

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Construction materials	3,632.41	3,519.46
<b>Total inventories</b>	<b>3,632.41</b>	<b>3,519.46</b>

### Note 10 Current investments

	As at 31 March 2021		As at 31 March 2020	
	Nos	Amount	Nos	Amount
Investments in Non-trade, mutual funds (fair value through profit and loss)				
Reliance Low Duration Fund - Daily Dividend Plan	250	2.63	250	2.63
<b>Total current investments</b>		<b>2.63</b>		<b>2.63</b>

^ Face value of ₹10 each, unless otherwise stated

### Note 11 Trade receivables

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Current</b>		
(unsecured, considered good unless stated otherwise)		
- unsecured considered good (Refer note 11.1)	72,732.95	74,357.34
- considered doubtful	10,907.39	10,582.58
Receivables from related parties (Refer note 34)	8,418.65	3,381.65
	<b>92,058.99</b>	<b>88,321.57</b>
Less: Allowance for doubtful trade receivable	(10,907.39)	(10,582.58)
	<b>(10,907.39)</b>	<b>(10,582.58)</b>
<b>Total trade receivables</b>	<b>81,151.60</b>	<b>77,739.00</b>
<b>11.1 Includes retention money</b>	<b>7,327.32</b>	<b>8,597.10</b>
<b>11.2 Trade receivables</b>		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	81,151.60	77,738.99
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired - unsecured	10,907.39	10,582.58
	<b>92,059.00</b>	<b>88,321.57</b>
Less: Loss allowance	(10,907.39)	(10,582.58)
<b>Total Trade receivables</b>	<b>81,151.60</b>	<b>77,738.99</b>

**11.3** Trade receivables as at 31 March 2021 include ₹45,680.90 lakhs (31 March 2020: ₹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. Balances of Trade Receivables are subject to balance confirmation and adjustments, if any.

**11.4** Trade receivables as at 31 March 2021 includes ₹8418.65 lakhs (31 March 2020: ₹3381.64 lakhs) due from private companies in which the Company's director is a director or a member.

**11.5** Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

**11.6** The Company recognises lifetime expected credit losses on trade receivables using a simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

Movement in allowance for credit losses of receivables are as follows:

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Balance at the beginning of the year	10,582.58	10,600.58
Add: ECL Created during the year	406.81	-
Less: ECL reversed/write back during the year	-	18.00
<b>Balance at the end of the year</b>	<b>10,989.39</b>	<b>10,582.58</b>

### Note 12 Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Balances with banks		
- Current accounts in Indian rupees	300.80	316.39
- in deposit account (with maturity upto 3 months)	-	-
Cash on hand	16.55	2.33
<b>Total cash and cash equivalents</b>	<b>317.36</b>	<b>318.72</b>

### Note 13 Other bank balances

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Earmarked balances with banks for:		
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months	-	-
Bank deposits with maturity of more than 3 months but less than 12 months		
Balances with bank for unclaimed dividend (Refer note 13.1)	0.82	0.82
<b>Total other bank balances</b>	<b>0.82</b>	<b>0.82</b>

**Note 13.1** There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2021

### Note 14 Share capital

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Authorised share capital</b>		
7,25,00,000 Equity shares of ₹10 each (31 March 2020: 72,500,000 equity shares of ₹10 each)	7,250.00	7,250.00
25,00,000 1% Non-cumulative redeemable preference shares of ₹10 each (31 March 2020: 2,500,000 preference shares of ₹10 each)	250.00	250.00
<b>Total authorised share capital</b>		
2,500,000 1% Non-cumulative redeemable preference shares of ₹10 each issued to BHS Housing Private Limited have been classified as financial liability (Refer note 15.7).		

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Issued, subscribed and paid-up equity share capital:</b>		
2,56,98,372 Equity shares of ₹10 each fully paid up (31 March 2020: 25,698,372 equity shares of ₹10 each)	2,569.84	2,569.84
<b>Total issued, subscribed and paid-up equity share capital</b>	<b>2,569.84</b>	<b>2,569.84</b>

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

	Number	Amount
As at 31 March 2019	2,56,98,372	2,569.84
Issued during the year	-	-
As at 31 March 2020	2,56,98,372	2,569.84
Issued during the year	-	-
As at 31 March 2021	2,56,98,372	2,569.84

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

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

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

### c. Shareholding of more than 5%

Name of the Shareholder	As at 31 March 2021		As at 31 March 2020	
	% held	No. of shares	% held	No. of shares
<b>Promoter</b>				
Bhawanishankar H Sharma	5.24%	13,46,708	5.24%	13,46,708
BHS Housing Private Limited	13.04%	33,50,000	13.04%	33,50,000
Vikram B Sharma	4.21%	10,82,942	4.21%	10,82,942
Vikas B Sharma	6.84%	17,58,753	6.84%	17,58,753
<b>Non-promoter</b>				
K India Opportunities Fund Limited	9.20%	23,64,344	9.20%	23,64,344

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

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

- Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash - Nil
- Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
- Aggregate number and class of shares bought back - Nil

e. 7,462,505 (31 March 2020: 7,462,505) equity shares held by the promoters of the Company (including promoter group Companies) as at 31 March 2021 are pledged as security in respect of amounts borrowed by the Company and its Group Companies.

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 15 Borrowings

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current portion:</b>		
<b>Secured</b>		
(A) Restructured rupee term loans (RTL)		
(i) From Banks (Refer notes 15.1 and 18.2)	-	-
(ii) From Others	-	-
(B) Working capital term loan (WCTL) from banks (Refer note 15.1)	-	-
(C) Funded interest term loan (FITL)		
(i) From Banks (Refer notes 15.1 and 18.2)	-	-
(ii) From Others	-	-
(D) Other rupee term loans		
(i) From Banks	-	-
<b>Unsecured</b>		
<b>Liability component of financial instruments [refer note 15.7 below]</b>		
1% Non cumulative redeemable preference shares of ₹10 each	2,471.49	2,005.92
(2,500,000 non cumulative, non convertible, redeemable preference shares of ₹10 each)		
<b>Total non-current borrowings</b>	<b>2,471.49</b>	<b>2,005.91</b>
<b>Current maturities of long-term borrowings</b>		
<b>Secured</b>		
(A) Restructured rupee term loans (RTL)		
(i) From Banks (Refer notes 15.1 and 18.2)	-	14,872.00
(ii) From Others	-	5,925.54
(B) Working capital term loan (WCTL) from banks (Refer note 15.1)	-	45,442.00
(C) Funded interest term loan (FITL)		
(i) From Banks (Refer note 15.1 and 18.2)	-	28,619.76
(ii) From Others	-	1,523.51
(D) Other rupee term loans		
(i) From Banks	-	2,129.71
(ii) From Others (Refer note 18.2)	-	9,091.98
<b>Total current maturities of long-term borrowings</b>	<b>-</b>	<b>1,07,604.50</b>
<b>Total borrowings</b>	<b>2,471.49</b>	<b>1,09,610.41</b>

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

#### Note 15.1

In September 2014, the Joint Lenders Forum (JLF) lead by State Bank of India (SBI) had appraised a Corporate Loan to the Company out of which part amount was sanctioned and disbursed by SBI and the balance was to be tied up with other lenders under exclusive security. Pending tie up with the other lenders, the JLF decided to incorporate one-time restructuring under the JLF mode of the entire borrowings of the Company. During the quarter ended 31 March 2016, based on the direction of the Reserve Bank of India (RBI) during its Assets Quality Review, borrowings from SBI were classified as Non-Performing Assets (NPA). Consequent to the classification of borrowings as NPA by SBI, borrowings from other consortium lenders got classified as NPA during the year ended 31 March 2017, however, the lenders have not recalled or initiated recovery proceedings for the existing facilities, at present. Considering, the classification of borrowing as NPA, certain lenders are not accruing interest while providing account statements of the borrowings, whereas the Company, on prudence, has accrued interest expenses at rates specified in the agreement with the respective lenders/ latest available sanction letters received from such lenders. (Also, refer note 37)

#### Note 15.2

Contractual loan principal amounting to (31 March 2020: ₹116,310 lakhs) and the interest amount of (31 March 2020: ₹138,233.19 lakhs) respectively is due and outstanding to be paid as at 31 March 2021.



## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### 15.3 Terms of repayment and details of security

#### (A) Interest rate and terms of repayment

##### Restructured rupee term loans (RTL)

RTL carry an interest rate of SBI Base Rate+1% plus interest tax (11% as at 31 March 2020) to be reset after a moratorium period of 2 years. These loans are repayable in 32 structured quarterly instalments commencing 31 December 2016 and ending on 30 September 2024.

##### Working capital term loan (WCTL)

These loans carry an interest rate of SBI Base Rate+1% plus interest tax (11 % as at 31 March 2020) to be reset after a moratorium period of 2 years. These loans are repayable in 20 structured quarterly instalments commencing 31 December 2016 and ending on 30 September 2021.

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

These loans carry an interest rate of SBI Base Rate+1% plus interest tax (10.30 % as at 31 March 2020) to be reset after a moratorium period of 2 years. These loans are repayable in 20 structured quarterly instalments commencing 31 December 2016 and ending on 30 September 2021.

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

I Borrowings from ICICI Bank are secured by the following:

(i) Exclusive security interest in the form of:

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

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

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

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

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

- a) Gala No. 3 to 8, admeasuring 3,000 sq. ft., in Bhawani Service Industrial Estate Limited, Mumbai bearing CTS No.76 of village Tirandaz, Powai, Mumbai
- b) Chitrarath Studio, admeasuring 30,256.74 sq.ft, situated at Powai bearing Survey No.13 to 15 corresponding CTS bearing No.26 A of village Powai, Mumbai owned by a promoter director.
- c) Extension of hypothecation charge on pari passu basis on the residual fixed assets of the borrower
- d) Office No. from 901 to 905, having carpet area admeasuring 6,792 sq. ft., situated in Tower "B" on 9th floor in "Millennium Plaza" situated at Sector 27, Tehil, Gurgaon, Haryana owned by Company and its promoter directors.
- e) Lien on term deposit face value of ₹14 lakhs on pari passu basis to working capital lenders f) Pledge of 2,173,000 equity shares (31 March 2018: 2,173,000 equity shares) of the Company held by the promoter directors on pari passu basis to working capital lenders
- g) Supreme House, Plot No. 94/C located at Powai, Mumbai (First charge with SREI Infrastructure Finance Limited against their term loan to SIBOT)
- h) Pledge of investments as stated in Note 4.2.

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

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

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

- (v) pledge of 3,642,332 equity shares held by promoters (including 2,173,000 equity shares stated in II (f) above)
- (vi) Pledge of Compulsory Convertible Debentures (CCD) of ₹80,550 lakhs extended to Supreme Infrastructure BOT Private Limited. The Company's lenders may exercise the right of conversion of the CCDs into equity within 18 months from the date of implementation of the JLF Restructuring Package.
- (vii) first charge on the immoveable property situated at (i) Village Talavali, Taluka-Bhiwandi, Thane; and (ii) Village Mouje-Dapode, Taluka-Sudhagad, Raigad.
- (viii) second charge on the immoveable property situated at B Wing area admeasuring 45,208 Sq. ft. and some additional area to be identified by the Company at Supreme Business Park bearing Survey No. I3/2 and I3/I (part) and CTS No. 27, Survey No. I4 and CTS No. 23- A and Survey No. 15 (part) and CTS No. 26- A situated at Supreme City, Hiranandani Complex, Powai, Mumbai (first charge being held by Syndicate Bank)
- (ix) subservient charge on the immoveable property situated at B Wing total area admeasuring 284,421 Sq. ft. at Supreme Business Park bearing Survey No. I3/2 and I3/1(part) and CTS No. 27, Survey No. I4 and CTS No.23-A and Survey No. 15 (part) and CTS No 26- A situated at Supreme City, Hiranandani Complex, Powai, Mumbai (first charge being held by Syndicate Bank and second charge being held by ICICI Bank)
- (x) first pari passu charge on certain plant and equipment as specified in Part B of Schedule IX to MJLF agreement and all equipment acquired by utilising the External Commercial Borrowing (ECB) loan from AXIS Bank.
- (xi) a) subservient charge on certain immoveable properties:
  - 13 flats with carpet area of 11,500 sq. ft. in Aishwarya Co.op. Housing Society bearing CTS No. 64/E/6 of village Tirandaz, Powai, Mumbai
  - Agricultural land of 106,170 sq. mt. bearing survey no. 119/1, 129/6, 1304b, 130/5131, 132/2s, 131/1b and 123/2b situated at Talavali village, Thane, Maharashtra.
  - Flat No. 510 on 5th Floor of ABW Tower located at IIFCO Chowk, Sukhrauli village, Haryana
  - Fixed deposit or unconditional bank guarantee of ₹500.00 lakhs;
- b) subservient charge on following:
  - Irrevocable and unconditional personal guarantee of the Promoter(s);
  - Fixed deposit or unconditional bank guarantee of ₹500.00 lakhs;
  - Corporate Guarantee of BHS Housing Private Limited and Supreme Housing & Hospitality Private Limited
  - Demand Promissory Note

III The entire facilities shall be secured by way of:

- (i) an irrevocable, unconditional, joint and several corporate guarantee from BHS Housing Private Limited and Supreme Housing Hospitality Private Limited; and
- (ii) an irrevocable, unconditional, joint and several personal guarantee from its promoter directors.

**15.4** The MJLF Agreement provides a right to the Lenders to get a recompense of their waivers and sacrifices made as part of the loan restructuring arrangement. The recompense payable by the borrowers depends on various factors including improved performance of the borrowers and other conditions. The aggregate present value of the sacrifice made/ to be made by lenders as per the MJLF Agreement is ₹16,842 lakhs (31 March 2020: ₹16,842.00 lakhs) as at the year end. The same is subject to changes proposed in the resolution plan.(Refer note 37)

### 15.5 Other rupee term loans from banks:

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

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### 15.6 Term loans from others:

Loans from other carries interest @ base rate (18% as at 31 March 2020) minus 2.19 % per annum and are repayable in 35 monthly instalments over the tenure of the loans having various maturity dates. These loans are secured by first charge on the specific equipment financed out of the said loans, pledge of shares held by a promoter director and personal guarantee of the promoter directors.

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

The Company had, on 13 May 2011, allotted 2,500,000 non cumulative, non convertible, redeemable preference shares of ₹10 each at a premium of ₹90 per share to BHS Housing Private Limited. The Preference Shares shall be redeemable at any time after the expiry of two years but before the expiry of ten years from the date of allotment at a premium of ₹90 per share.

These preference shares carry preferential right of dividend at the rate of 1%. The holders of Preference Shares have no rights to receive notices of, attend or vote at general meetings except in certain limited circumstances. On a distribution of assets of the Company, on a winding-up or other return of capital (subject to certain exceptions), the holders of Preference Shares have priority over the holders of equity shares to receive the capital paid up on those shares."

### 15.8 Net Debt Reconciliation

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

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Cash and Cash equivalents	317.36	318.72
Liquid Investments	2.63	2.63
Current borrowings (including interest accrued)	(2,39,116.99)	(2,01,543.00)
Non-current borrowings (including interest accrued and current maturities of long term borrowings)	(2,11,796.53)	(1,88,332.44)
<b>Net debt</b>	<b>(4,50,593.53)</b>	<b>(3,89,554.09)</b>

	Other assets		Liabilities from financing activities		Total
	Cash and Cash equivalents	Liquid investments	Non-current borrowings	Current borrowings	
Net debt as at 1 April 2019	147.36	2.63	(1,62,537.44)	(1,74,204.18)	(3,36,591.63)
Cash flows	171.36	-	-	(5,655.82)	(5,484.46)
Interest expense	-	-	(25,795.00)	(21,683.00)	(47,478.00)
Interest paid	-	-	-	-	-
Principal Paid	-	-	-	-	-
<b>Net debt as at 1 April 2020</b>	<b>318.72</b>	<b>2.63</b>	<b>(1,88,332.44)</b>	<b>(2,01,543.00)</b>	<b>(3,89,554.09)</b>
Cash flows	(1.36)	-	-	(997.55)	(998.91)
Interest expense (including unapplied interest expenses)	-	-	(23,464.09)	(36,576.44)	(60,040.53)
Excess interest cost written back	-	-	-	-	-
Interest paid	-	-	-	-	-
Principal Paid	-	-	-	-	-
<b>Net debt as at 31 March 2021</b>	<b>317.36</b>	<b>2.63</b>	<b>(2,11,796.53)</b>	<b>(2,39,116.99)</b>	<b>(4,50,593.53)</b>

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 16 Other financial liabilities

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current</b>		
Financial guarantees	191.54	347.83
<b>Total non-current financial liabilities</b>	<b>191.54</b>	<b>347.83</b>
<b>Current</b>		
Current maturities of long-term borrowings (Refer note 15)	1,18,425.51	1,07,604.51
Interest accrued and due	1,71,394.89	1,38,233.19
Unclaimed dividends <sup>^</sup>	1.17	1.16
Financial guarantees	71.27	99.55
Others		
- Due to employees	804.69	1,213.26
- Security deposits	15.63	15.68
- Due to related parties		
<b>Total current financial liabilities</b>	<b>2,90,710.66</b>	<b>2,47,167.35</b>
<b>Total other financial liabilities</b>	<b>2,90,902.20</b>	<b>2,47,515.18</b>
<sup>^</sup> Not due for credit to Investor Education and Protection Fund		
Other financial liabilities carried at amortised cost	2,90,902.20	2,47,515.18
Other financial liabilities carried at FVTPL	-	-

**16.1** Other current financial liabilities as at March 31, 2021 include balance amounting to ₹57,909.52 Lakhs, in respect of which confirmations/statements from the respective banks/lenders have not been received. Further, in respect of certain loans while principal balance has been confirmed from the confirmations issued by the banks/lenders, the interest accrued amounting ₹184,427.50 Lakhs have not been confirmed by banks/lenders. In the absence of confirmations/statements 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. Accordingly, classification of these borrowings into current and non-current as at March 31, 2021 is based on the original maturity terms stated in the agreements with the lenders.

**16.2** Contractual loan principal amounting to ₹116,310 lakhs and the interest amount of ₹171,394.89 lakhs respectively is due and outstanding to be paid as at 31 March 2021.

### Note 17 Provisions

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current</b>		
Provision for employee benefits (Refer note 32)		
- Gratuity	62.75	119.86
- Leave entitlement and compensated absences	27.87	41.54
<b>Total non-current provisions</b>	<b>90.62</b>	<b>161.40</b>
<b>Current</b>		
Provision for employee benefits (Refer note 32)		
- Gratuity	12.02	9.10
- Leave entitlement and compensated absences	10.37	10.80
<b>Total current provisions</b>	<b>22.39</b>	<b>19.90</b>
<b>Total provisions</b>	<b>113.01</b>	<b>181.30</b>

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 18 Current borrowings

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>I. Secured</b>		
<b>Rupee Loan from Banks</b>		
Cash credit facilities (Repayable on demand)	1,37,680.07	1,25,432.80
Term loan from banks (Refer notes 15.5 and 18.2)	1,834.56	1,674.27
	<b>1,39,514.63</b>	<b>1,27,107.07</b>
<b>II. Unsecured (repayable on demand)</b>		
Bank overdraft	-	15.28
Loans from		
- related parties (Refer note 34) ^	15,928.69	14,821.09
- others ^	162.00	272.05
	<b>16,090.69</b>	<b>15,108.42</b>
<b>Total current borrowings (I+II)</b>	<b>1,55,605.32</b>	<b>1,42,215.49</b>

^ These are interest free loans and repayable on demand.

#### Note 18.1 Security for cash credit facilities:

Cash credit facilities availed from bankers carries an interest rate of 13% per annum and are secured by hypothecation charge on the current assets of the Company on first pari passu basis with existing and proposed working capital lenders in consortium arrangement. These facilities are further secured by way of certain collaterals, on pari passu basis, provided by the Company including personal guarantee of Company's directors/promoter and corporate guarantee of BHS Housing Private Limited.

The securities towards cash credit facilities also extends to the guarantees given by the banks on behalf of the Company aggregating ₹11,347.42 lakhs (31 March 2020: ₹11,704.96 lakhs).

### Note 19 Trade payables

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
- Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 19.1)	172.94	198.59
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	13,114.02	12,418.31
<b>Total trade payables</b>	<b>13,286.96</b>	<b>12,616.90</b>

**Note 19.1** The Company has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act)

The disclosure pursuant to the said Act is as under:

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Principal amount due to suppliers under MSMED Act	55.65	77.39
Interest accrued and due to suppliers under MSMED Act on the above amount	39.35	29.33
Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
Interest paid to suppliers under MSMED Act	-	-
Interest due and payable to suppliers under MSMED Act towards payments already made	77.94	91.87
Interest accrued and remaining unpaid at the end of the accounting year	117.29	121.20
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

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

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

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 20 Other current liabilities

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Advance from contractees (Refer note 34)	3,781.13	3,572.45
Statutory dues payable	10,379.84	9,693.39
<b>Total other current liabilities</b>	<b>14,160.97</b>	<b>13,265.84</b>

### Note 21 Revenue from operations

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Contract revenue	23,877.83	21,814.87
Sale of products	434.27	261.50
<b>Total revenue from operations</b>	<b>24,312.10</b>	<b>22,076.37</b>

#### Disaggregated revenue information

Contract revenue represents revenue from Engineering and Construction contracts wherein the performance obligation is satisfied over a period of time. Further, the Company's entire business falls under one operational segment of 'Engineering and Construction'. Accordingly, disclosure of revenue recognised from contracts disaggregated into categories has not been made.

#### Contract balances

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Trade receivables	81,151.60	77,739.00
Unbilled work in progress (contract assets)	13,689.38	12,834.66

#### Performance obligations

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2021 is ₹647.42 lakhs, of which approximately 45% is expected to be recognized as revenue within the next one year and the remaining thereafter.

### Note 22 Other income

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Interest income		
- interest unwinding on financial assets	912.46	861.62
- interest unwinding on financial guarantees	76.65	111.12
- on margin money deposits	20.52	55.31
- on income tax refund	-	-
Other non-operating income		
- Excess provision no longer required written back	419.98	-
- Gain on redemption of mutual funds (net)	-	-
- Fair value gain on investments (valued at FVTPL)	-	-
- Profit on sale of assets	-	-
- Miscellaneous income	77.05	74.95
<b>Total other income</b>	<b>1,506.66</b>	<b>1,103.00</b>

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 23 Cost of construction materials consumed

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Stock at beginning of the year	3,519.46	3,587.13
Add: Purchases	4,271.65	4,453.01
	7,791.11	8,040.14
Less: Stock at the end of the year	3,632.41	3,519.46
<b>Total cost of construction materials consumed</b>	<b>4,158.70</b>	<b>4,520.68</b>

### Note 24 Employee benefits expense

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Salaries and wages	502.71	902.55
Contribution to provident and other funds (Refer note 32)	15.47	39.69
Gratuity (Refer note 32)	26.18	21.01
Staff welfare	7.52	15.48
<b>Total employee benefits expense</b>	<b>551.88</b>	<b>978.73</b>

### Note 25 Finance costs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Interest on:		
- Term loans	23,464.09	25,795.00
- Cash credit facilities	36,576.44	21,683.00
- Others	957.03	-
Other borrowing costs		
- Bank charges and guarantee commission	82.00	670.43
<b>Total finance costs</b>	<b>61,079.56</b>	<b>48,148.43</b>

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Depreciation on tangible assets	1,515.47	1,854.05
Amortisation on intangible assets	-	-
<b>Total depreciation and amortisation expense</b>	<b>1,515.47</b>	<b>1,854.05</b>

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 27 Other expenses

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Power and fuel	298.35	286.71
Rent and hire charges (Refer note 27.2)	165.00	156.61
Transportation charges	64.00	46.13
Repairs and maintenance	31.97	64.75
Insurance	4.19	2.29
Rates and taxes	0.03	4.95
Impairment allowance (financial assets)	557.78	928.78
Fair Value changes of Financial assets	3,699.44	-
Communication	11.65	13.51
Advertisement	-	0.16
Printing and stationary	3.08	7.06
Travelling and conveyance	12.07	19.35
Legal and professional	414.13	240.61
Directors' sitting fees (Refer note 34)	59.96	66.57
Auditors' remuneration:		
i) Statutory audit fees	35.00	18.00
ii) Limited review fees	15.00	12.00
iii) Others	-	6.00
iv) Reimbursement of out of pocket expenses	-	1.00
Miscellaneous	118.01	638.37
<b>Total other expenses</b>	<b>5,489.66</b>	<b>2,512.87</b>

#### Note

**27.1** The Company is not liable to incur any expenses on Corporate Social Responsibility as per section 135 of the Companies Act, 2013.

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

### Note 28 Exceptional items

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Impairment allowance including expected credit loss allowance (allowance for doubtful, trade receivable and other financial assets)	406.81	502.62
Profit on sale of PPE	(673.35)	-
Impairment allowance on PPE	669	-
Additional contractual interest expense and other charges	-	-
Financial assets written off (trade receivable, other financial assets and loans written off)	-	-
<b>Total exceptional items [expense/ (Income)]</b>	<b>402.76</b>	<b>502.62</b>



## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 29 Earnings per share (EPS)

		Year ended 31 March 2021	Year ended 31 March 2020
		Amount	Amount
<b>Basic and diluted EPS</b>			
Profit/ (loss) computation for basic earnings per share of ₹10 each			
Net profit/ (loss) as per the Statement of Profit and Loss available for equity shareholders	(₹lakhs)	(64,231.30)	(49,093.38)
Weighted average number of equity shares for EPS computation	(Nos.)	2,56,98,372	2,56,98,372
EPS - Basic and Diluted EPS	(₹)	(249.94)	(191.04)

#### Note:

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

### Note 30 Contingent liabilities and commitments

#### A. Contingent liabilities

		As at 31 March 2021	As at 31 March 2020
		Amount	Amount
(i)	Claims not acknowledged as debts including cases where petition for winding up has been filed against the Company	759.82	725.22
(ii)	Corporate guarantee given to banks on behalf of subsidiaries/ jointly controlled entities	1,63,815.69	1,63,815.69
(iii)	Indirect tax liability that may arise in respect of matters in appeal	11,987.26	11,987.26

#### (iv) Provident Fund:

Based on the judgement by the Honorable Supreme Court dated 28 February 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Company with respect to timing and the components of its compensation structure. In absence of further clarification, the Company has been legally advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any."

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

#### B. Commitments

- (i) The Company has entered into agreements with various government authorities and semi government corporations to develop roads on Build-Operate-Transfer (BOT) and Public Private Partnership (PPP) basis through certain subsidiary entities and jointly controlled entities. The Company has a commitment to fund the cost of developing the infrastructure through a mix of debt and equity as per the estimated project cost.
- (ii) The Company along with its Jointly controlled entity, Supreme Infrastructure BOT Holdings Private Limited, has given an undertaking to the lenders of a Joint venture Company, not to dilute their shareholding below 51% during the tenure of the loan.

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 31 Interests in other entities

#### a) Joint operations (incorporated)

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

Name of the entity	% of ownership interest held by the Company		Name of the ventures' partner	Principal activities
	As at 31 March 2021	As at 31 March 2020		
Supreme Infrastructure BOT Holdings Private Limited	51.00	51.00	Strategic Road Investments Limited	
Toll management Sanjose Supreme Tollways Toll management Development Private Limited*	96.10	96.10	Constructora Sanjose S.A.	

\* w.e.f 10 August 2018, the Company cease to have significant influence as the company has been referred for liquidation.

#### i) Classification of joint arrangements

The joint venture agreements in relation to the above mentioned joint ventures require unanimous consent from all the parties for all relevant activities. All co-venturers have direct rights to the assets of the joint venture and are also jointly and severally liable for the liabilities incurred by the joint venture. The Company recognises its direct right to the jointly held assets, liabilities, revenue and expenses. In respect of these contracts, the services rendered to the joint ventures are accounted as income on accrual basis.

#### ii) Summarised balance sheet

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Total assets	1,08,348.96	1,08,858.24
Total liabilities	1,57,762.41	1,21,827.26

#### iii) Contingent liability and capital commitment as at reporting date

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Capital commitment	-	-

#### iv) Summarised statement of profit and loss account

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Revenue	-	2,233.22
Other income	-	-
Total expenses (including taxes)	8,168.61	20,163.19

#### b) Joint operations on work sharing basis

Contracts executed in joint arrangement under work sharing arrangement (consortium) is set out below. The principal place of business of all these arrangements is in India and are engaged in construction business.

Name of the Joint Venture	Description of interest	Company's share
Supreme - MBL JV	Lead JV partner	60%
Supreme - BKB - Deco JV	Lead JV partner	60%
Supreme - J Kumar JV	Lead JV partner	60%
Supreme Mahavir JV	Lead JV partner	55%
Supreme Brahmaputra JV	Equal JV partner	50%
Supreme Modi JV	Lead JV partner	51%

#### Classification of work executed on sharing basis

Contracts executed in joint operation under work sharing arrangement (consortium) is accounted to the extent work executed by the Company as that of an independent contract.

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 32 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

#### Defined benefit obligations - Gratuity (unfunded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
<b>Changes in defined benefit obligations</b>		
Present value of obligation as at the beginning of the year	128.95	101.07
Interest cost	8.98	7.34
Current service cost	17.20	13.67
Remeasurements - Net actuarial (gains)/ losses	(80.36)	6.88
Benefits paid		-
Past Service Cost		-
<b>Present value of obligation as at the end of the year</b>	<b>74.77</b>	<b>128.96</b>
<b>Expenses recognised in the Statement of Profit and Loss</b>		
Interest cost	8.98	7.34
Current service cost	17.20	13.67
Past Service Cost		-
<b>Total</b>	<b>26.18</b>	<b>21.01</b>
<b>Remeasurement (gains)/ losses recognised in OCI</b>		
Actuarial changes arising from changes in financial assumptions	(43.94)	46.55
Actuarial changes arising from changes in demographic assumptions	6.36	4.39
Experience adjustments	(42.77)	(44.07)
<b>Total</b>	<b>(80.35)</b>	<b>6.87</b>

#### Actuarial assumptions

	31 March 2021	31 March 2020
Discount rate	6.71% p.a	6.75% p.a
Salary escalation rate - over a long-term	5% p.a	15% p.a
Mortality rate	Indian assured lives mortality (2012-14) ultimate	Indian assured lives mortality (2012-14) ultimate

The attrition rate varies from 1% to 15% (31 March 2020: 1% to 7%) for various age groups

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

#### Quantities sensitivity analysis for significant assumption is as below:

	31 March 2021	31 March 2020
	1% increase	
i. Discount rate	(3.12)	(11.27)
ii. Salary escalation rate - over a long-term	2.99	5.62
	1% decrease	
i. Discount rate	3.40	12.88
ii. Salary escalation rate - over a long-term	(2.95)	(5.69)

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Maturity analysis of defined benefit obligation

	31 March 2021	31 March 2020
	Amount	Amount
Within the next 12 months	12.42	9.40
Between 2 and 5 years	41.62	42.78
Between 6 and 10 years	29.52	66.45
<b>Total expected payments</b>	<b>83.56</b>	<b>118.63</b>

### Defined contribution plans

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

	31 March 2021	31 March 2020
	Amount	Amount
(i) Contribution to provident fund	14.88	21.89
(ii) Contribution to ESIC	0.59	17.80
	<b>15.47</b>	<b>39.69</b>

The expenses for leave entitlement and compensated absences is recognized in the same manner as gratuity and provision of ₹9.60 lakhs (31 March 2020: ₹21.43 lakhs) has been reversed as at 31 March 2021.

	31 March 2021	31 March 2020
	Amount	Amount
<b>Current/ non-current classification</b>		
<b>Gratuity</b>		
Current	12.02	9.10
Non-current	62.75	119.86
	<b>74.77</b>	<b>128.96</b>
<b>Leave entitlement (including sick leave)</b>		
Current	10.37	10.80
Non-current	27.87	41.54
	<b>38.24</b>	<b>52.34</b>

### Note 33 Financial instruments

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

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

- Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### A. Financial instruments by category

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

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>								
Investments								
Investments in preference shares	4	506.97	-	-	-	-	506.97	506.97
Investment in debentures	4	70,572.69	-	-	-	-	70,572.69	70,572.69
Investment in equity instruments	4	-	2,292.37	-	-	-	2,292.37	2,292.37
Investments in mutual funds	10	-	2.63	-	-	-	2.63	2.63
Trade receivables	11	81,151.60	-	-	-	-	81,151.60	81,151.60
Loans	5	34.87	-	-	-	-	34.87	34.87
Others financial assets	6	386.92	-	-	-	-	386.92	386.92
Cash and cash equivalents	12	317.36	-	-	-	-	317.36	317.36
Other bank balances	13	0.82	-	-	-	-	0.82	0.82
<b>Liabilities:</b>								
Borrowings	15,18	2,76,502.32	-	-	-	-	2,76,502.32	2,76,502.32
Trade payables	19	13,286.96	-	-	-	-	13,286.96	13,286.96
Other financial liabilities	16	1,72,476.69	-	-	-	-	1,72,476.69	1,72,476.69

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

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>								
Investments								
Investments in preference shares	4	506.97	-	-	-	-	506.97	506.97
Investment in debentures	4	73,467.60	-	-	-	-	73,467.60	73,467.60
Investment in equity instruments		-	2,850.16	-	-	-	2,850.16	2,850.16
Investments in mutual funds	10	-	2.63	-	-	-	2.63	2.63
Trade receivables	11	77,739.00	-	-	-	-	77,739.00	77,739.00
Loans	5	7.98	-	-	-	-	7.98	7.98
Others financial assets	6	418.97	-	-	-	-	418.97	418.97
Cash and cash equivalents	12	318.72	-	-	-	-	318.72	318.72
Other bank balances	13	0.82	-	-	-	-	0.82	0.82
<b>Liabilities:</b>								
Borrowings	15,18	2,51,825.91	-	-	-	-	2,51,825.91	2,51,825.91
Trade payables	19	12,616.90	-	-	-	-	12,616.90	12,616.90
Other financial liabilities	16	1,39,910.67	-	-	-	-	1,39,910.67	1,39,910.67

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### B Fair value hierarchy

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

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

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	31-March-21			31-March-20		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investments in mutual funds	2.63	-	-	2.63	-	-
Investments in equity instruments	-	-	2,292.37	-	-	2,850.16

### Note 34 Disclosure in accordance with Ind-AS 24 Related Party Transactions

#### A. Names of related parties and nature of relationship

Name of the entity	Country of incorporation	Company's holding as at (%)		Subsidiary of
		31 March 21	31 March 20	
<b>a) Subsidiaries</b>				
Supreme Infrastructure BOT Private Limited	India	100.00	100.00	Supreme Infrastructure India Limited
Supreme Panvel Indapur Tollways Private Limited	India	64.00	64.00	Supreme Infrastructure India Limited
Supreme Mega Structures Private Limited	India	60.00	60.00	Supreme Infrastructure India Limited
Supreme Infrastructure Overseas LLC	Oman	60.00	60.00	Supreme Infrastructure India Limited
Supreme Manor Wada Bhiwandi Infrastructure Private Limited (Refer Note 1 & 4 below)	India	49.00	49.00	Supreme Infrastructure BOT Private Limited
Patiala Nabha Infra Projects Private Limited	India	100.00	100.00	Supreme Infrastructure BOT Private Limited
Supreme Suyog Funicular Ropeways Private Limited	India	98.00	98.00	Supreme Infrastructure BOT Private Limited
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	India	100.00	100.00	Supreme Infrastructure BOT Private Limited
Supreme Vasai Bhiwandi Tollways Private Limited	India	100.00	100.00	Supreme Infrastructure BOT Private Limited
Mohul Kurul Kamti Mandrup Tollways Private Limited (Refer note 1 below)	India	49.00	49.00	Supreme Infrastructure BOT Private Limited
Kotkapura Muksar Tollways Private Limited	India	99.00	99.00	Supreme Infrastructure BOT Private Limited
<b>(b) Jointly controlled entities</b>				
Sanjose Supreme Tollways Development Private Limited (upto 9 August 2018) (Refer note 2 below)	India	96.10	96.10	
Supreme Infrastructure BOT Holdings Private Limited (Refer note 3 below)	India	51.00	51.00	
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited (Refer note 4 below)	India	45.90	45.90	Supreme Infrastructure BOT Holdings Private Limited
Supreme Ahmednagar Karmala Tembhorni Tollways Private Limited (Refer notes 3 & 4 below)	India	51.00	51.00	Supreme Infrastructure BOT Holdings Private Limited

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

Name of the entity	Country of incorporation	Company's holding as at (%)		Subsidiary of
		31 March 21	31 March 20	
Supreme Kopargaon Ahmednagar Tollways Private Limited (Refer note 3 below)	India	51.00	51.00	Supreme Infrastructure BOT Holdings Private Limited
<b>(c) Associates</b>				
Sohar Stones LLC	Oman	30.00	30.00	

### (d) Key management personnel (KMP)

Mr. Bhawanishankar Sharma - Chairman  
 Mr. Vikram Sharma - Managing Director  
 Mr. Vijay Joshi - Company Secretary  
 Mr. Dakshendra Brijballabh Agrawal - Non executive Director  
 Mr. V.P. Singh - Independent Director  
 Mr. Vinod Agarwala - Independent Director  
 Mr. Sushil Kumar Mishra - Independent Director  
 Mrs. Payal Agarwal - Independent Director  
 Mr. Pankaj Prakash Sharma- CEO

### (e) Other related parties (where transactions have taken place during the year)

#### Companies in which key management personnel or their relatives have significant influence

Supreme Housing and Hospitality Private Limited  
 Green Hill Barter Private Limited  
 BHS Housing Private Limited  
 Supreme Innovative Buildings Private Limited  
 BVB Infracorp Private Limited  
 BVR Infracorp Private Limited  
 VSB Infracorp Private Limited  
 Rudraanee Infrastructure Limited (Refer note 5 below)  
 Kalyan Sangam Infratech Limited  
 Sanjose Supreme Tollways Development Private Limited (w.e.f 10 August 2018) (Refer note 2 below)

Note 1: Though the Company's investment in this mentioned entities is below 50% of the total share capital, these entities has been classified as subsidiary. The management has assessed whether or not the Company has control over this entities based on whether the group has practical ability to direct relevant activities unilaterally. In these cases, based on specific shareholders agreement, the management concluded that the Company have practical ability to direct the relevant activities.

Note 2: w.e.f 10 August 2018, the company cease to have significant influence as the company has referred for liquidation.

Note 3: Though the Company's investment in these entities exceed 50% of the total share capital, these entities have been classified as jointly controlled entities. The management has assessed whether or not the Company has control over these entities based on whether the Company has practical ability to direct relevant activities unilaterally. In these cases, based on specific shareholders agreement, the management concluded that the group does not have practical ability to direct the relevant activities unilaterally but has such ability along with the other shareholders.

Note 4: The lenders of the Company had invoked Strategic Debt Restructuring ('SDR') and as a result 51% of equity shares have been transferred to lenders from the promotor group in accordance with the Reserve Bank of India ('RBI') guidelines. This conversion of debt into equity by the lenders is only protective in nature but not participative.

Note 5: Though the Company's share in investment in Rudraanee Infrastructure Limited is 40.20% but there is no significant control over the entity by the virtue of agreement hence the same is considered as other related party.

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### B. Nature of Transactions

Particulars		Year ended 31 March 2021	Year ended 31 March 2020
		Amount	Amount
<b>Rendering of services</b>			
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	12,204.10	18,473.65
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	-	72.17
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	Subsidiary	-	-
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	-	85.96
Supreme Infrastructure BOT Holding Private Limited	Associate	25.00	-
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	-	-
Supreme Manorwada Bhiwandi Infrastructure Private Limited	Subsidiary	-	515.44
Patiala Nabha Infra Projects Private Limited	Subsidiary	-	-
		<b>12,229.10</b>	<b>19,147.22</b>
<b>Interest unwinding on financial assets carried at amortised cost</b>			
Kalyan Sangam Infratech Limited	Other related party	912.46	861.62
		<b>912.46</b>	<b>861.62</b>
<b>Interest unwinding on financial guarantees</b>			
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	17.94	11.96
Kotkapura Muktsar Tollways Private Limited	Subsidiary	8.47	5.65
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited	Subsidiary	-	22.90
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	73.59	49.06
Patiala Nabha Infra Projects Private Limited	Subsidiary	-	5.38
Rudranee Infrastructure Limited	Other related parties	-	6.16
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	-	5.41
Supreme Suyog Funicular Private Limited	Subsidiary	6.90	4.60
		<b>106.90</b>	<b>111.12</b>
<b>Remuneration/ Director sitting fees</b>			
Mr. Vijay Joshi	Company secretary	-	14.90
Mr. Sandeep Khandelwal	Chief financial officer	-	17.57
Mr. V.P. Singh	Independent director	7.20	8.70
Mr. Vinod Agarwala	Independent director	7.70	8.40
Mr. S.K. Mishra	Independent director	7.70	7.40
Mrs. Nilima Mansukhani	Independent director	-	3.00
Mr. Dakshendra Brijballabh Agrawal	Non executive director	2.30	6.60
Mrs. Payal Agarwal	Independent director	2.00	-
Mr. Pankaj Sharma	CEO	33.06	-
		<b>59.96</b>	<b>66.57</b>
<b>Loan taken from</b>			
Supreme Lake View Bungalows Private Limited	Other related parties	238.43	-
BVB Infracorp Private Limited	Other related parties	-	10.00
BVR Infracorp Private Limited	Other related parties	-	73.49
VSB Infracorp Private Limited	Other related parties	-	29.79
		<b>238.43</b>	<b>113.28</b>
<b>Loan repaid to</b>			
Mr. Bhawanishankar Sharma	Key Managerial Personnel	1.50	-
Mr. Vikram Sharma	Key Managerial Personnel	12.61	0.12
		<b>14.11</b>	<b>0.12</b>



## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### C) Outstanding balances:

Particulars		As at	As at
		31 March 2021	31 March 2020
		Amount	Amount
<b>Outstanding trade receivables</b>			
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	6,058.08	1,624.56
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	Subsidiary	-	-
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	338.49	338.01
Supreme Housing and Hospitality Private Limited	Other related party	-	-
BHS Housing Private Limited	Other related party	-	-
Patiala Nabha Infra Projects Private Limited	Subsidiary	1,588.81	1,312.18
Kotkapura Muksar Tollways Private Limited	Subsidiary	204.17	76.62
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	-	29.00
Mohul Kurul Kamti Mandrup Tollways Private Limited*	Subsidiary	1.28	1.28
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	227.82	-
		<b>8,418.65</b>	<b>3,381.64</b>
<b>Unbilled work in progress</b>			
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	2,709.00	4,767.60
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	163.00	78.12
		<b>2,872.00</b>	<b>4,845.72</b>
<b>Loans receivable</b>			
Rudranee Infrastructure Limited*	Other related party	2,227.40	2,227.40
Supreme Infrastructure Overseas LLC*	Subsidiary	316.77	316.77
		<b>2,544.17</b>	<b>2,544.17</b>
<b>Other financial assets</b>			
<b>Receivable from related party</b>			
Supreme Suyog Funicular Ropeways Private Limited*	Subsidiary	713.40	50.31
Supreme Infrastructure BOT Holdings Private Limited	Jointly controlled entity	-	-
Supreme Infrastructure BOT Private Limited*	Subsidiary	-	-
Supreme Innovative Buildings Private Limited	Other related party	-	-
		<b>713.40</b>	<b>50.31</b>
<b>Outstanding payables</b>			
<b>Long-term borrowings</b>			
1% Non cumulative redeemable preference shares of ₹10 each			
BHS Housing Private Limited		2,471.49	2,005.92
		<b>2,471.49</b>	<b>2,005.92</b>
<b>Short-term borrowings</b>			
Mr. Bhawanishankar Sharma	Key Managerial Personnel	2,711.11	3,118.38
Mr. Vikram Sharma	Key Managerial Personnel	1,145.34	1,157.95
Mr. Vikas Sharma	Key Managerial Personnel	730.71	730.71
Supreme Lake View Bungalows Private Limited	Other related parties	1,020.88	-
Supreme Innovative Buildings Private Limited	Other related parties	1,957.46	-
BVB Infracorp Private Limited	Other related parties	1,559.70	1,559.70
BVR Infracorp Private Limited	Other related parties	1,900.35	1,900.35
VSB Infracorp Private Limited	Other related parties	2,241.79	2,241.79
		<b>13,267.33</b>	<b>10,708.88</b>

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

Particulars		As at	As at
		31 March 2021	31 March 2020
		Amount	Amount
<b>Other financial liabilities</b>			
Mr. Vijay Joshi	Key Managerial Personnel	14.65	14.65
Mr. Sandeep Khandelwal	Chief financial officer	14.09	16.09
Mr. V.P. Singh	Independent Directors	12.10	8.70
Mr. Vinod Agarwala	Independent Directors	7.30	8.40
Mr. S.K. Mishra	Independent Directors	11.80	7.40
Mrs. Nilima Mansukhani	Independent Directors	1.50	3.00
Mr. Dakshendra Agarwala	Independent Directors	6.90	6.60
Ms. Payal Agarwal	Independent Directors	2.00	-
Supreme Infrastructure BOT Holdings Private Limited	Subsidiary	-	1,285.76
		<b>70.34</b>	<b>1,350.61</b>
<b>Advance from contractees</b>			
Supreme Manorwada Bhiwandi Infrastructure Private Limited	Subsidiary	-	60.76
		-	<b>60.76</b>
<b>Corporate guarantees given and outstanding as at the end of the year</b>			
Supreme Vasai Bhiwandi Tollways Private Limited	Subsidiary	15,378.00	15,378.00
Kotkapura Muksar Tollways Private Limited	Subsidiary	8,500.00	8,500.00
Supreme Kopargaon Ahmednagar Phase-I Tollways Private Limited	Subsidiary	18,000.00	18,000.00
Supreme Panvel Indapur Tollways Private Limited	Subsidiary	90,000.00	90,000.00
Patiala Nabha Infra Projects Private Limited	Subsidiary	6,537.69	6,537.69
Rudranee Infrastructure Limited	Other related party	4,500.00	4,500.00
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	14,900.00	14,900.00
Supreme Suyog Funicular Ropeways Private Limited	Subsidiary	6,000.00	6,000.00
		<b>1,63,815.69</b>	<b>1,63,815.69</b>

\* Provisions made against such receivables

### Notes:

- Mr. Bhawanishankar Sharma and Mr. Vikram Sharma have agreed for waiver of remuneration for the years ended 31 March 2021 and 31 March 2020 in view of the losses incurred by the Company.
- Refer notes 4.2, 4.3, 15.3 and 18.1 for personal guarantee provided by Directors, shares pledged and other security created in respect of borrowing by the Company or the related parties.
- The Company along with its Jointly controlled entity, Supreme Infrastructure BOT Holdings Private Limited, has given an undertaking to the lenders of a Joint venture Company, not to dilute their shareholding below 51% during the tenure of the loan.

### Note 35 Financial risk management objectives and policies

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

#### i Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk includes loans and borrowings.

##### a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's total debt obligations with floating interest rates.

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Interest rate sensitivity

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

Particulars	31 March 2021	31 March 2020
	Amount	Amount
Increase in basis points	50 basis points	50 basis points
Effect on loss before tax, increase by	2,239.49	1,950.30
Decrease in basis points	50 basis points	50 basis points
Effect on loss before tax, decrease by	2,239.49	1,950.30

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

### b Foreign currency risk

The Company does not have any significant outstanding balances in foreign currency and consequently the Company's exposure to foreign exchange risk is less. Although, the exchange rate between the rupee and foreign currencies has changed substantially in recent years, it has not affected the results of the Company. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. Accordingly, the Company does not have any unhedged foreign currency exposures.

### c Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

## ii Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, unbilled work-in-progress, cash and cash equivalents and receivable from group companies.

- a Credit risk on trade receivables and unbilled work is limited as the customers of the Company mainly consists of the government promoted entities having a strong credit worthiness. For other customers, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work-in-progress. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from government promoted agencies and others

Particulars	31 March 2021	31 March 2020
	%	%
Revenue from government promoted agencies	77.86	87.55
Revenue from others	22.14	12.45
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

The following table gives details in respect of contract revenues generated from the top customer and top 5 customers for the year ended:

Particulars	31 March 2021	31 March 2020
	Amount	Amount
Revenue from top customer	10,739.94	16,360.63
Revenue from top five customers	18,949.49	20,610.86

For the year ended 31 March 2021, One (31 March 2020: One) customer, individually, accounted for more than 10% of the revenue.

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

The movement of the allowance for lifetime expected credit loss on financial assets except trade receivables is stated below:

Particulars	31 March 2021	31 March 2020
	Amount	Amount
Balance at the beginning of the year	1,597.98	669.20
Charge in the statement of profit and loss	557.78	928.78
Release to the statement of profit and loss	-	-
Balance at the end of the year	2,155.76	1,597.98

^ Refer note 11.6 for movement in allowance for lifetime expected credit loss on trade receivables.

- b Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings.

### iii Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

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

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
<b>As at 31 March 2021</b>					
Borrowings (including interest accrued)	1,55,605.32	2,92,291.89	-	-	4,47,897.21
Trade payables	-	13,286.96	-	-	13,286.96
Other financial liabilities	-	1,081.80	-	-	1,081.80
<b>Total</b>	<b>1,55,605.32</b>	<b>3,06,660.65</b>	<b>-</b>	<b>-</b>	<b>4,62,265.96</b>
<b>As at 31 March 2020</b>					
Borrowings (including interest accrued)	1,42,215.49	2,45,837.70	2,005.91	-	3,90,059.10
Trade payables	-	12,616.90	-	-	12,616.90
Other financial liabilities	-	1,677.48	-	-	1,677.48
<b>Total</b>	<b>1,42,215.49</b>	<b>2,60,132.08</b>	<b>2,005.91</b>	<b>-</b>	<b>4,04,353.47</b>

### Note 36 Capital management

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

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

Particulars	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Total debt	4,47,897.21	3,90,059.10
Total equity	(2,09,272.51)	(1,45,175.44)
<b>Total debt to equity ratio (Gearing ratio)</b>	<b>187.70%</b>	<b>159.28%</b>

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

## Summary of significant accounting policies

and other explanatory information to the standalone financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. Subsequent to restructuring of the borrowings as stated in note 15, there have been no communications from the banks in this regard which might have a negative impact on the gearing ratio (Also refer note no 37)

### Note 37

In terms of the guidelines on Prudential Framework for Resolution of Stressed Assets issued by the Reserve Bank of India on June 7, 2019 ("RBI Circular"), the majority of the lenders have in principle agreed to restructure the loan accounts of the Company with the lenders and have signed an Inter Creditor Agreement as per the procedure laid down in the RBI Circular. On sanction of the resolution plan by the lenders under the aegis of the RBI Circular and confirmation by the promoters to infuse additional funds, (wherein out of the total estimated debt ₹408,00 lakhs existing as at reference date i.e. February 28 2021 ₹650,00 lakhs is to be classified as sustainable debt to be serviced as per the existing terms and conditions and the remainder is to be converted into Non Convertible Debenture, Compulsorily Convertible Debenture).

Further, the Company has incurred a net loss after tax of ₹64,150.95 lakhs for the year ended March 31, 2021 and, has also suffered losses from operations during the preceding financial years and as of that date, the Company's accumulated losses amounts to ₹241,787.27 lakhs and its current liabilities exceeded its current assets by ₹377,940.02 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, Management has prepared the financial results on a "Going Concern" basis.

### Note 38 Estimation of uncertainties relating to the global health pandemic from COVID-19

The Outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Execution of Engineering and Construction contracts undertaken by the Company were temporarily suspended during nationwide lockdown. Business operations are being resumed in a phased manner in line with directives from the authorities. The Company has considered internal and external sources of information up to the date of approval of these financial statements, in assessing the recoverability of its assets, liquidity, financial position and operations of the Company including impact on estimated construction cost to be incurred towards projects under execution and based on the management's assessment, there is no material impact on the financial results of the Company. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these financial results. The uncertainty relating to improvement in economic activity may have an impact to the Company's operations in future.

### Note 39

The Company is principally engaged in a single business segment viz. "Engineering and Construction". Also, refer note 36(ii) (a) for information on revenue from major customers.

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

#### For Ramanand & Associates

Chartered Accountants

Firm Registration No: 117776W

#### CA Ramanand Gupta

Partner

M.No.: 103975

Place: Mumbai

Date: 18 September 2021

#### For Borkar & Muzumdar

Chartered Accountants

Firm Registration No: 101569W

#### Devang Vaghani

Partner

M. No. 109386

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

#### Bhawanishankar Sharma

Chairman

DIN No: 01249834

Place: Mumbai

Date: 18 September 2021

#### Vikram Sharma

Managing Director

DIN No: 01249904

# Independent Auditor's Report

## To the Members of Supreme Infrastructure India Limited

### Report on the Audit of the Consolidated Financial Statements

#### Qualified Opinion

1. We have audited the accompanying consolidated financial statements of Supreme Infrastructure India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2021, and its consolidated loss (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### Basis for Qualified Opinion

3. As stated in:
  - i. Note 13.3 to the accompanying consolidated financial statement, the Holding Company's current financial assets as at 31 March 2021 include trade receivables aggregating ₹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 amounts and balance confirmations, we are unable to comment upon the adjustments, if any, that are required to the carrying

value of trade receivable, and consequential impact, if any, on the accompanying Consolidated financial statements. The Opinion on the Consolidated financial statements for the year ended 31 March 2020 was also modified in respect of this matter.

- ii. As stated in Note 6.4 to the accompanying consolidated financial statements, relating to the Group's carrying value of net liability aggregating ₹82,255.06 lakhs and non-controlling interest amounting to ₹(11,916.76) lakhs as at March 31, 2021 relating to Supreme Infrastructure BOT Private Limited, is 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 March 31, 2019 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 statements.
- iii. As stated in Note 20.2 to the accompanying consolidated financial statements, the Holding Company's other current financial liabilities as at March 31, 2021 include balance amounting to ₹57,909.52 Lakhs, in respect of which confirmations/statements from the respective banks/lenders have not been provided to us by the management of the Holding Company. Further, in respect of certain loans while principal balance has been confirmed from the confirmations issued by the banks/lenders, the interest accrued amounting ₹184,427.50 Lakhs have not been confirmed by banks/lenders. In the absence of such confirmation from banks/lenders or sufficient and appropriate alternate audit evidence, we are unable to comment on the adjustments and changes in classification of balances in accordance with the principle of Ind AS 1, presentation of financial statements, if any, that may be required to carrying value of the aforementioned balances in the accompanying consolidated financial statements. The Opinion on the Consolidated financial statements for the year ended 31 March 2020 was also modified in respect of this matter.
- iv. the accompanying consolidated financial statements include the unaudited financial statements of one subsidiary, whose financial statements (before eliminating inter-company balances/transactions) reflect total assets of ₹2,39,203.24 lakhs as at March 31, 2021, total revenue of ₹12,499.79, total net loss after tax of ₹1,752.42 lakhs and total comprehensive

income of ₹(1,752.42) lakhs for the year ended on that date, as considered in the statement. These unaudited financial statements of the subsidiary company have been furnished to us by the Board of Directors and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited financial statements.

Since the revenue from this subsidiary comprise of more than 47% in group's revenue for the financial year ended March 31, 2021, in our opinion, these financial statements are material to the Group. Consequently, in the absence of audited financial statements of this subsidiary, we are unable to comment upon the adjustments, if any, that may be required to the carrying value of various assets and liabilities, and consequential impact, if any, on the accompanying consolidated financial statements.

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 18 September 2021 reproduced by us as under:

- i. As stated in Note 20.3 to the accompanying consolidated financial statements, which indicate that Supreme Vasai Bhiwandi Tollways Private Limited ('SVBTPL'), a subsidiary company, as stated in Note 4(a) of the financial statements, the Company's current maturities of non-current borrowings from financial institutions as at March 31, 2021 having balance of ₹13,943.60 lakhs and its interest of ₹3,889.39 lakhs in respect of which direct confirmations from the lender have not been received. These borrowings have been classified into current, as the loan has been classified as NPA. Further, whilst we have been able to perform alternate procedures with respect to certain balances, in the absence of confirmations from the lenders, we are unable to comment on the adjustments, if any, that may be required to the carrying value of these balances on account of changes, if any, to the terms and conditions of the transactions, and consequential impact, on the accompanying consolidated financial statements.
- i. As stated in Note 20.4 to the accompanying consolidated financial statements, which indicate that Kotkapura Muksar Tollways Private Limited ('KMTPL'), a subsidiary company, as stated in Note 4(b) of the financial statements, the Company's current maturities of non-current borrowings from financial institutions as at March 31, 2021 having balance of ₹3,103.92 lakhs and its interest of ₹3,990.22 lakhs in respect of which direct confirmations from the lender have not been received. These borrowings have been classified into current, as the loan has been classified as NPA. Further, whilst we have been able to perform alternate procedures with respect to certain balances, in the absence of confirmations from the lenders, we are

unable to comment on the adjustments, if any, that may be required to the carrying value of these balances on account of changes, if any, to the terms and conditions of the transactions, and consequential impact, on the accompanying consolidated financial statements.

We, further draw attention to the following emphasis of matters on the consolidated financial statements of SIBPL, subsidiary of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated 18 September 2021 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 as at March 31, 2021 aggregating ₹14,525.10 lakhs, which is being substantially carry forward from earlier years in respect of cost incurred for construction of Funicular Ropeway under the BOT scheme. Based on the valuation report obtained, legal opinion and other matters as set forth in the aforesaid note, the management believes that no adjustment is required to the carrying value of the aforesaid balance. Our opinion is not modified in respect of this matter.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraphs 17 and 18 of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified opinion.

### 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 ₹90,952.59 lakhs during the year ended March 31, 2021 and, as of that date; the Group's accumulated losses amounts to ₹357,711.72 lakhs which have resulted in a full erosion of net worth of the Group and its current liabilities exceeded its current assets by ₹5,33,912.15 lakhs. Further, as disclosed in Note 5 to the said statements, Company has defaulted in repayment of principal and interest in respect of its borrowing and has overdue operational creditor outstanding as at March 31, 2021. 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. Our Opinion is not modified in respect of this matter.

The above assessment of the Group's ability to continue as going concern is by its nature considered as a key audit matter in accordance with SA 701. In relation to the above key audit matter, our audit work included, but was not limited to, the following procedures:

- i. Obtained an understanding of the management's process for identifying all events or conditions that may cast significant doubt over the company's ability to continue as a going concern and a process to assess the corresponding mitigating factors existing against each such event or condition. Also, obtained an understanding around the methodology adopted by the Group to assess their future business performance including the preparation of a cash flow forecast for the business;
- ii. Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management;
- iii. We obtained from the management, its projected cash flows for the next twelve months basis their future business plans and considering the impacts of implementation of Tariff Order, 2017. Reconciled the cash flow forecast to the future business plan of the Group as approved by the Board of Directors;
- iv. Assessed the methodology used by the management to estimate the cash flow projections including the appropriateness of the key assumptions in the cash flow projections for next 12 months by considering our understanding of the business, past performance of the

Group, external data and market conditions apart from discussing these assumptions with the management and the Audit Committee;

- v. Tested mathematical accuracy of the projections and applied independent sensitivity analysis to the key assumptions mentioned above to determine and ensure that there was sufficient headroom with respect to the estimation uncertainty impact of such assumptions on the calculation; and
- vi. Assessed that the disclosures made by the management are in accordance with applicable accounting standards.

Our opinion is not modified in respect of this matter

### Emphasis of Matter

6. We draw attention to Note 43 in the consolidated financial statements, which describes the effects of uncertainties relating to COVID-19 pandemic outbreak on the Group's operations and management's evaluation of its impact on the accompanying statement as at the reporting date, the extent of which is significantly dependent on future developments.

Our Opinion is not modified in respect of the above matters.

### Key Audit Matters

7. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
8. In addition to the matters described in the Basis for Qualified Opinion and Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.



Key audit matter	How our audit addressed the key audit matter
<p><b>Recognition of contract revenue, margin and contract costs (Refer note 2.1 xvi of the consolidated financial statements)</b></p> <p>The Group's revenue primarily arises from construction contracts which, by its nature, is complex given the significant judgements involved in the assessment of current and future contractual performance obligations.</p> <p>Effective 1 April 2018, the Group has adopted Ind AS 115 'Revenue from Contracts with Customers' using the cumulative catch-up transition method. Accordingly, the Group recognizes revenue and margins based on the stage of completion which is determined on the basis of the proportion of value of goods or services transferred as at the Balance Sheet date, relative to the value of goods or services promised under the contract. All the projects of the Group satisfy the criteria for recognition of revenue over time (using the percentage of completion method) since the control of the overall asset (property/ site / project) lies with the customer who directs the Group. Further, the Group has assessed that it does not have any alternate use of these assets.</p> <p>The recognition of contract revenue, contract costs and the resultant profit/loss therefore rely on the estimates in relation to forecast contract revenue and the total cost. These contract estimates are reviewed by the management on a periodic basis. In doing so, the management is required to exercise judgement in its assessment of the valuation of contract variations and claims and liquidated damages as well as the completeness and accuracy of forecast costs to complete and the ability to deliver contracts within contractually determined timelines. The final contract values can potentially be impacted on account of various factors and are expected to result in varied outcomes.</p> <p>Changes in these judgements, and the related estimates as contracts progress can result in material adjustments to revenue and margins. As a result of the above judgments, complexities involved and material impact on the related financial statement elements, this area has been considered a key audit matter in the audit of the consolidated financial statements.</p>	<p>Our audit of the recognition of contract revenue, margin and related receivables and liabilities included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the appropriateness of the Group's revenue recognition policies;</li> <li>• Assessed the design and implementation of key controls over the recognition of contract revenue and margins, and tested the operating effectiveness of these controls;</li> <li>• For a sample of contracts, tested the appropriateness of amount recognized by evaluating key management judgements inherent in the forecasted contract revenue and costs to complete that drive the accounting under the percentage of completion method, including: <ul style="list-style-type: none"> <li>- reviewed the contract terms and conditions;</li> <li>- evaluated the identification of performance obligation of the contract</li> <li>- evaluated the appropriateness of management's assessment that performance obligation was satisfied over time and consequent recognition of revenue using percentage of completion method.</li> <li>- tested the existence and valuation of claims and variations within contract costs via inspection of correspondence with customers;</li> <li>- obtained an understanding of the assumptions applied in determining the forecasted revenue and cost to complete;</li> <li>- assessed the ability of the Group to deliver contracts within budgeted timelines and exposures, if any, to liquidated damages for late delivery; and</li> </ul> </li> <li>• Assessed that the disclosures made by the management are in accordance with applicable accounting standards.</li> </ul>

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

9. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate audit evidence about the carrying amount of Trade receivables, Non-current Investments and other financial liabilities as at March 31, 2021. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter. With respect to the information in Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have not yet received information on the same till date of issuance of this report.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

10. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind

AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

11. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
12. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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

13. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
14. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Group have adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
  16. We also provide those charged with governance with a statement that we have complied with relevant ethical

requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

18. We did not audit the financial statements in respect of (2) two subsidiaries included in consolidated financial statements, whose financial statements (before eliminating inter-company balances/transactions) reflects total assets of ₹154,390.80 lakhs as at 31 March 2021, total revenues of ₹1,736.68 lakhs total net loss after tax of ₹15,044.92 lakhs, total comprehensive income of ₹15,044.92 lakhs and net cash outflows amounting to ₹293.86 lakhs for the year ended on that date, as considered in the consolidated financial statements. 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 statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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

19. We did not audit the financial statements/financial information of one (1) subsidiary whose financial information (before eliminating inter-company balances/transactions) reflects total assets of ₹1,352.85 lakhs and as at 31 March 2021, total revenues of Nil, total net loss after tax of ₹Nil, total comprehensive income of ₹Nil and net cash inflows amounting to Nil for the year ended on that date, as considered in the consolidated financial statements. These

financial statements is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, and matters identified and disclosed under key audit matters section above and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements is not material to the Group.

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

### Report on Other Legal and Regulatory Requirements

20. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in the paragraph 17 and 18, on separate financial statements of the subsidiaries, we report that the Holding Company, four subsidiary companies covered under the Act have not paid or provided for any managerial remuneration during the year.
21. The Consolidated financial statements of the group for the year ended March 31, 2020 were audited by one of the joint statutory auditors Ramanand & Associates, Chartered Accountants, in sole capacity on which they had issued a modified opinion vide report dated 6 January 2021.
22. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:
  - a) we have sought and except for the possible effects of the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matters described in paragraph 3 of the Basis for Qualified Opinion section with respect to the financial statements of the Holding Company;
  - c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) except for the possible effects of the matters described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;
  - e) the matters described in paragraphs 3 and 5 of the Basis for Qualified Opinion and Material Uncertainty related to Going Concern sections in our opinion, may have an adverse effect on the functioning of the Holding Company;
  - f) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its 2 subsidiary companies covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - g) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraphs 3 of the Basis for Qualified Opinion section with respect to the Holding Company;
  - h) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I';
  - i) With respect to the other matters to be included

in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

- i. Except for the possible effects of the matters described in paragraph 3 of the Basis for Qualified Opinion section, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Notes 5.1, 6.4, 13.3, 17.1,

20.2, 20.3, 20.4, 32A(i), 32A(iii), 32A(iv), 33 to the consolidated financial statements;

- ii. except for the possible effects of the matters described in the Basis for Qualified Opinion section provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts if any.
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act during the year ended 31 March 2021;

**For Borkar & Muzumdar**

*Chartered Accountants*

FRN: 101569W

**Devang Vaghani**

*Partner*

Membership No: 109386

UDIN: 21109386AAAIC1152

Date: September 18, 2021

Place: Mumbai

**For Ramanand & Associates**

*Chartered Accountants*

FRN: 117776W

**Ramanand Gupta**

*Partner*

Membership No. 103975

UDIN: 21103975AAAATY7316

Date: September 18, 2021

Place: Mumbai

## Annexure I to the Independent Auditor's Report

of even date to the members of Supreme Infrastructure India Limited on the consolidated financial statements for the year ended 31 March 2021

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

1. In conjunction with our audit of the consolidated financial statements of Supreme Infrastructure India Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and its joint ventures as at and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting ("IFCoFR") of the Holding Company, its four subsidiaries which are companies covered under the Act, as at that date.

### Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its four (4) subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of the company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company and its subsidiary companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes

obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Others Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion on the IFCoFR of the Holding Company and its three (3) subsidiary companies, as aforesaid.

### Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Basis for Qualified opinion

8. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31 March 2021 with respect to the holding company and its three (3) subsidiary companies which are companies covered under the Act. The possible effects of the following material weakness have been

assessed as material but not pervasive to these consolidated financial statements:

- a. The Holding 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.
- b. The Holding 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.
- c. Adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary which is companies incorporated in India, whose financial statements is unaudited and have been furnished to us by the management. Since the revenue from this subsidiary comprise of more than 47% in group's revenue for the financial year ended March 31, 2021, in our opinion, these financial statements are material to the Group. Consequently, in the absence of audited financial statements of this subsidiary, we are unable to comment upon adequacy in the internal financial controls over financial reporting on the accompanying consolidated financial statements.

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

### Qualified Opinion

10. In our opinion holding company and its three (3) subsidiary companies, which are companies covered under the Act, have, in all material respects, adequate internal financial controls over financial reporting as of 31 March 2021, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, holding company and its three (3) subsidiary companies, which are companies covered under the Act, internal financial controls over financial reporting were operating effectively as at 31 March 2021.
11. 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 as at and for the year ended 31 March 2021, and these material weaknesses have affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the consolidated financial statements.

### Other matters

12. Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiaries which are companies incorporated in India, is based on the corresponding reports issued by auditors of such companies, which do not disclose any material inadequacy in the internal financial controls over financial reporting.

Our opinion is not modified in respect of this matter with respect to our reliance on IFCoFR report certified by the management.

#### For Borkar & Muzumdar

Chartered Accountants  
FRN: 101569W

#### Devang Vaghani

Partner  
Membership No: 109386  
UDIN: 21109386AAAAIC1152

Date: September 18, 2021  
Place: Mumbai

#### For Ramanand & Associates

Chartered Accountants  
FRN: 117776W

#### Ramanand Gupta

Partner  
Membership No. 103975  
UDIN: 21103975AAAATY7316

Date: September 18, 2021  
Place: Mumbai

# Consolidated Balance Sheet

as at 31 March 2021

All amounts are in Indian Rupees and in lakhs

	Note No.	As at 31 March 2021 Amount	As at 31 March 2020 Amount
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	12,120.23	17,145.27
Capital work-in-progress		-	669.30
Goodwill		270.42	270.42
Intangible assets	4	78,398.31	95,138.26
Intangible assets under development	5	2,56,275.11	2,35,944.32
Investments in joint venture and associates	6 I	-	-
<b>Financial assets</b>			
Investments	6 II & III	2,800.35	3,357.12
Loans	7	-	84.10
Other financial assets	8	412.20	291.13
Deferred tax assets (net)	9	11.59	11.59
Other non-current assets	10	3,893.40	23,682.00
Income tax assets (net)	9	23.29	54.61
<b>Total non-current assets</b>		<b>3,54,204.91</b>	<b>3,76,648.13</b>
<b>Current assets</b>			
Inventories	11	3,632.41	3,519.46
<b>Financial assets</b>			
Investments	12	2.63	2.63
Loans	7	61.99	(50.61)
Trade receivables	13	89,610.59	78,752.90
Cash and cash equivalents	14	722.15	1,145.50
Other bank balances	15	0.82	6.83
Other financial assets	8	26,869.71	439.95
Other current assets	10	15,011.55	14,967.53
<b>Total current assets</b>		<b>1,35,911.84</b>	<b>98,784.19</b>
<b>TOTAL ASSETS</b>		<b>4,90,116.75</b>	<b>4,75,432.34</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	16	2,569.84	2,569.84
Other equity		(3,29,285.31)	(3,02,749.70)
Equity attributable to owners of the parent		(3,26,715.48)	(3,00,179.86)
Non-controlling interests		(11,503.79)	(7,832.60)
<b>Total equity</b>		<b>(3,38,219.27)</b>	<b>(3,08,012.45)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	17	1,53,399.58	2,05,569.79
Other financial liabilities	18	28.52	0.45
Provisions	19	5,083.93	6,663.86
Deferred tax liabilities (net)	9	-	-
<b>Total non-current liabilities</b>		<b>1,58,512.03</b>	<b>2,12,234.10</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	20	1,58,501.17	95,441.97
Trade payables	21		
- to micro enterprises and small enterprises		172.94	198.59
- to others		15,366.13	13,802.78
Other financial liabilities	18	4,76,516.28	4,41,975.98
Other current liabilities	22	16,186.42	16,642.57
Provisions	19	22.39	19.90
Income tax liabilities (net)	9	3,058.65	3,128.91
<b>Total current liabilities</b>		<b>6,69,823.99</b>	<b>5,71,210.69</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,90,116.75</b>	<b>4,75,432.34</b>

The accompanying notes form an integral part of the consolidated financial statements

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

**For Ramanand & Associates**

Chartered Accountants

Firm Registration No: 117776W

**CA Ramanand Gupta**

Partner

M.No.: 103975

Place: Mumbai

Date: 18.09.2021

**For Borkar & Muzumdar**

Chartered Accountants

Firm Registration No: 101569W

**Devang Vaghani**

Partner

M. No. 109386

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

Chairman

DIN No: 01249834

Place: Mumbai

Date: 18.09.2021

**Vikram Sharma**

Managing Director

DIN No: 01249904



## Consolidated Statement of Profit and Loss

for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
		Amount	Amount
<b>INCOME</b>			
Revenue from operations	23	26,344.47	32,066.12
Other income	24	779.21	192.19
<b>Total income</b>		<b>27,123.67</b>	<b>32,258.31</b>
<b>EXPENSES</b>			
Cost of construction materials consumed	25	4,158.70	4,520.68
Subcontracting expenses		17,149.10	17,764.05
Employee benefits expense	26	699.65	1,212.20
Finance costs	27	74,519.94	63,123.18
Depreciation and amortisation expense	28	3,007.25	9,174.90
Other expenses	29	7,322.46	3,201.23
<b>Total expenses</b>		<b>1,06,857.10</b>	<b>98,996.25</b>
<b>Profit/ (loss) before share of profit from associate, joint venture and exceptional items and tax</b>		<b>(79,733.43)</b>	<b>(66,737.93)</b>
Share of loss from associate and joint venture		-	(9,203.66)
Exceptional items	30	11,299.52	(7,147.58)
<b>Profit/ (loss) before tax</b>		<b>(91,032.95)</b>	<b>(83,089.17)</b>
<b>Tax expense/ (credit)</b>	9	-	-
Current income tax		-	-
Deferred income tax		-	-
		-	-
<b>Profit/ (loss) for the year (A)</b>		<b>(91,032.95)</b>	<b>(83,089.16)</b>
<b>Attributable to:</b>			
Non-controlling interests		(3,671.19)	(1,818.80)
Owners of the parent		(87,361.75)	(81,270.36)
<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		80.35	(6.87)
- Income tax effect on above		-	-
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>80.35</b>	<b>(6.87)</b>
<b>Total comprehensive income/ (loss) for the year, net of tax (A+B)</b>		<b>(90,952.59)</b>	<b>(83,096.03)</b>
<b>Attributable to:</b>			
Non-controlling interests		(3,671.19)	(1,818.80)
Owners of the parent		(87,281.40)	(81,277.23)
Earnings per equity share of nominal value ₹10 each			
Basic and diluted (in ₹)	31	(354.24)	(316.25)

The accompanying notes form an integral part of the consolidated financial statements

This is the consolidated statement of profit and loss referred to in our audit report of even date

### For Ramanand & Associates

Chartered Accountants

Firm Registration No: 117776W

### CA Ramanand Gupta

Partner

M.No.: 103975

Place: Mumbai

Date: 18.09.2021

### For Borkar & Muzumdar

Chartered Accountants

Firm Registration No: 101569W

### Devang Vaghani

Partner

M. No. 109386

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

### Bhawanishankar Sharma

Chairman

DIN No: 01249834

Place: Mumbai

Date: 18.09.2021

### Vikram Sharma

Managing Director

DIN No: 01249904

## Consolidated Cash Flow Statement

for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net loss before tax	(33,408.72)	(83,089.17)
<b>Adjustments for</b>		
Depreciation and amortisation expense	3,007.25	9,174.90
Finance costs (including unapplied interest)	74,519.94	77,844.29
Interest income	205.34	(117.24)
Resurfacing expense	4,993.31	648.45
Impairment loss - financial assets written off	557.78	(10,708.74)
Impairment allowance - (allowance for doubtful debts)	406.81	25,398.83
Impairment allowance - (allowance for doubtful debts)	-	1,100.00
Impairment loss - Investments written off	-	-
Impairment loss- Inventories written off	-	0.01
Impairment loss- CWIP written off	(673.35)	-
Share of loss from associates & joint ventures	-	9,203.66
Provision for gratuity	-	21.01
Income on discontinuous of consolidation	(11,299.52)	-
Excess provision no longer required written back	419.98	-
Profit on redemption of mutual funds (net)	-	-
Fair value gain on mutual funds (valued at FVTPL)	-	-
Provision for loss written back in respect of a join venture	-	(9,522.53)
<b>Operating profit before working capital changes</b>	<b>38,728.82</b>	<b>19,953.48</b>
<b>Adjustments for changes in working capital:</b>		
Decrease/(increase) in trade receivables	(10,857.69)	(24,792.12)
Decrease / (increase) in loans and advances / other advances	(6,874.83)	3,711.90
Decrease in inventories	(156.97)	67.67
(Decrease) / increase in trade and other payables	(538.05)	1,53,044.44
<b>Cash generated from / (used in) operations</b>	<b>20,301.27</b>	<b>1,51,985.36</b>
Direct taxes paid (net of refunds received)	-	(104.46)
<b>Net cash (used in) / generated from operating activities</b>	<b>20,301.27</b>	<b>1,51,880.90</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment (including capital work in progress and capital advances)	(2,103.51)	(110.96)
Proceeds from sale of property, plant and equipment, intangible assets	4,174.78	-
Proceeds from sale of current investments	-	(28,622.43)
Net (investments in)/ proceeds from bank deposits (having original maturity of more than three months)	-	1,558.03
Purchase of non-current investments	-	-
Interest received	20.52	173.29
Dividend received	-	-
<b>Net cash used in investing activities</b>	<b>2,091.80</b>	<b>(27,002.08)</b>

# Consolidated Cash Flow Statement

for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings	-	(79,184.36)
Repayment of long-term borrowings	-	(2,110.57)
Proceeds from short-term borrowings (net)	(22,085.28)	(49,067.57)
Proceeds/(repayment) of loan from related parties (net)	-	5,373.31
Interest paid	-	117.24
<b>Net cash generated from financing activities</b>	<b>(22,085.28)</b>	<b>(1,24,871.95)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>307.79</b>	<b>8.10</b>
Cash and cash equivalents at the beginning of the year	1,130.21	1,122.11
<b>Cash and cash equivalents at the end of the year</b>	<b>1,438.00</b>	<b>1,130.21</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	674.17	1,127.93
Cash on hand	41.69	17.56
Bank/ book overdraft	722.15	(15.28)
	<b>1,438.01</b>	<b>1,130.21</b>

## Notes:-

- The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash flows. Effective 1 April 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.
- Additions to property, plant and equipment include movements of capital work-in-progress, capital advances and capital creditors respectively during the year.

The accompanying notes form an integral part of the consolidated financial statements

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

### For Ramanand & Associates

Chartered Accountants

Firm Registration No: 117776W

### CA Ramanand Gupta

Partner

M.No.: 103975

Place: Mumbai

Date: 18.09.2021

### For Borkar & Muzumdar

Chartered Accountants

Firm Registration No: 101569W

### Devang Vaghani

Partner

M. No. 109386

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

### Bhawanishankar Sharma

Chairman

DIN No: 01249834

Place: Mumbai

Date: 18.09.2021

### Vikram Sharma

Managing Director

DIN No: 01249904

# Consolidated Statement of Changes in Equity

for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

## a) Equity share capital

Particulars	Number	Amount
Equity shares of ₹10 each issued, subscribed and paid up		
As at 1 April 2019	2,56,98,372	2,569.84
Issue of equity shares	-	-
As at 31 March 2020	2,56,98,372	2,569.84
Issue of equity shares	-	-
As at 31 March 2021	2,56,98,372	2,569.84

## b) Other equity

Particulars	Equity component on fair valuation of preference shares	Reserves and surplus				Total equity attributable to equity holders	Non-controlling interest	Total other equity
		Securities premium reserve	General reserve	Retained earnings	Foreign currency monetary transactions			
As at 1 April 2019	1,619.54	25,291.56	3,033.82	(2,51,092.79)	(378.47)	(2,21,526.34)	(6,013.80)	(2,27,540.14)
Transitional impact on implementation of Ind AS 115 [Refer note 2.1(xvi)]	-	-	-	53.88	-	53.88	-	53.88
Profit/ (loss) for the year	-	-	-	(81,270.37)	-	(81,270.37)	(1,818.80)	(83,089.17)
Other comprehensive income/(loss) for the year	-	-	-	(6.87)	-	(6.87)	-	(6.87)
As at 31 March 2020	1,619.54	25,291.56	3,033.82	(3,32,316.15)	(378.47)	(3,02,749.70)	(7,832.60)	(3,10,582.30)
Transitional impact on implementation of Ind AS 115 [Refer note 2.1(xvi)]	-	-	-	-	-	-	-	-
Opening Reserve Adjustment on account of discontinuation of BOT	-	-	-	60,745.79	-	60,745.79	-	60,745.79
Profit/ (loss) for the year	-	-	-	(87,361.75)	-	(87,361.75)	(3,671.19)	(91,032.95)
Other comprehensive income/(loss) for the year	-	-	-	80.35	-	80.35	-	80.35
As at 31 March 2021	1,619.54	25,291.56	3,033.82	(3,58,851.76)	(378.47)	(3,29,285.31)	(11,503.79)	(3,40,789.10)

### Nature and purpose of reserves

#### i. Securities premium reserve

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

#### ii. Foreign currency monetary transactions

Exchange differences arising from the translation of net investments in foreign entities, and borrowings and other financial instruments.

#### iii. Net gain on fair value of defined benefit plans

The Group has recognised remeasurement gains/ (loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within retained earnings.

#### iv. General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn.

#### v. Retained earnings

Retained earnings represents the profits/losses that the Group has earned / incurred till date including gain / (loss) on fair value of defined benefits plans as adjusted for distributions to owners, transfer to other reserves etc.

The accompanying notes form an integral part of the consolidated financial statements

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

#### For Ramanand & Associates

Chartered Accountants

Firm Registration No: 117776W

#### CA Ramanand Gupta

Partner

M.No.: 103975

Place: Mumbai

Date: 18.09.2021

#### For Borkar & Muzumdar

Chartered Accountants

Firm Registration No: 101569W

#### Devang Vaghani

Partner

M. No. 109386

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

#### Bhawanishankar Sharma

Chairman

DIN No: 01249834

Place: Mumbai

Date: 18.09.2021

#### Vikram Sharma

Managing Director

DIN No: 01249904

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 3 Property, plant and equipment

#### A: Tangible Assets

##### Gross carrying value

	Freehold land	Leasehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Balance as at 1 April 2019	6,835.67	54.70	5,765.54	16,680.82	298.01	292.69	118.27	33.70	30,079.40
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	166.13	-	-	-	-	166.13
Balance as at 31 March 2020	6,835.67	54.70	5,765.54	16,514.69	298.01	292.69	118.27	33.70	29,913.27
Additions	11.50	-	-	-	0.79	0.23	-	0.09	12.61
Disposals/ Impairment	3,501.42	-	-	1,083.10	-	28.95	38.50	3.83	4,655.80
Balance as at 31 March 2021	3,345.75	54.70	5,765.54	15,431.59	298.80	263.97	79.77	29.96	25,270.08
Accumulated depreciation									
Balance as at 1 April 2019	-	-	408.32	9,933.88	171.48	245.13	102.27	31.66	10,892.74
Depreciation charge	-	-	101.59	1,685.95	45.38	35.84	6.31	0.20	1,875.27
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	-	509.91	11,619.83	216.86	280.97	108.58	31.86	12,768.01
Depreciation charge	-	-	103.58	297.77	34.51	-18.02	-33.30	-2.69	381.85
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	-	-	613.49	11,917.60	251.36	262.95	75.28	29.17	13,149.85
Net carrying value									
Balance as at 31 March 2020	6,835.67	54.70	5,255.63	4,894.86	81.15	11.72	9.69	1.84	17,145.27
Balance as at 31 March 2021	3,345.75	54.70	5,152.06	3,513.99	47.44	1.02	4.49	0.79	12,120.23

### 4 Intangible assets

Gross carrying value	Computer software	Toll collection rights	Total	Goodwill (Refer note 4.1)
Balance as at 1 April 2019	53.71	1,17,745.44	1,17,799.15	270.42
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31 March 2020	53.71	1,17,745.44	1,17,799.15	270.42
Additions	-	-	-	-
Disposals	53.71	35,405.74	35,459.45	-
Balance as at 31 March 2021	-	82,339.70	82,339.70	270.42
Accumulated amortisation				
Balance as at 1 April 2019	53.71	15,314.22	15,367.93	-
Amortisation charge	-	7,299.62	7,299.62	-
Impairment charge	-	-	-	270.42
Balance as at 31 March 2020	53.71	22,613.84	22,667.55	270.42
Amortisation charge	-	-18,672.45	-18,672.45	-
Reversal on disposal of assets	-	-	-	-
Impairment charge	-	-	-	-270.42
Balance as at 31 March 2021	-	3,941.39	3,941.39	-
Net carrying value				
Balance as at 31 March 2020	7.00	95,131.60	95,138.60	-
Balance as at 31 March 2021	-	78,398.31	78,398.31	270.42

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 4.1 Impairment testing for goodwill

Goodwill is tested for impairment annually in accordance with the Group's procedure for determining the recoverable amount of such assets. The recoverable amount of the assets/CGU is based on value in use. The value in use is determined based on discounted cash flow projections. The fair value measurement has been categorised as level 3 fair value based on the inputs to the valuation technique used. The cash flow projections include specific estimates for five years and terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimates of the EBITDA margins. Goodwill recognized in accordance with the requirement of Ind AS 103 on acquisition of a subsidiary, Supreme Mega Structure Private Limited was tested for impairment. As there is no promising business prospect which justifies its operational viability, accordingly, entire amount aggregating ₹270.42 lakhs recognised as goodwill has been impaired during the year ended 31 March 2019.

### Note 5 Intangible assets under development

	₹lakhs
Opening as at 1 April 2019	2,04,574.20
Add: Addition during the year (including interest expenses ₹15,451.05 lakhs)	31,370.12
Less: Capitalized during the year	-
<b>Closing as at 31 March 2020</b>	<b>2,35,944.32</b>
Add: Addition during the year (including interest expenses ₹1077.23 lakhs)	20,330.79
Less: Capitalized during the year	-
<b>Closing as at 31 March 2021</b>	<b>2,56,275.11</b>

**Note 5.1** In respect of Supreme Suyog Funicular Ropeways Private Limited ("SSFRPL"), the Company's Intangible Assets under Development as at 31 March 2021 aggregating ₹14,525.10 lakhs, which is being substantially carry forward from earlier years in respect of cost incurred for construction of Funicular Ropeway under BOT Scheme. Based on the valuation report obtained, legal opinion and other matters as set forth in the aforesaid note, the management believes that no adjustment is required to the carrying value of the adressed balance. Our opinion is not modified in respect of this matter,

### Note 6 Non-current investments

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>I. Investments valued at deemed cost</b>		
Investment in equity shares	-	-
<b>II. Investments valued at amortised cost</b>		
Investment in preference shares		
In other companies	506.97	506.97
<b>III. Investments valued at fair value through profit and loss</b>		
Investment in equity shares		
In other companies	2,292.37	2,850.15
<b>Total non-current investments</b>	<b>2,799.34</b>	<b>3,357.12</b>

#### Note 6.1 Detailed list of non-current investments <sup>^</sup>

Face value of ₹10 each, unless otherwise stated

	As at 31 March 2021		As at 31 March 2020	
	Nos	Amount	Nos	Amount
<b>I. Investments valued at deemed cost, fully paid up, unquoted</b>				
<b>a. Investments in equity shares:</b>				
<b>i) Investments in joint venture in India</b>				
Supreme Infrastructure BOT Holdings Private Limited	7,90,000	(28,824.55)	7,90,000	(28,824.55)
Add: Amount disclosed under financial liabilities		28,824.55		28,824.55
		-		-

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

	As at 31 March 2021		As at 31 March 2020	
	Nos	Amount	Nos	Amount
<b>ii) Investments in an associate outside India</b>				-
Sohar Stones LLC		493.89		493.89
Less: Impairment provision		(493.89)		(493.89)
		-		-
<b>b. Investment in other instruments:</b>				
<b>Investments in preference shares:</b>				
Supreme Infrastructure BOT Holdings Private Limited				
0.001% Compulsory Convertible Cumulative Participatory Preference Shares	1,00,789	1,758.64	1,00,789	1,758.64
Less: Impairment provision		(1,758.64)		(1,758.64)
		-		-
<b>c. Investment in other instruments:</b>				
<b>Corporate Guarantees</b>				
<b>In joint ventures in India</b>				
Supreme Kopergaon Ahmednagar Tollways Private Limited		114.00		114.00
Less: Impairment provision		(114.00)		(114.00)
		-		-
<b>II. Investments valued at amortised cost</b>				
<b>a) Investments in preference shares</b>				
<b>In other companies in India</b>				
Kalyan Sangam Infratech Limited	6,09,375	506.97	6,09,375.00	506.97
Green Hill Barter Private Limited [Face value of ₹600 each]	1,00,000	438.84	1,00,000.00	438.84
Less: Impairment provision		(438.84)		(438.84)
		<b>506.97</b>		<b>506.97</b>
<b>III. Investments valued at fair value through profit and loss, fully paid up, unquoted</b>				
<b>Investments in equity shares</b>				
<b>In other companies in India</b>				
The Saraswat Co-op Bank Limited	2,500	0.51	2,500	0.51
Rudranee Infrastructure Limited	1,21,83,648	2,291.86	1,21,83,648	2,849.64
Kalyan Sangam Infratech Limited	3,90,625	-	3,90,625	-
		<b>2,292.37</b>		<b>2,850.15</b>
<b>Total non-current investments</b>		<b>2,799.34</b>		<b>3,357.12</b>

<b>Details: Aggregate of non-current investments:</b>	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
(i) Carrying value of unquoted investments	2,799.34	3,357.12
(ii) Aggregate amount of impairment in value of investment	2,805.37	2,805.37
(i) Investments carried at deemed cost	-	-
(ii) Investments carried at amortised cost	506.97	506.97
(iii) Investments carried at fair value through profit and loss	2,292.37	2,850.15
	<b>2,799.34</b>	<b>3,357.12</b>

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 6.2 The Group's share of (loss)/profit from equity accounted investments is as follows:

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>In jointly controlled entities</b>		
Supreme Infrastructure BOT Holdings Private Limited	(28,824.56)	(28,824.56)
Sanjose Supreme Tollways Development Private Limited (Refer note 6.5)	-	-
	(28,824.56)	(28,824.56)

**Note 6.3** The Company has pledged the following shares/ debentures in favour of the lenders as a part of the financing agreements for facilities taken by the Company, subsidiaries, jointly controlled entities and associate as indicated below:

Name of the entity	No. of equity shares pledged	
	31 March 2021	31 March 2020
Rudraanee Infrastructure Private Limited	84,62,385	84,62,385
Kalyan Sangam Infratech Limited	3,90,625	3,90,625
Supreme Infrastructure BOT Holdings Private Limited	7,89,999	7,89,999

	No. of preference shares pledged	
	31 March 2021	31 March 2020
Supreme Infrastructure BOT Holdings Private Limited	95,000	95,000
Kalyan Sangam Infratech Limited	6,09,375	6,09,375

**Note 6.4** 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 2021, 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 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 its net assets as at 31 March 2021 and due to these, the Group's carrying value of net liability (capital employed) amounting to ₹82,255.06 lakhs and non controlling interest amounting to ₹(11,916.76) lakhs is considered as good and recoverable.

### Note 7 Loans

#### Unsecured, considered good

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current</b>		
Security and other deposits	-	84.10
Loans to related parties (Refer note 36)		
- considered doubtful	2,227.40	2,227.40
Less: Impairment loss provision	(2,227.40)	(2,227.40)
<b>Total non-current loans</b>	-	84.10



## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Current</b>		
Loans to related parties (Refer note 35)	27.12	(60.76)
Security and other deposits	34.87	10.15
<b>Total non-current loans</b>	<b>61.99</b>	<b>(50.61)</b>
<b>Total loans</b>	<b>61.99</b>	<b>33.49</b>

### Note 7.1: Break up of security details:

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Loans considered good - unsecured	34.87	94.25
Loans - credit impaired	2,227.40	2,227.40
<b>Total</b>	<b>2,262.27</b>	<b>2,321.65</b>
Less: Loss allowance	2,227.40	2,227.40
<b>Total loans</b>	<b>34.87</b>	<b>94.25</b>

### Note 8 Other financial assets

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current</b>		
Margin money deposits (Refer note below)	311.09	339.32
Interest receivables on deposits	-	-
Balance with Govt authorities	17.01	
Security and other deposits		
- related parties	-	
- others	84.10	
Financial guarantees	-	(48.19)
<b>Total non-current financial assets</b>	<b>412.20</b>	<b>291.13</b>
<b>Current</b>		
Receivable from related parties (Refer note 36)	16,883.70	-
Receivable from others	6,925.74	
Interest accrued on deposits		
- from related parties (Refer note 35)	-	419.98
- from Others	18.96	30.66
Security and other deposits	2.17	
Compensation receivables from government authorities	2,982.26	
Loan to employees		
- considered good	56.87	48.99
- considered doubtful	250.24	249.20
	<b>27,119.95</b>	<b>748.83</b>
Less: impairment allowance for doubtful advances	(250.24)	(308.88)
<b>Total current financial assets</b>	<b>26,869.71</b>	<b>439.95</b>
<b>Total other financial assets</b>	<b>27,281.91</b>	<b>731.09</b>

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

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 9 Income tax assets (net)

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

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Income tax assets	256.86	2,122.02
Current income tax liabilities	3,292.22	5,196.32
<b>Net income tax assets/(liabilities)</b>	<b>(3,035.36)</b>	<b>(3,074.30)</b>
Presented as:		
Income tax assets	23.29	54.61
Current income tax liabilities	3,058.65	3,128.91
<b>Net income tax liabilities</b>	<b>(3,035.36)</b>	<b>(3,074.30)</b>

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

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Net current income tax assets/ (liabilities) at the beginning	(3,074.30)	(2,888.66)
Income tax paid	329.04	104.46
Provision for tax expense	(10.78)	(10.78)
Tax adjustment for earlier years	(279.32)	(279.32)
<b>Net current income tax assets/ liabilities at the end</b>	<b>(3,035.36)</b>	<b>(3,074.30)</b>

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

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Current income taxes	10.78	10.78
Tax adjustment for earlier years	279.32	279.32
Deferred income taxes	-	-
<b>Income tax expenses/ (income) (net)</b>	<b>290.10</b>	<b>290.10</b>

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

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Profit/(loss) before income tax	(91,032.95)	(83,089.17)
Applicable income tax rate	31.20%	31.20%
<b>Computed expected tax expense</b>	<b>-</b>	<b>-</b>
Effect of expenses not allowed for tax purpose	10.78	10.78
Tax adjustments for earlier years	279.32	279.32
Reversal of deferred tax assets in absence of reasonable certainty	-	-
<b>Income tax (income)/ expense charged to the Statement of Profit and Loss</b>	<b>290.10</b>	<b>290.10</b>

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

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

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Deferred income tax asset		
Impairment loss provision of financial assets	5,339.89	5,351.48
Provision for employee benefits	54.55	54.55
Unpaid bonus	22.71	22.71
Unabsorbed depreciation and loss	36,834.31	36,834.31
Others	3,298.03	3,298.03
<b>Deferred tax assets</b>	<b>45,549.50</b>	<b>45,561.09</b>
Deferred income tax liability		
Timing difference on tangible and intangible assets depreciation and amortisation	(371.78)	(371.78)
Timing difference on disputed claims excluded for tax purpose	(2,808.00)	(2,808.00)
<b>Deferred tax liability</b>	<b>(3,179.78)</b>	<b>(3,179.78)</b>
<b>Deferred tax assets recognized to the extent of liabilities</b>	<b>3,187.02</b>	<b>3,187.02</b>
<b>Deferred tax (liability)/ assets (net)</b>	<b>11.59</b>	<b>11.59</b>

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

### Note 10 Other assets

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current</b>		
Capital advances		23,665.00
- related parties	3882.71	
- others	10.69	
Balances with government authorities	-	17.01
Prepaid expenses	-	-
<b>Total other non-current assets</b>	<b>3,893.40</b>	<b>23,682.00</b>
<b>Current</b>		
Advance to suppliers and sub-contractors		
- considered good	916.01	1,709.34
- considered doubtful	3,136.48	3,055.52
Advance to employees	4.26	
Advance to others	1.45	
Balances with government authorities	400.16	407.96
Security deposit and others	0.30	
Unbilled work	13,689.37	12,834.66
Prepaid expenses	-	15.57
<b>Total other current assets</b>	<b>18,148.03</b>	<b>18,023.05</b>
Less: Impairment allowance for doubtful advances	(3,136.48)	(3,055.52)
	<b>15,011.55</b>	<b>14,967.53</b>
<b>Total other assets</b>	<b>18,904.95</b>	<b>38,649.53</b>

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 11 Inventories

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Construction materials	3,632.41	3,519.46
<b>Total inventories</b>	<b>3,632.41</b>	<b>3,519.46</b>

### Note 12 Current investments

	As at 31 March 2021		As at 31 March 2020	
	Nos	Amount	Nos	Amount
Investments in Non-trade, mutual funds valued at fair value through profit and loss <sup>^</sup>				
Reliance Money Manager Fund - Daily Dividend Plan (Face value of ₹1,000 each)	250	2.63	250	2.63
<b>Total current investments</b>		<b>2.63</b>		<b>2.63</b>

<sup>^</sup> Face value of ₹10 each, unless otherwise stated

### Note 13 Trade receivables

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Current</b>		
(unsecured, considered good unless stated otherwise)		
Trade receivables (Refer note below)		
- considered good	89,610.59	80,979.45
- considered doubtful	10,907.39	11,082.58
Receivables from related parties (Refer note 35)	-	(2,226.55)
	<b>1,00,517.98</b>	<b>89,835.48</b>
Impairment allowance (allowance for doubtful debts)	(10,907.39)	(11,082.58)
	<b>-10,907.39</b>	<b>-11,082.58</b>
<b>Total trade receivables</b>	<b>89,610.59</b>	<b>78,752.90</b>
13.1 Includes retention money	7,327.32	8,597.10
13.2 Trade receivables		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	89,610.59	78,752.90
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired - unsecured	10,907.39	11,082.58
<b>Total</b>	<b>1,00,517.98</b>	<b>89,835.48</b>
Less: Loss allowance	10,907.39	11,082.58
<b>Total trade receivables</b>	<b>89,610.59</b>	<b>78,752.90</b>

**13.3** Trade receivables as at 31 March 2021 include ₹45,680.90 lakhs (31 March 2020: ₹45,389.22 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

**13.4** Trade receivables as at 31 March 2021 includes ₹8418.65 lakhs (31 March 2020 includes ₹3381.64 lakhs) due from private companies in which the Company's director is a director or a member.

**13.5** Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

**13.6** The Group recognises lifetime expected credit losses on trade receivables using a simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

Movement in allowance for credit losses of receivables are as follows:

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Balance at the beginning of the year	11,082.58	10,600.58
Charge in the statement of profit and loss	-175.19	482.00
Release to statement of profit and loss	-	-
<b>Balance at the end of the year</b>	<b>10,907.39</b>	<b>11,082.58</b>

### Note 14 Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Balances with banks		
- Current accounts in Indian rupees	674.15	1,127.93
Cash on hand	48.00	16.39
<b>Total cash and cash equivalents</b>	<b>722.15</b>	<b>1,144.33</b>

### Note 15 Other bank balances

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Earmarked balances with banks for:</b>		
Margin money deposits with original maturity of more than 3 months and remaining maturities of less than 12 months	0.82	6.83
Balances with bank for unclaimed dividend (refer note 15.1 below)		1.17
<b>Total other bank balances</b>	<b>0.82</b>	<b>8.00</b>

**Note 15.1** There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31 March 2021.

### Note 16 Share capital

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Authorised share capital</b>		
7,25,00,000 Equity shares of ₹10 each (31 March 2020: 72,500,000 equity shares of ₹10 each)	7,250.00	7,250.00
25,00,000 1% Non cumulative redeemable preference shares of ₹10 each (31 March 2020: 2,500,000 preference shares of ₹10 each)	250.00	250.00
<b>Total authorised share capital</b>		
2,500,000 1% Non-cumulative redeemable preference shares of ₹10 each issued to BHS Housing Private Limited have been classified as borrowings (see note 17).		
<b>Issued, subscribed and paid-up equity share capital:</b>		
2,56,98,372 Equity shares of ₹10 each fully paid up (31 March 2020: 25,698,372 equity shares of ₹10 each)	2,569.84	2,569.84
<b>Total issued, subscribed and paid-up equity share capital</b>	<b>2,569.84</b>	<b>2,569.84</b>

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

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

	Number	Amount
As at 31 March 2019	2,56,98,372	2,569.84
Issued during the year	-	-
As at 31 March 2020	2,56,98,372	2,569.84
Issued during the year	-	-
As at 31 March 2021	2,56,98,372	2,569.84

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

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

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

### c. Shareholding of more than 5%:

Name of the Shareholder	As at 31 March 2021		As at 31 March 2020	
	% held	No. of shares	% held	No. of shares
<b>Promoter</b>				
Bhawanishankar H Sharma	5.24%	13,46,708	5.24%	13,46,708
BHS Housing Private Limited	13.04%	33,50,000	13.04%	33,50,000
Vikram B Sharma	4.21%	10,82,942	4.21%	10,82,942
Vikas B Sharma	6.84%	17,58,753	6.84%	17,58,753
<b>Non-promoter</b>				
Kitara PIIN 1101	9.20%	23,64,344	9.20%	23,64,344

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

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

- Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash - Nil
- Aggregate number and class of shares allotted as fully paid up by way of bonus shares - Nil
- Aggregate number and class of shares bought back - Nil

e. 7,462,505 (31 March 2020: 7,462,505) equity shares held by the promoters of the Holding Company (including promoter group Companies) as at 31 March 2021 are pledged as security in respect of amounts borrowed by the Holding Company and its Group Companies.

f. During the year ended 31 March 2021, one of the lender has invoked Nil (31 March 2020: Nil) pledged equity shares of the promoters of the Holding Company (including promoter group Companies and adjusted the proceeds towards their existing overdue debts including interest payable by the Holding Company and its group Company.

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 17 Borrowings

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current portion:</b>		
<b>Secured</b>		
<b>(A) Restructured rupee term loans (RTL)</b>		
(i) From Banks (Refer note 17.1)	-	-
(ii) From Others	-	-
<b>(B) Working capital term loan (WCTL) from banks (Refer note 17.1)</b>	-	-
<b>(C) Funded interest term loan (FITL)</b>		
(i) From Banks (Refer notes 17.1 and 20.2)	-	-
(ii) From Others	-	-
<b>(D) Other rupee term loans</b>		
(i) From Banks	68,411.47	68,388.61
(ii) From Others (Refer notes 20.3, 20.4 and 20.5)	76,035.21	68,754.85
<b>(E) 11% Non Convertible Debenture</b>	4,362.32	3,966.30
<b>Unsecured</b>		
<b>Liability component of financial instruments (refer note 17.7)</b>		
1% Non cumulative redeemable preference shares of ₹10 each	2,471.49	2,005.92
(2,500,000 non cumulative, non convertible, redeemable preference shares of ₹10 each)		
Interest free loan from holding company	1,539.09	-
Interest free loan from related parties	580.00	-
<b>Total non-current borrowings</b>	<b>1,53,399.58</b>	<b>2,05,569.79</b>
<b>Current maturities of long-term borrowings</b>		
<b>Secured</b>		
<b>(A) Restructured rupee term loans (RTL)</b>		
(i) From Banks (Refer notes 17.1 and 20.2)	-	84,307.92
(ii) From Others	-	12,247.40
<b>(B) Working capital term loan (WCTL) from banks (Refer note 17.1)</b>	-	25,044.14
<b>(C) Funded interest term loan (FITL)</b>		
(i) From Banks (Refer note 17.1)	-	22,675.34
(ii) From Others	-	1,240.39
<b>(D) Other rupee term loans</b>		
(i) From Banks	3,000.00	208.00
(ii) From Others (Refer notes 20.3, 20.4 and 20.5)	-	9,091.98
<b>Total current maturities of long-term borrowings</b>	<b>3,000.01</b>	<b>1,54,815.17</b>
<b>Total borrowings</b>	<b>1,56,399.58</b>	<b>3,60,384.96</b>

Note: For security details and terms of repayment, refer notes 17.3 and 17.8 below.

#### Note 17.1

In September 2014, the Joint Lenders Forum (JLF) led by State Bank of India (SBI) had appraised a Corporate Loan to the Company out of which part amount was sanctioned and disbursed by SBI and the balance was to be tied up with other lenders under exclusive security. Pending tie up with the other lenders, the JLF decided to incorporate one-time restructuring under the JLF mode of the entire borrowings of the Company. During the year ended 31 March 2016, based on the direction of the Reserve Bank of India (RBI) during its Assets Quality Review, borrowings from SBI were classified as Non-Performing Assets (NPA). Consequent to the classification of borrowings as NPA by SBI, borrowings from other consortium lenders got classified as NPA during the year ended 31 March 2017, however, the lenders have not recalled or initiated recovery proceedings for the existing facilities, at present. Considering, the classification of borrowing as NPA, certain lenders are not accruing interest while providing account statements of the borrowings, whereas the Company, on prudence, has accrued interest expenses at rates specified in the agreement with the respective lenders/ latest available sanction letters received from such lenders. (Also, refer note 33)

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 17.2

Contractual loan principal amounting to (31 March 2020: ₹116,310 lakhs) and the interest amount of (31 March 2020: ₹138,233.19 lakhs) respectively is due and outstanding to be paid as at 31 March 2021.

### 17.3 Terms of repayment and details of security

#### (A) Interest rate and terms of repayment

##### Restructured rupee term loans (RTL)

RTL carry an interest rate of SBI Base Rate+1% plus interest tax (11% as at 31 March 2020) to be reset after a moratorium period of 2 years. These loans are repayable in 32 structured quarterly instalments commencing 31 December 2016 and ending on 30 September 2024.

##### Working capital term loan (WCTL)

These loans carry an interest rate of SBI Base Rate+1% plus interest tax (11 % as at 31 March 2020) to be reset after a moratorium period of 2 years. These loans are repayable in 20 structured quarterly instalments commencing 31 December 2016 and ending on 30 September 2021.

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

These loans carry an interest rate of SBI Base Rate+1% plus interest tax (10.30 % as at 31 March 2020) to be reset after a moratorium period of 2 years. These loans are repayable in 20 structured quarterly instalments commencing 31 December 2016 and ending on 30 September 2021.

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

I Borrowings from ICICI Bank are secured by the following:

(i) Exclusive security interest in the form of:

- Pledge of 474,829 shares (31 March 2018: 474,829 shares) of the Company
- Pledge over 30% shares of Supreme Infrastructure BOT Private Limited (SIBOT) and Non Disposal Undertaking over 18.99% shares of SIBOT
- Subservient charge on current assets and movable fixed assets of the Company
- Residual charge on optionally convertible instruments and/or debt infused by the Company directly or indirectly into three projects, namely Patiala Malerkotla, Sangli-Shiroli and Ahmednagar-Tembhurni.
- Second charge on total saleable area admeasuring 284,421 Sq. ft. covering 8 floors of B Wing of Supreme Business Park, Powai, Mumbai

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

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

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

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

- a) Gala No. 3 to 8, admeasuring 3,000 sq. ft., in Bhawani Service Industrial Estate Limited, Mumbai bearing CTS No.76 of village Tirandaz, Powai, Mumbai
- b) Chitrarath Studio, admeasuring 30,256.74 sq.ft, situated at Powai bearing Survey No.13 to 15 corresponding CTS bearing No.26 A of village Powai, Mumbai owned by a promoter director.
- c) Extension of hypothecation charge on pari passu basis on the residual fixed assets of the borrower
- d) Office No. from 901 to 905, having carpet area admeasuring 6,792 sq. ft., situated in Tower "B" on 9th floor in "Millennium Plaza" situated at Sector 27, Tehil, Gurgaon, Haryana owned by Company and its promoter directors.
- e) Lien on term deposit face value of ` 14 lakhs on pari passu basis to working capital lenders
- f) Pledge of 2,173,000 equity shares (31 March 2017: 2,600,000 equity shares) of the Company held by the promoter directors on pari passu basis to working capital lenders
- g) Supreme House, Plot No. 94/C located at Powai, Mumbai (First charge with SREI Infrastructure Finance Limited against their term loan to SIBOT)



## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

- h) Pledge of investments as stated in Note 6.5 and 6.6
  - (iii) first pari passu on the current assets of the Company
  - (iv) first pari passu charge on the cash flows of the Company
  - (v) pledge of 3,642,332 equity shares held by promoters (including 2,173,000 equity shares stated in II (f) above)
  - (vi) Pledge of Compulsory Convertible Debentures (CCD) of ` 80,600 lakhs extended to Supreme Infrastructure BOT Private Limited. The Company's lenders may exercise the right of conversion of the CCDs into equity within 18 months from the date of implementation of the JLF Restructuring Package.
  - (vii) first charge on the immoveable property situated at (i) Village Talavali, Taluka-Bhiwandi, Thane; and (ii) Village Mouje-Dapode, Taluka-Sudhagad, Raigad.
  - (viii) second charge on the immoveable property situated at B Wing area admeasuring 45,208 Sq ft. and some additional area to be identified by the Company at Supreme Business Park bearing Survey No.13/2 and 13/1 (part) and CTS No. 27, Survey No. 14 and CTS No. 23- A and Survey No. 15 (part) and CTS No. 26- A situated at Supreme City, Hiranandani Complex, Powai, Mumbai (first charge being held by Syndicate Bank)
  - (ix) subservient charge on the immoveable property situated at B Wing total area admeasuring 284,421 Sq. ft. at Supreme Business Park bearing Survey No. 13/2 and 13/1(part) and CTS No. 27, Survey No. 14 and CTS No.23-A and Survey No. 15 (part) and CTS No 26- A situated at Supreme City, Hiranandani Complex, Powai, Mumbai (first charge being held by Syndicate Bank and second charge being held by ICICI Bank)
  - (x) First pari passu charge on certain plant and equipment as specified in Part B of Schedule IX to MJLF agreement and all equipment acquired by utilising the External Commercial Borrowings (ECB) loan from AXIS Bank.
  - (xi) a) subservient charge on certain immoveable properties:
    - 13 flats with carpet area of 11,500 sq. ft. in Aishwarya Co.op. Housing Society bearing CTS No. 64/E/6 of village Tirandaz, Powai, Mumbai
    - Agricultural land of 106,170 sq. mt. bearing survey no. 119/1, 129/6, 1304b, 130/5131, 132/2s, 131/1b and 123/2b situated at Talavali village, Thane, Maharashtra.
    - Flat No. 510 on 5th Floor of ABW Tower located at IIFCO Chow, Sukhrauli village, Haryana
    - Fixed deposit or unconditional bank guarantee of ` 500.00 lakhs;
  - b) subservient charge on following:
    - Irrevocable and unconditional personal guarantee of the Promoter(s);
    - Fixed deposit or unconditional bank guarantee of ` 500.00 lakhs;
    - Corporate Guarantee of BHS Housing Private Limited and Supreme Housing & Hospitality Private Limited
    - Demand Promissory Note
- III The entire facilities shall be secured by way of:
- (i) an irrevocable, unconditional, joint and several corporate guarantee from BHS Housing Private Limited and Supreme Housing Hospitality Private Limited; and
  - (ii) an irrevocable, unconditional, joint and several personal guarantee from its promoter directors.

**17.4** The MJLF Agreement provides a right to the Lenders to get a recompense of their waivers and sacrifices made as part of the loan restructuring arrangement. The recompense payable by the borrowers depends on various factors including improved performance of the borrowers and other conditions. The aggregate present value of the sacrifice made/ to be made by lenders as per the MJLF Agreement is ₹16,842 lakhs (31 March 2020: ₹16,842.00 lakhs) as at the year end. The same is subject to changes proposed in resolution plan (refer note 33)

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

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### 17.5 Other rupee term loans from banks:

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

### 17.6 Term loans from others:

Loans from other carries interest @ base rate (18% as at 31 March 2020) minus 2.19 % per annum and are repayable in 35 monthly instalments over the tenure of the loans having various maturity dates. These loans are secured by first charge on the specific equipment financed out of the said loans, pledge of shares held by a promoter director and personal guarantee of the promoter directors.

**17.7** Rights, preferences, restrictions and conversion terms attached to preference shares issued by the Company  
The Company had, on 13 May 2011, allotted 2,500,000 non cumulative, non convertible, redeemable preference shares of ₹10 each at a premium of ₹90 per share to BHS Housing Private Limited. The Preference Shares shall be redeemable at any time after the expiry of two years but before the expiry of ten years from the date of allotment at a premium of ₹90 per share.

These preference shares carry preferential right of dividend at the rate of 1%. The holders of Preference Shares have no rights to receive notices of, attend or vote at general meetings except in certain limited circumstances. On a distribution of assets of the Company, on a winding-up or other return of capital (subject to certain exceptions), the holders of Preference Shares have priority over the holders of equity shares to receive the capital paid up on those shares.

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

- (i) Term loan from financial institutions include ₹3,000.00 lakhs (31 March 2020: ₹3,000.00 lakhs) loan availed by Supreme Infrastructure BOT Private Limited, a subsidiary company, repayable in quarterly instalments over a period of 5 years. These term loans together with all interest, expenses and other monies this agreement is inter alia secured by:
  - a) Charge on office building- Supreme House situated in Powai, Mumbai;
  - b) Second charge on equipment hypothecated to Srei Equipment Finance Private Limited by Supreme Infrastructure India Limited and all related entities
  - c) Undertaking from Supreme Infrastructure India Limited
  - d) Second pari-passu charge on all current assets, fixed movable and immovable assets of Supreme Infrastructure India Limited
- (ii) Term loan from banks include ₹8,082.59 lakhs (31 March 2020: ₹7,005.59 lakhs) loan availed by Supreme Suyog Funicular Ropeways Private Limited, a subsidiary company carrying interest in the range of Base Rate plus 2.75% and are repayable in 121 monthly instalments commencing from March 2017. These term loans are secured by way of hypothecation of toll receipts, movable, tangible and intangible assets, receivables, cash, investment and rights, title, interest of the borrower under the concession agreement. These loans are further secured by personal guarantee of Mr. Vikas Sharma and Mr. Vikram Sharma and pledge of 51% equity shares of the borrower.
- (iii) Term loan from banks include ₹8,038.85 lakhs (31 March 2020: ₹7,330.84 lakhs) loan availed by Patiala Nabha Infra Projects Private Limited, a subsidiary company carrying interest rate base rate plus 1.75% and is repayable in 126 monthly instalments commencing from January 2014. These term loans are secured by way of hypothecation of intangible assets and fixed assets of the borrower and pledge of 51% of the shares held by the promoters in the paid-up equity capital of the borrower.

The cashflows from the project are not sufficient to take care of debt servicing (Interest & Installment), due to which these borrowings have been classified as Non-Performing assets by the lender. As per JLF meeting held on 08/01/2018 both the lenders have recalled or initiated recovery proceedings for the existing liabilities at present. Accordingly classification of these borrowings is done under current borrowing Corporate guarantee is given by Supreme Infrastructure India Limited towards these loans."

- (iv) Term loan from banks include ₹11,579.30 lakhs (31 March 2020: ₹10,387.32 lakhs) and FI include ₹351.14 lakhs (31 March 2020: ₹356.47 lakhs) loan availed by Kotkapura Muktsar Tollways Private Limited, a subsidiary company, carries interest rate of base rate plus 2.25% to 3.25%. These loans are repayable over a period of 13 years by means of 44 quarterly instalments commencing after a moratorium of 4 quarters from the date of toll commencement. These term loans are secured by:
  - a) A first mortgage and charge on all the borrower's immovable properties, both present and future, save and except the Project Assets (as defined in Concession Agreement) and personal guarantee of the promoter directors;
  - b) A first charge on all the borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future save and except the Project Assets.

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

- c) A first charge over all accounts of the borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with the Agreement and Supplementary Escrow Agreement or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Authorised Investments or other securities including Debt Service Reserve Account (DSRA).
  - d) Pledge of equity shares held by the promoter to the extent of 51% of the paid-up equity share capital of the subsidiary."
  - (v) Term loan from banks include ₹47,049.72 lakhs (31 March 2020: ₹41,777.84lakhs) and term loan from others include ₹4,588.65 lakhs (31 March 2020: ₹4,588.65 lakhs) loan availed by Supreme Manor Wada Bhiwandi Infrastructure Private Limited, a subsidiary company, carrying an interest rate of 10.75% p.a.(UBI Base Rate+1.25%). These loans are repayable in 32 to 52 structured quarterly instalments commencing from 31 December 2016 and ending on 30 September 2029. These term loans are secured by:
    - a) Exclusive charge by way of creation of security interest on:
      - (i) A first mortgage and charge over all borrower's Properties and assets, both present and future, excluding the project site (as defined in the Concession Agreement);
      - (ii) A first charge on all intangible assets of the borrower including but not limited to the goodwill, undertaking and uncalled capital of the borrower;
      - (iii) A first charge/ assignment of all the receivable/ revenues of the borrower from the project;
      - (iv) A first charge on the borrower's bank account including, without limitation, the Escrow account and each of the other account required to be opened by the borrower under any project document or contract.
    - b) A first equitable mortgage on the parcel of land admeasuring 178 sq mtrs in Taluka Sudhagad, Raigad
    - c) Pledge of 51% of each class of shares of the subsidiaries held by the promoters
    - d) Pledge of Compulsory Convertible Debentures in favour of consortium.
    - e) A first charge by way of assignment or creation of security interest on:
      - (i) All the rights, titles, interests, benefits, claims and demands whatsoever of the borrower under the Concession Agreement and project documents.
      - (ii) All the rights, titles, interests, benefits of the borrower in licences, permits, approvals, consent.
      - (iii) All the rights, titles, interests, benefits, claims and demands whatsoever of the borrower in the insurance contracts/ policies procured by the borrower or procured by any of its contractors favouring the borrower for the project.
      - (iv) All the rights, titles, interests, benefits, claims and demands whatsoever of the borrower in any guarantees, liquidated damages, letter of credit or performance bond that may be provided by any counter party under any project contract in favour of the borrower.
    - f) Personal guarantee of Mr. Vikram Sharma and Vikas Sharma
- All the lenders has classified the account as Non-Performing assets.
- (vi) 11% Non Convertible Debenture amounting to issued by Supreme Manor wada Bhiwandi Infrastructure Private Limited, a subsidiary company, carries an interest coupon rate of 11% p.a. of which 2% is payable on yearly basis and balance 9% would be accrued and is payable on the date of redemption of debenture. These debentures are redeemable at the end of 15 years from the date of allotment. These debentures are secured by way of:

The general terms and conditions pertaining to the Debentures is as under-

- (a) The Debentures shall be secured, unlisted, redeemable and non-convertible debentures and shall rank pari passu amongst themselves.
- (b) Each Debenture shall have a face value of ₹1,000.
- (c) The tenor of the Debentures shall be 15 years from the date of allotment, or such extended term as may be determined by the Board with the prior written consent of the Debenture Holders ("Tenor").
- (d) From the date of allotment and till the expiry of Tenor including the redemption date, the Debentures Holders shall be entitled to receive the Coupon of 11% per annum in the following manner:
  - (i) 2% p.a. coupon on principal amount of Debentures would be paid in cash on monthly basis; and
  - (ii) 9% p.a. coupon on principal amount would be accrued and paid on redemption date."

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

(vii) Rupee Term loan from banks include ₹20,787.52 lakhs (31 March 2020: ₹22,092.44 lakhs) and term loan from financial institution include ₹12,411.03 lakhs (31 March 2020: ₹7,978.23 lakhs) loan availed by Supreme Vasai Bhiwandi Tollways Private Limited, a subsidiary company. These loans are repayable in 135 monthly installments commencing from 31 January 2014 and ending on 31 March 2025. These term loans are secured by way of:

- a) A first mortgage and charge on all the borrower's immovable properties, both present and future, save and except the Project Assets (as defined in Concession Agreement);
- b) A first charge on all the borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future save and except the project Assets.
- c) A first charge over all accounts of the borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with the Agreement and Supplementary Escrow Agreement, or any of the other project documents and all funds from time to time deposited therein, the receivables and all authorised investments or other securities including DSRA.
- d) Pledge of equity shares held by the Promoters to the extent of 51% in the borrower till the final settlement date.

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.

(ix) Term Loan from Bank ₹68,411.47 lakhs (31 March 2020: ₹68,388.61 lakhs) and term loan from others ₹76,035.21 lakhs (31 March 2020: ₹65,754.85 lakhs) include availed by Supreme Panvel Indapur Tollways Private Limited, a subsidiary company, carries an interest of Base rate + 2.75%. These loans are repayable in 135 monthly structural installments commencing from 31 January 2017, ending as on 31 March 2028. These terms are secured by way of:

- a) A first mortgage and charge on all the Borrower's immovable properties, both present and future, save and except the Project Assets
- b) A first charge on all the Borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future save and except the Project Assets.
- c) A first charge over all accounts of the Borrower including the Escrow Account and the Sub-Accounts (or any account in substitution thereof) that may be opened in accordance with this Agreement, the Supplementary Escrow Agreement, or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and all Authorised Investments or other securities.
- d) A First charge on all intangibles assets of the Borrower including but not limited to goodwill, rights, undertaking and uncalled capital present and future excluding the Project Assets.
- e) Pledge of equity shares held by the Promoter aggregating to 51% (fifty one percent) of the issued, paid up and voting share capital of the Borrower, aforesaid mortgages, charges, assignments and pledge of shares stipulated above for the benefit of Lenders (Banks and Financial Institute) shall rank second pari-passu inter-se amongst the Lenders, subsequent and subservient to the charges/mortgages and pledge created by the Company in favour of the NHAI who shall have a first ranking charge on the aforesaid mortgages, charges, pledge and assignments.

### Terms of Repayment:

#### a) Banks and Financial Institute:

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

#### b) Other Parties (NHAI):

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

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### 17.9 Term Loan from financial institutions

The term loans carry interest rate 14.02% and repayment of term loan taken from Banks is to be made in 11 monthly installments commencing from 15th November, 2017.

The loan is secured by way of first/exclusive charge over assets including but not limited to any receivables."

During the year M/s Phoenix ARC Private Limited acquired the financial assistance (loans) extended by Uco Bank to the Company under an Loan Assignment Agreement dated 31 March 2018. Pursuant to the Loan Assignment Agreement, the securities/rights and interest of Uco Bank and the guarantees stand assigned to M/s Phoenix ARC Private Limited. Further the Company is in process of signing the loan agreement with M/s Phoenix ARC Private Limited, hence repayment terms and interest rate has been considered the same as with the previous lender.

**17.10** In respect of Supreme Manor Wada Bhiwandi Infrastructure Private Limited ("SMWBIPL") a subsidiary company, consequent to the notification issued by the Government of Maharashtra (GoM) dated 26 May 2015 exempting Light Motor Vehicles from toll collection and another notification issued during the demonetisation period for suspending toll collection on all the vehicles during the period from 9 November 2016 to 2 December 2016, which resulted in substantial shortfall in revenue, and delay in payment due to its lenders. In order to avoid the classification of borrowings as NPA, lenders have invoked Strategic Debt Restructuring (SDR) with reference date of 24 November 2016. Subsequent to year ended 31 March 2017, the bankers have acquired 51% of equity share capital in SMWBIPL. SMWBIPL's has filed claims with the relevant authority for the compensation towards the loss of revenue due to matters stated as above. The management believes that the matter will be resolved amicably with the lenders including regaining majority stake in this subsidiary once the compensation is received.

### 17.10 Net Debt Reconciliation

An analysis of net debt and the movement in net debt is as follows:

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Cash and Cash equivalents	722.15	1,144.33
Liquid Investments	2.63	2.63
Current borrowings	(4,33,437.95)	(4,01,749.91)
Non-current borrowings (including interest accrued and current maturities of long term borrowings)	(2,65,755.05)	(2,79,932.38)
<b>Net debt</b>	<b>(6,98,468.22)</b>	<b>(6,80,534.15)</b>

	Other assets		Liabilities from financing activities		Total
	Cash and Cash equivalents	Liquid investments	Non-current borrowings	Current borrowings	
Net debt as at 1 April 2020	1,137.39	2.63	(2,27,857.02)	(3,90,904.94)	(6,17,621.94)
Cash flows	6.94	-	-	-	6.94
Interest expense			-	-	-
Interest paid			-	-	-
Principal paid			-	-	-
<b>Net debt as at 31 March 2021</b>	<b>1,144.33</b>	<b>2.63</b>	<b>(2,27,857.02)</b>	<b>(3,90,904.94)</b>	<b>(6,17,615.00)</b>
Cash flows	307.79	-	-	(5,617.20)	(5,309.41)
Interest expense (including unapplied interest expenses)			(37,898.03)	(36,915.81)	(74,813.84)
Interest paid			-	-	-
Principal paid			-	-	-
	1,452.12	2.63	(2,65,755.05)	(4,33,437.95)	(6,97,738.26)

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 18 Other financial liabilities

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current</b>		
Financial guarantees	-	0.45
Retention Money Payable to EPC Contractor		
- Payable to Related party	-	
- Payable to others	28.52	
<b>Total non-current financial liabilities</b>	<b>28.52</b>	<b>0.45</b>
<b>Current</b>		
Current maturities of long-term borrowings (Refer note 17)	2,03,320.19	1,54,815.17
Interest accrued and due	2,05,990.83	2,20,238.15
Interest accrued and not due	62,272.05	5,617.20
Unclaimed dividends <sup>^</sup>	1.17	1.16
Due for capital expenditure		
- related parties (Refer note 36)	2,950.81	4,123.26
- others	163.57	40,864.98
Advance towards share application money pending allotment <sup>^^</sup>	-	-
Payable for purchase of investments	-	-
Financial guarantees	-	-
Others		
- Due to employees	832.67	-
- Book overdraft	-	-
- Security deposits	15.63	15.68
- others	969.36	
Payable to Joint Venture	-	10,283.30
<b>Total current financial liabilities</b>	<b>4,76,516.28</b>	<b>4,41,975.98</b>
<b>Total other financial liabilities</b>	<b>4,76,544.80</b>	<b>4,41,976.43</b>

<sup>^</sup> Not due for credit to Investor Education and Protection Fund

Other financial liabilities carried at amortised cost	4,76,544.80	4,41,976.43
Other financial liabilities carried at FVPL	-	-

### Note 19 Provisions

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>Non-current</b>		
Provision for employee benefits		
- Gratuity	62.75	119.86
- Leave entitlement and compensated absences	27.87	41.54
Provision for resurfacing expenses (Refer note 19.1)	4,993.31	6,502.46
<b>Total non-current provisions</b>	<b>5,083.93</b>	<b>6,663.86</b>
<b>Current</b>		
Provision for employee benefits		
- Gratuity	12.02	9.10
- Leave entitlement and compensated absences	10.37	10.80
<b>Total current provisions</b>	<b>22.39</b>	<b>19.90</b>
<b>Total provisions</b>	<b>5,106.32</b>	<b>6,683.76</b>

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 19.1 Resurfacing expenses

The Group has a contractual obligation to maintain, replace or restore infrastructure at the end of each concession period. The Group has recognized the provision in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets i.e. at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Resurfacing expenses are required to be incurred to maintain the road in the same condition and standard as constructed from the date of the work order till it is finally handed over to the Government at the end of the concession period. The actual expense incurred at the end of the period may vary from the above. No reimbursements are expected from any sources against the above obligation.

Particulars	As at 31 March 2020
As at 1 April 2019	5,894.45
Addition during the year	608.01
As at 31 March 2020	6,502.46
Addition during the year	(1,509.15)
As at 31 March 2021	4,993.31

### Note 20 Current borrowings

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
<b>I. Secured</b>		
<b>Rupee Loan from Banks</b>		
Cash credit facilities (Repayable on demand)	1,37,680.07	93,480.37
Term loan from banks (Refer notes 17.5, 20.2 and 20.3)	1,834.56	1,674.27
	<b>1,39,514.63</b>	<b>95,154.64</b>
<b>II. Unsecured (Repayable on demand)</b>		
Bank overdraft	-	15.28
Term loan from banks	3,000.00	
Loans from		
- related parties <sup>^</sup>	15,978.54	-
- others <sup>^</sup>	8.00	272.05
<b>Total current borrowings (I+II)</b>	<b>1,58,501.17</b>	<b>95,441.97</b>

<sup>^</sup> These are interest free loans and are repayable on demand

### Note 20.1 Security for cash credit facilities:

Cash credit facilities availed from bankers carries an interest rate of 13% per annum and are secured by hypothecation charge on the current assets of the Group on first pari passu basis with existing and proposed working capital lenders in consortium arrangement. These facilities are further secured by way of certain collaterals, on pari passu basis, provided by the Company including personal guarantee of Company's directors and corporate guarantee of BHS Housing Private Limited and Supreme Housing & Hospitality Private Limited.

**Note 20.2** In case of Supreme Vasai Bhiwandi Tollways Private Limited ("SVBTPL"), a subsidiary company, in which the company's current maturities of non-current borrowings from financial institutions as at March 31, 2021 having balance of ₹13,943.60 lakhs and its interest of ₹3,889.39 lakhs in respect of which direct confirmations from the lender have not been received. These borrowings have been classified into current, as the loan has been classified as NPA. Further, whilst we have been able to perform alternate procedure with respect to certain balance, in the absence of confirmation from the lenders, we are unable to comment on the adjustments, if any that may be required to the carrying value of these balances on account of changes, if any, to the terms and conditions of the transactions, and consequential impact, on the accompanying standalone financial statements.

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

**Note 20.3** In case of Kotkapura Muksar Tollways Private Limited ("KMTPL"), a subsidiary company, a subsidiary company, in which the company's current maturities of non-current borrowings from financial institutions as at March 31, 2021 having balance of ₹3,103.92 lakhs and its interest of ₹3,990.22 lakhs in respect of which direct confirmations from the lender have not been received. These borrowings have been classified into current, as the loan has been classified as NPA. Further, whilst we have been able to perform alternate procedure with respect to certain balance, in the absence of confirmation from the lenders, we are unable to comment on the adjustments, if any that may be required to the carrying value of these balances on account of changes, if any, to the terms and conditions of the transactions, and consequential impact, on the accompanying standalone financial statements.

### Note 21 Trade payables

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
- Total outstanding dues of Micro Enterprises and Small Enterprises	172.94	198.59
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	15,366.13	13,802.78
<b>Total trade payables</b>	<b>15,539.07</b>	<b>14,001.37</b>

**Note 21.1** Trade payables are normally non-interest bearing and settled as per the payment terms stated in the contract.

**Note 21.2** The Group has amounts due to micro and small suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act)

The disclosure pursuant to the said Act is as under:

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Principal amount due to suppliers under MSMED Act	77.39	77.39
Interest accrued and due to suppliers under MSMED Act on the above amount	29.33	29.33
Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
Interest paid to suppliers under MSMED Act	-	-
Interest due and payable to suppliers under MSMED Act towards payments already made	91.87	91.87
Interest accrued and remaining unpaid at the end of the accounting year	121.20	121.20
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

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

### Note 22 Other current liabilities

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Advance from contractees	4,446.83	5,019.00
Statutory dues payable	11,661.25	11,623.57
Other Liabilities	78.34	-
<b>Total other current liabilities</b>	<b>16,186.42</b>	<b>16,642.57</b>



## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 23 Revenue from operations

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Construction and project related revenue	24,173.52	23,412.93
Toll collection	1,503.56	6,693.85
Sale of products	434.27	261.50
Compensation from government authorities	233.12	1,697.84
<b>Total revenue from operations</b>	<b>26,344.47</b>	<b>32,066.12</b>

### Disaggregated revenue information

Revenue disaggregation as per industry verticle has been disclosed under segment information (Refer note 45)

### Contract balances

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Trade receivables	70,606.23	70,606.23
Unbilled work in progress (contract assets)	13,669.51	13,669.51

### Performance obligations

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2021 is ₹647,42 lakhs, of which approximately 45% is expected to be recognized as revenue within the next one year and the remaining thereafter.

### Note 24 Other income

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Interest income		
- interest unwinding on financial assets	108.17	50.36
- interest unwinding on financial guarantees	76.65	11.57
- on margin money deposits	20.52	55.31
- income tax refund	-	-
Dividend income from non-current investments	-	-
Other non-operating income		
- Excess provision no longer required written back	419.98	-
- Profit on redemption of mutual funds (net)	-	-
- Fair value gain on investments (valued at FVTPL) (net)	-	-
- Fair value gain on mutual funds (valued at FVTPL)	-	-
- Miscellaneous	153.89	74.95
<b>Total other income</b>	<b>779.21</b>	<b>192.19</b>

### Note 25 Cost of construction materials consumed

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Stock at beginning of the year	3,519.46	3,587.13
Add: Purchases	4,271.65	4,453.01
	7,791.11	8,040.14
Less: Stock at the end of the year	3,632.41	3,519.46
<b>Total Cost of construction materials consumed</b>	<b>4,158.70</b>	<b>4,520.68</b>

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 26 Employee benefits expense

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Salaries and wages	637.88	1,117.85
Contribution to provident and other funds	15.47	39.69
Gratuity	33.06	21.01
Staff welfare	13.23	33.66
<b>Total employee benefits expense</b>	<b>699.65</b>	<b>1,212.20</b>

### Note 27 Finance costs

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Interest on:		
- Term loans	37,898.03	56,161.29
- Cash credit facilities	36,576.44	21,683.00
- Others	1,019.55	74.44
Other borrowing costs		
- Bank charges and guarantee commission	103.14	655.50
	<b>75,597.17</b>	<b>78,574.22</b>
Less: Finance costs capitalised under intangible asset under development	(1,077.23)	(15,451.05)
<b>Total finance costs</b>	<b>74,519.94</b>	<b>63,123.18</b>

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

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Depreciation on property, plant and equipment	381.85	1,875.27
Amortisation on intangible assets	(18,672.45)	7,299.62
Impairment charge on goodwill (Refer note 4.1)	-	-
<b>Total depreciation and amortisation expense</b>	<b>(18,290.61)</b>	<b>9,174.89</b>

### Note 29 Other expenses

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Power and fuel	316.63	371.73
Site related	10.14	45.87
Resurfacing (Refer note 19.1)	494.88	648.45
Rent and hire charges	170.72	206.83
Transportation charges	64.00	46.13
Repairs and maintenance	982.79	82.99
Insurance	21.98	43.04
Rates and taxes	0.03	4.95
Postage and communication	1.06	-
Vehicle hiring and running	6.57	-
Toll booth charges	4.47	3.92
Impairment allowance (allowance for doubtful debts)	-	48.77

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Impairment allowance (allowance for doubtful financial assets)	557.78	-
Donations	-	-
Communication expenses	11.65	13.51
Advertisement	-	0.16
Printing and stationary	4.29	11.60
Travelling and conveyance	27.79	58.97
Legal and professional	516.49	554.38
Directors' sitting fees	-	34.10
Loss on fair valuation of mutual funds	3,699.44	
Share in toll revenue	58.20	
Auditors' remuneration:		
Audit fees	65.79	37.08
Limited review fees	15.00	12.00
Certification fees	-	6.00
Others	8.00	8.00
Reimbursement of out of pocket expenses	-	1.00
Miscellaneous	284.78	961.74
<b>Total other expenses</b>	<b>7,322.46</b>	<b>3,201.22</b>

### Note

**29.1** The Group is not liable to incur any expenses on Corporate Social Responsibility as per section 135 of the Companies Act, 2013.

**29.2** The Group has entered into cancellable operating lease for office premises, machinery and employee accommodation. Tenure of leases generally vary between one year to four years. Terms of the lease include operating terms for renewal, terms of cancellation etc. Lease payments in respect of the above leases are recognised in the statement of profit and loss under the head other expenses (Refer note 29).

### Note 30 Exceptional items

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Impairment allowance including expected credit loss allowance (allowance for doubtful loans, trade receivable and other financial assets)	406.81	(9,657.51)
Impairment allowance on investments	-	-
Assets written off (trade receivable, other financial assets and other assets written off)	-	25,232.70
Investment written off	-	928.78
Impairment loss- Inventories written off	-	0.01
Provision for loss written back in respect of a joint venture (refer note 6.5)	-	(9,522.53)
Impairment loss on assets	669.30	166.13
Profit on sale of asset	(673.35)	-
Additional contractual interest expense and other charges	10,896.76	-
<b>Total exceptional items [expense/ (Income)]</b>	<b>11,299.52</b>	<b>7,147.58</b>

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 31 Earnings per share (EPS)

		Year ended 31 March 2021	Year ended 31 March 2020
		Amount	Amount
<b>Basic and diluted EPS</b>			
Profit/(loss) computation for basic earnings per share of ₹10 each			
Net profit/ (loss) as per the Statement of Profit and Loss available for equity shareholders	(₹lakhs)	(90,952.59)	(81,270.37)
Weighted average number of equity shares for EPS computation	(Nos.)	2,56,98,372	2,56,98,372
EPS - Basic and Diluted EPS	(₹)	(354.24)	(316.25)

**Note 31.1** Non-cumulative redeemable preference shares do not qualify as potential equity shares outstanding during the periods, based on the present conditions prevalent, and hence have not been considered in the determination of diluted earnings per share.

### Note 32 Contingent liabilities and commitments

#### A. Contingent liabilities

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
(i) Claims not acknowledged as debts including cases where petition for winding up has been filed against the Group	759.82	725.22
(ii) Corporate guarantee given to banks on behalf of associates/jointly controlled entities	19,400.00	19,400.00
(iii) Service tax liability that may arise in respect of matters in appeal	11,987.26	11,987.26

(iv) Provident Fund:

Based on the judgement by the Honorable Supreme Court dated 28 February 2019, past provident fund liability, is not determinable at present, in view of uncertainty on the applicability of the judgement to the Group with respect to timing and the components of its compensation structure. In absence of further clarification, the Group has been legally advised to await further developments in this matter to reasonably assess the implications on its financial statements, if any."

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

#### B. Commitments

- The Group has entered into agreements with various government authorities and semi government corporations to develop roads on Build-Operate-Transfer (BOT) and Public Private Partnership (PPP) basis through certain subsidiary entities, jointly controlled entities and associate company. The Group has a commitment to fund the cost of developing the infrastructure through a mix of debt and equity as per the estimated project cost.
- The Company along with its jointly controlled entity, Supreme Infrastructure BOT Holdings Private Limited, has given an undertaking to the lenders of Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited, Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited and Supreme Kopargaon Ahmednagar Tollways Private Limited not to dilute their shareholding below 51% during the tenure of the loan.

### Note 33:

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, (wherein out of the total estimated debt ₹304,520 lakhs existing as at reference date i.e. 31 August 2018 ₹100,00 lakhs is to be classified as sustainable debt to be serviced as per the existing terms and conditions and the remainder is to be converted into fully paid up equity shares and cumulative redeemable preference shares). 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 Honourable 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.

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

Further, the Group has incurred a net loss after tax of ₹91,032.95 lakhs during the year ended 31 March 2021 and, has also suffered losses from operations during the preceding financial years and of that date, the Group's accumulated losses amounts to ₹3,58,851.76 lakhs and its current liabilities exceeded its current assets by ₹533,912.15 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."

### Note 34 Interests in other entities

#### a) Joint operations (incorporated)

The Group's share of interest in joint operations as at 31 March 2021 is set out below. The principal place of business of all these joint operations is in India.

Name of the entity	% of ownership interest held by the Company		Name of the ventures' partner	Principal activities
	As at 31 March 2021	As at 31 March 2020		
Supreme Infrastructure BOT Holdings Private Limited	51.00	51.00	Strategic Road Investments Limited	Toll Management

#### i) Classification of joint arrangements

The joint venture agreements in relation to the above mentioned joint operations require unanimous consent from all the parties for all relevant activities. All co-venturers have direct rights to the assets of the joint venture and are also jointly and severally liable for the liabilities incurred by the joint venture. These joint ventures are therefore classified as a joint operations and the Group recognises its direct right to the jointly held assets, liabilities, revenue and expenses. In respect of these contracts, the services rendered to the joint ventures are accounted as income on accrual basis.

#### ii) Summarised balance sheet

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Total assets	1,08,348.96	1,34,605.91
Total liabilities	1,57,762.41	1,41,678.00

#### iii) Contingent liability and capital commitment as at reporting date

	As at 31 March 2021	As at 31 March 2020
	Amount	Amount
Capital commitment	-	-

#### iv) Summarised statement of profit and loss account

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Revenue	-	-
Other income	-	-
Total expenses (including taxes)	8,168.61	18,913.94

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### b) Joint operations on work sharing basis

Contracts executed in joint venture under work sharing arrangement (consortium) is set out below. The principal place of business of all these arrangements is in India and are engaged in construction business.

Name of the Joint Venture	Description of interest	Company's share
Supreme - MBL JV	Lead JV partner	60%
Supreme - BKB - Deco JV	Lead JV partner	60%
Supreme - J Kumar JV	Lead JV partner	60%
Supreme Mahavir JV	Lead JV partner	55%
Supreme Brahmaputra JV	Equal JV partner	50%
Supreme Modi JV	Lead JV partner	51%

### Classification of work executed on sharing basis

Contracts executed in joint venture under work sharing arrangement (consortium) is accounted to the extent work executed by the Group as that of an independent contract.

## Note 35 Financial instruments

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

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

- Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables."

### A Financial instruments by category

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

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>								
Investments								
Investments in preference shares	6	506.97	-	-	-	-	506.97	506.97
Investments in equity instruments	6	-	2,292.37					
Investments in mutual funds	12	-	2.63	-	-	-	2.63	2.63
Trade receivables	13	89,610.59	-	-	-	-	89,610.59	89,610.59
Loans	7	61.99	-	-	-	-	61.99	61.99
Others financial assets	8	27,281.91	-	-	-	-	27,281.91	27,281.91
Cash and cash equivalents	14	722.15	-	-	-	-	722.15	722.15
Other bank balances	15	0.82	-	-	-	-	0.82	0.82
<b>Liabilities:</b>								
Borrowings	17,20	5,15,220.94	-	-	-	-	5,15,220.94	5,15,220.94
Trade payables	21	15,539.07	-	-	-	-	15,539.07	15,539.07
Other financial liabilities	18	2,73,224.61	-	-	-	-	2,73,224.61	2,73,224.61

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

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

Particulars	Refer note	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>								
Investments								
Investments in preference shares	6	506.97	-	-	-	-	506.97	506.97
Investments in preference shares	6	-	2,850.15					
Investments in mutual funds	12	-	2.63	-	-	-	2.63	2.63
Trade receivables	13	78,752.90	-	-	-	-	78,752.90	78,752.90
Loans	7	33.49	-	-	-	-	33.49	33.49
Others financial assets	8	731.09	-	-	-	-	731.09	731.09
Cash and cash equivalents	14	1,145.50	-	-	-	-	1,145.50	1,145.50
Other bank balances	15	6.83	-	-	-	-	6.83	6.83
<b>Liabilities:</b>								
Borrowings	17,20	4,55,826.93	-	-	-	-	4,55,826.93	4,55,826.93
Trade payables	21	14,001.37	-	-	-	-	14,001.37	14,001.37
Other financial liabilities	18	2,87,161.26	-	-	-	-	2,87,161.26	2,87,161.26

### B Fair value hierarchy

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

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

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at:

Particulars	31 March 21			31 March 20		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Assets</b>						
Investments in equity instruments	-	-	2,292.37	-	-	2,850.15
Investments in mutual funds	2.63	-	-	2.63	-	-

### Note 36 Disclosure in accordance with Ind-AS 24 Related Party Transactions

#### A. Names of related parties and nature of relationship

Name of the entity	Country of incorporation	Company's holding as at (%)		Subsidiary of
		31 March 21	31 March 20	
<b>(a) Associates</b>				
Sohar Stones LLC	Oman	30.00	30.00	
<b>(b) Jointly controlled entities</b>				
Sanjose Supreme Tollways Development Private Limited (upto 9 August 2018) (Refer note 1 below)	India	96.10	96.10	
Supreme Infrastructure BOT Holdings Private Limited (Refer note 2 below)	India	51.00	51.00	
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited (Refer note 3 below)	India	45.90	45.90	Supreme Infrastructure BOT Holdings Private Limited
Supreme Ahmednagar Karmala Tembhorni Tollways Private Limited (Refer notes 2 and 3 below)	India	51.00	51.00	Supreme Infrastructure BOT Holdings Private Limited
Supreme Kopargaon Ahmednagar Tollways Private Limited (Refer note 2 below)	India	51.00	51.00	Supreme Infrastructure BOT Holdings Private Limited

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### (c) Key management personnel (KMP)

Mr. Bhawanishankar Sharma - Chairman  
 Mr. Vikram Sharma - Managing Director  
 Mr. Dakshendra Brijballabh Agrawal - Non executive Director  
 Mr. Vijay Joshi - Company Secretary  
 Mr. V.P. Singh - Independent Director  
 Mr. Vinod Agarwala - Independent Director  
 Mr. Sushil Kumar Mishra - Independent Director  
 Mrs. Payal Agarwal - Independent Director  
 Mr. Pankaj Prakash Sharma- CEO

### (d) Other related parties (where transactions have taken place during the year)

#### Companies in which key management personnel or their relatives have significant influence

Supreme Housing and Hospitality Private Limited  
 Kalyan Sangam Infratech Limited  
 Green Hill Barter Private Limited  
 BHS Housing Private Limited  
 Supreme Innovative Buildings Private Limited  
 BVB Infracorp Private Limited  
 BVR Infracorp Private Limited  
 VSB Infracorp Private Limited  
 Rudraanee Infrastructure Limited (Refer note 4 below)  
 Sanjose Supreme Tollways Development Private Limited (w.e.f 10 August 2018) (Refer note 1)

**Note 1:** w.e.f 10 August 2018, the Group cease to have significant influence as the company has been referred for liquidation.

**Note 2:** Though the Group's investment in these entities exceed 50% of the total share capital, these entities have been classified as jointly controlled entities. The management has assessed whether or not the group has control over these entities based on whether the group has practical ability to direct relevant activities unilaterally. In these cases, based on specific shareholders agreement, the management concluded that the group does not have practical ability to direct the relevant activities unilaterally but has such ability along with the other shareholders.

**Note 3:** The lenders of the respective entity had invoked Strategic Debt Restructuring ("SDR") and as a result 51% of equity shares have been transferred to lenders from the promotor group in accordance with the Reserve Bank of India ("RBI") guidelines. This conversion of debt into equity by the lenders is only protective in nature but not participative.

**Note 4:** Though the Group's share in investment in Rudraanee Infrastructure Limited is 40.20% but there is no significant control over the entity by the virtue of agreement hence the same is considered as other related party.

### B. Nature of Transactions

Transactions with related parties:		Year ended 31 March 2021	Year ended 31 March 2020
		Amount	Amount
<b>Rendering of services</b>			
Supreme Ahmednagar Karmala Tembhorni Private Limited	Jointly controlled entity	-	-
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	-	85.96
<b>Interest unwinding on financial assets carried at amortised cost</b>			
Kalyan Sangam Infratech Limited	Other related party	-	861.62
		-	861.62



## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

Transactions with related parties:		Year ended 31 March 2021	Year ended 31 March 2020
		Amount	Amount
<b>Interest unwinding on financial guarantees</b>			
Rudranee Infrastructure Limited	Other related party	-	-
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	-	-
		-	-
<b>Finance cost on redeemable preference shares</b>			
BHS Housing Private Limited	Other related party	-	-
		-	-
<b>Remuneration to key managerial person</b>			
Mr. Vijay Joshi	Key Managerial Personnel	-	14.90
Mr. Sandeep Khandelwal	Key Managerial Personnel	-	17.57
Mr. V.P. Singh	Key Managerial Personnel	-	8.70
Mr. Vinod Agarwal	Key Managerial Personnel	-	8.40
Mr. S.K. Mishra	Key Managerial Personnel	-	7.40
Mrs. Nilima Mansukhani	Key Managerial Personnel	-	3.00
Mr. Dakshendra Brijbahhabh Agrawal	Key Managerial Personnel	-	6.60
		-	66.57
<b>Loan taken from</b>			
Mr. Bhawanishankar Sharma	Key Managerial Personnel	-	-
Mrs. Rita Sharma	Key Managerial Personnel	-	-
Mrs. Vikas Sharma	Key Managerial Personnel	-	-
Supreme Innovative Buildings Private Limited	Other related parties	-	-
BVB Infracorp Private Limited	Other related parties	-	10.00
BVR Infracorp Private Limited	Other related parties	-	73.49
VSB Infracorp Private Limited	Other related parties	-	29.79
		-	113.28
<b>Loan repaid to</b>			
Mr. Vikas Sharma	Key Managerial Personnel	-	-
Supreme Innovative Buildings Private Limited	Other related party	-	-
Mr Vikram Sharma	Key Managerial Personnel	-	0.12
		-	0.12

### C) Outstanding balances:

Transactions with related parties:		As at 31 March 2021	As at 31 March 2020
		Amount	Amount
<b>Outstanding trade receivables</b>			
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	-	29.00
Supreme Housing and Hospitality Private Limited	Other related party	-	-
BHS Housing Private Limited	Other related party	-	-
		-	29.00
<b>Loans/ other receivable</b>			
Rudranee Infrastructure Limited*	Other related party	-	2,227.40
Supreme Infrastructure BOT Holdings Private Limited	Jointly controlled entity	-	-
Supreme Innovative Buildings Private Limited	Other related party	-	-
		-	2,227.40

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

Transactions with related parties:		As at	As at
		31 March 2021	31 March 2020
		Amount	Amount
<b>Outstanding payables</b>			
<b>Short-term borrowings</b>			
Mr. Bhawanishankar Sharma	Key Managerial Personnel	-	3,118.38
Mr. Vikram Sharma	Key Managerial Personnel	-	1,157.95
Mr. Vikas Sharma	Key Managerial Personnel	-	730.71
Supreme Innovative Buildings Private Limited	Other related parties	-	-
BVB Infracorp Private Limited	Other related parties	-	1,559.70
BVR Infracorp Private Limited	Other related parties	-	1,900.35
VSB Infracorp Private Limited	Other related parties	-	2,241.79
		-	<b>10,708.88</b>
<b>Other financial liabilities</b>			
Mr. Vijay Joshi	Key Managerial Personnel	-	14.65
Mr. Sandeep Khandelwal	Key Managerial Personnel	-	16.09
Mr. V.P. Singh	Key Managerial Personnel	-	8.70
Mr. Vinod Agarwala	Key Managerial Personnel	-	8.40
Mr. S.K. Mishra	Key Managerial Personnel	-	7.40
Mrs. Nilima Mansukhani	Key Managerial Personnel	-	3.00
Mr. Dakshendra Brijballabh Agrawal	Key Managerial Personnel	-	6.60
Supreme Infrastructure BOT Holdings Private Limited	Jointly controlled entity	-	1,285.76
		-	<b>1,350.61</b>
<b>Advance from contractees</b>			
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	Jointly controlled entity	-	-
Supreme Ahmednagar Karmala Tembhorni Tollways Private Limited	Jointly controlled entity	-	-
Supreme Housing and Hospitality Private Limited	Other related party	-	-
Sanjose Supreme Tollways Development Private Limited	Other related party	-	-
		-	-
<b>Corporate guarantees given and outstanding as at the end of the year</b>			
Rudranee Infrastructure Limited	Other related party	-	4,500.00
Supreme Kopargaon Ahmednagar Tollways Private Limited	Jointly controlled entity	-	18,000.00
		-	<b>19,400.00</b>

\* Provisions made against such receivables

### Notes:

- Mr. Bhawanishankar Sharma and Mr. Vikram Sharma have agreed for waiver of remuneration for the years ended 31 March 2021 and 31 March 2020 in view of the losses incurred by the Group.
- Refer notes 6.3, 17.3, 17.8 and 20.1 for personal guarantees provided by Directors, shares pledged and other security created in respect of borrowing by the Group or the related parties.
- The Company along with its jointly controlled entity, Supreme Infrastructure BOT Holdings Private Limited, has given an undertaking to the lenders of Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited, Supreme Ahmednagar Karmala Tembhorni Tollways Private Limited and Supreme Kopargaon Ahmednagar Tollways Private Limited not to dilute their shareholding below 51% during the tenure of the loan.

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 37 Interest in other entities

#### 37.1 Subsidiaries

The Group's subsidiaries as at 31 March 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest held by the group		Ownership interest held by non controlling interests		Principal activities
		31 March 2021	31 March 2020	31 March 2021	31 March 2020	
Supreme Infrastructure Overseas LLC	Oman	60.00%	60.00%	40.00%	40.00%	Construction
Supreme Mega Structures Private Limited	India	60.00%	60.00%	40.00%	40.00%	Construction
Supreme Panvel Indapur Tollways Private Limited	India	64.00%	64.00%	36.00%	36.00%	Toll management
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	India	49.00%	49.00%	51.00%	51.00%	Toll management
Mohol Kurul Kamati Mandrup Tollways Private Limited	India	49.00%	49.00%	51.00%	51.00%	Toll management
Supreme Suyog Funicular Ropeways Private Limited	India	98.00%	98.00%	2.00%	2.00%	Toll management
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	India	100.00%	100.00%	-	-	Toll management
Kotkapura Muksar Tollways Private Limited	India	99.00%	100.00%	1.00%	-	Toll management
Patiala Nabha Infra Projects Private Limited	India	100.00%	100.00%	-	-	Toll management
Supreme Infrastructure BOT Private Limited (SIBPL)	India	100.00%	100.00%	-	-	Construction
Supreme Vasai Bhiwandi Tollways Private Limited	India	100.00%	100.00%	-	-	Toll management

#### 37.2 Non-controlling interests (NCI)

The following table summarises the information relating to each of the subsidiaries that has NCI. The amounts disclosed for each subsidiary are before intra-group eliminations

Particulars	Supreme Infrastructure Overseas LLC		Supreme Mega Structures Private Limited		Supreme Panvel Indapur Tollways Private Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Summarised balance sheet</b>						
Non-current assets (A)	500.62	507.36	113.73	123.23	2,36,895.10	2,11,758.99
Current assets (B)	852.23	852.23	18.33	18.33	2,308.13	2,032.37
Non-current liabilities (C)	-	-	-	-	1,48,925.29	1,38,646.83
Current liabilities (D)	2,049.88	2,049.88	20.89	(19.54)	66,163.48	49,277.62
<b>Net assets (A+B-C-D)</b>	<b>(697.03)</b>	<b>(690.29)</b>	<b>111.17</b>	<b>161.11</b>	<b>24,114.48</b>	<b>25,866.91</b>
<b>Net assets attributable to NCI</b>	<b>(278.81)</b>	<b>(276.12)</b>	<b>44.47</b>	<b>64.44</b>	<b>8,681.21</b>	<b>9,312.09</b>
<b>Summarised statement of profit and loss</b>						
Revenue	-	-	-	-	12,499.79	17,466.82
Other Income	-	-	-	2.19	-	-
Construction Cost	-	-	-	84.45	-	33,726.78
Subcontracting expenses	-	-	-	-	-	-

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

Particulars	Supreme Infrastructure Overseas LLC		Supreme Mega Structures Private Limited		Supreme Panvel Indapur Tollways Private Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Employee cost	-	-	-	34.03	-	-
Finance cost	-	-	-	3.00	-	-
Depreciation	-	6.74	9.50	86.94	-	-
Other expenses	-	-	-	94.89	55.67	5.72
<b>Profit/(loss) for the year</b>	-	(6.74)	(9.50)	(281.86)	(55.67)	(2,906.28)
Other comprehensive income/(loss)	-	-	-	-	1,696.76	-
<b>Total comprehensive income</b>	-	(6.74)	(9.50)	(281.86)	1,641.09	(2,906.28)
Profit/(loss) allocated to NCI	-	(2.70)	(3.80)	(112.74)	590.79	(1,046.26)
OCI allocated to NCI	-	-	-	-	-	-
<b>Total comprehensive income allocated to NCI</b>	-	(2.70)	(3.80)	(112.74)	590.79	(1,046.26)
<b>Summarised cash flows</b>						
Cash flow from operating activities	*^	*^	-	(165.97)	-	(3,917.84)
Cash flow from investing activities	*^	*^	-	165.97	-	(7,820.09)
Cash flow from financing activities	*^	*^	-	-	-	11,939.71
<b>Net increase/ (decrease) in cash and cash equivalents</b>	*^	*^	-	(0.00)	-	201.78

Particulars	Supreme Manor Wada Bhiwandi Infrastructure Private Limited		Mohol Kurul Kamati Mandrup Tollways Private Limited		Supreme Suyog Funicular Ropeways Private Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Summarised balance sheet</b>						
Non-current assets (A)	49,189.17	49,740.60	-	-	14,562.68	13,484.95
Current assets (B)	4,392.76	4,317.90	2.00	2.00	3.71	5.69
Non-current liabilities (C)	5,200.92	4,721.75	-	-	-	-
Current liabilities (D)	53,373.19	48,032.31	41.02	40.67	10,698.35	9,607.45
<b>Net assets (A+B-C-D)</b>	(4,992.18)	1,304.44	(39.02)	(38.67)	3,868.04	3,883.20
<b>Net assets attributable to NCI</b>	(2,546.01)	665.27	(19.90)	(19.72)	77.36	77.66
<b>Summarised statement of profit and loss</b>						
Revenue	76.55	2,267.82	-	-	-	83.66
<b>Profit/(loss) for the year</b>	(6,296.63)	(4,969.93)	(0.35)	(0.47)	(15.16)	(7.92)
Other comprehensive income/(loss)	-	-	-	-	-	-
<b>Total comprehensive income</b>	(6,296.63)	(4,969.93)	(0.35)	(0.47)	(15.16)	(7.92)
Profit/(loss) allocated to NCI	(3,211.28)	(2,534.67)	(0.18)	(0.24)	(0.30)	(0.16)
OCI allocated to NCI	-	-	-	-	-	-
<b>Total comprehensive income allocated to NCI</b>	(3,211.28)	(2,534.67)	(0.18)	(0.24)	(0.30)	(0.16)
<b>Summarised cash flows</b>						
Cash flow from operating activities	115.37	855.90	(0.31)	(0.39)	1,073.35	1,197.67
Cash flow from investing activities	(8.62)	(3.62)	0.31	0.39	(1,073.57)	(1,260.60)
Cash flow from financing activities	(0.65)	(1,078.63)	-	-	-	(22.32)
<b>Net increase/ (decrease) in cash and cash equivalents</b>	106.10	(226.35)	-	(0.00)	(0.22)	(85.26)

\*^ Indicates disclosures that are not required

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### 37.3 Interest in associates and joint venture

	Note	Carrying amount as at	
		31 March 2021	31 March 2020
Interest in associates	See (A) below	-	-
Interest in joint ventures	See (B) below	-	(10,283.30)
		-	(10,283.30)

#### (A) Interest in associates

The Group's associates as at 31 March 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest	Carrying amount as at*		Principal activities
			31 March 2021	31 March 2020	
Sohar Stones LLC	Oman	30.00%	-	-	Construction
			-	-	

\*Unlisted entity - no quoted price available

Refer Note 37.4 for the summarised financial information for associates. The information disclosed reflects the amount presented in the financial statement of the relevant associates and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including fair value adjustments at the time of acquisition and modifications for difference in accounting policies.

#### (B) Interest in joint ventures

The Group's joint ventures as at 31 March 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest	Carrying amount as at*		Principal activities
			31 March 2021	31 March 2020	
Supreme Ahmednagar Karmala Tembhorni Tollways Private Limited	India	51.00%	-	-	Toll management
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	India	45.90%	-	-	Toll management
Supreme Infrastructure BOT Holdings Private Limited	India	51.00%	-	(10,283.30)	Construction
Supreme Kopargaon Ahmednagar Tollways Private Limited	India	51.00%	-	-	Toll management
			-	(10,283.30)	

\*Unlisted entity - no quoted price available

Refer Note 37.5 for the summarised financial information for joint ventures. The information disclosed reflects the amount presented in the financial statement of the relevant joint venture and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including fair value adjustments at the time of acquisition and modifications for difference in accounting policies.

During the years ended 31 March 2020 and 31 March 2019, the Group did not receive dividends from any of its associates and joint ventures

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 37.4 Table below provide summarised financial information for associates

	Sohar Stones LLC	
	31 March 2021	31 March 2020
<b>Summarised balance sheet</b>		
Non-current assets	500.62	507.4
Current assets	852.23	852.2
Non-current liabilities	-	-
Current liabilities	2,049.88	2,049.9
<b>Net assets</b>	<b>(697.03)</b>	<b>(690.3)</b>
Group share of net assets	(418.22)	(414.17)
<b>Summarised profit and loss</b>		
Revenue	-	-
Profit/ (loss) for the year after tax	-	(6.74)
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>(6.74)</b>

### Note 37.5 Table below provide summarised financial information for joint ventures

Particulars	Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited		Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Summarised balance sheet</b>				
Non-current assets	-	67,067.96	-	38,658.67
Current assets	-	2.61	-	286.96
Non-current liabilities	-	24,766.76	-	22,387.19
Current liabilities	-	50,412.23	-	23,102.84
<b>Net assets</b>	<b>-</b>	<b>(8,108.42)</b>	<b>-</b>	<b>(6,544.41)</b>
Group share of net assets	-	(4,135.30)	-	(5,889.97)
<b>Summarised profit and loss</b>				
Revenue	-	-	-	-
Profit/ (Loss) for the year	-	(8,536.89)	-	(5,851.21)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>(8,536.89)</b>	<b>-</b>	<b>(5,851.21)</b>

Particulars	Supreme Infrastructure BOT Holdings Private Limited		Supreme Kopergaon Ahmednagar Tollways Private Limited	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Summarised balance sheet</b>				
Non-current assets	-	26,301.25	-	77.44
Current assets	-	7.16	-	2,203.85
Non-current liabilities	-	-	-	257.58
Current liabilities	-	5,985.16	-	14,766.24
<b>Net assets</b>	<b>-</b>	<b>20,323.26</b>	<b>-</b>	<b>(12,484.95)</b>
Group share of net assets	-	10,364.86	-	(12,484.95)
<b>Summarised profit and loss</b>				
Revenue	-	-	-	-
Profit/ (Loss) for the year after tax	-	(25.06)	-	(4,500.03)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>(25.06)</b>	<b>-</b>	<b>(4,500.03)</b>

\*^ Indicates disclosures that are not required

^ Since the loss amount exceeded the total investment value, no effect has been given in consolidated financial statement in respect of above referred 4 JV Entities for the financial year 2020-21.

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

### Note 38 Financial risk management objectives and policies

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

#### i Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk includes loans and borrowings.

##### a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's total debt obligations with floating interest rates.

##### Interest rate sensitivity

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

	31 March 2021	31 March 2020
	Amount	Amount
Increase in basis points	50 basis points	50 basis points
Effect on loss before tax, increase by	2,576.10	2,309.22
Decrease in basis points	50 basis points	50 basis points
Effect on loss before tax, decrease by	2,576.10	2,309.22

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

##### b Foreign currency risk

The Group does not have any significant outstanding balances in foreign currency and consequently the Group's exposure to foreign exchange risk is less. Although, the exchange rate between the rupee and foreign currencies has changed substantially in recent years, it has not affected the results of the Group. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. Accordingly, the Company does not have any unhedged foreign currency exposures.

##### c Equity price risk

The Group's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

#### ii Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, unbilled work-in-progress, cash and cash equivalents and receivable from group companies.

- a Credit risk on trade receivables and unbilled work is limited as the customers of the Group mainly consists of the government promoted entities having a strong credit worthiness. For other customers, the Group uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Group's historical experience for customers.

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

The following table gives details in respect of percentage of revenues generated from government promoted agencies and others

	31 March 2021	31 March 2020
	%	%
Revenue from government promoted agencies	77.86%	57.35%
Revenue from others	22.14%	42.65%
	100.00%	100.00%

The following table gives details in respect of contract revenues generated from the top customer and top 5 customers for the year ended:

	31 March 2021	31 March 2020
	Amount	Amount
Revenue from top customer	10,739.94	29,961.85
Revenue from top five customers	18,949.49	29,961.85

For the year ended 31 March 2021, One (31 March 2020: One) customer, individually, accounted for more than 10% of the revenue.

**The movement of the allowance for lifetime expected credit loss over the financial asset except trade receivable is stated below: ^**

	31 March 2021	31 March 2020
	Amount	Amount
Balance at the beginning of the year	2,536.28	2,476.60
Charge in the statement of profit and loss	-	-
Release to statement of profit and loss	(58.64)	-
Balance at the end of the year	2,477.64	2,536.28

^ Refer note 13.6 for movement in allowance for lifetime expected credit loss over trade receivables.

- b Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings.

### iii Liquidity risk

Liquidity is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

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

Particulars	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
<b>As at 31 March 2021</b>					
Borrowings (including interest accrued)	1,58,501.17	4,71,583.08	1,35,890.42	17,509.16	7,83,483.83
Trade payables	-	15,539.07	-	-	15,539.07
Other financial liabilities	-	4,961.73	-	-	4,961.73
	<b>1,58,501.17</b>	<b>4,92,083.89</b>	<b>1,35,890.42</b>	<b>17,509.16</b>	<b>8,03,984.63</b>
<b>As at 31 March 2020</b>					
Borrowings (including interest accrued)	95,441.97	3,80,670.52	1,88,060.63	17,509.16	6,81,682.28
Trade payables	-	13,947.48	-	-	13,947.48
Other financial liabilities	-	55,288.84	-	-	55,288.84
	<b>95,441.97</b>	<b>4,55,923.92</b>	<b>1,88,060.63</b>	<b>17,509.16</b>	<b>7,50,918.60</b>



## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### Note 39 Capital management

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

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

	31 March 2021	31 March 2020
	Amount	Amount
Total debts	7,83,483.83	6,81,682.28
Equity attributable to owners of the parent	(3,38,219.27)	(3,08,012.45)
<b>Total debts to equity ratio (Gearing ratio)</b>	<b>175.96%</b>	<b>182.43%</b>

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

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. Subsequent to restructuring of the borrowings as stated in Note 17, there have been no communications from the banks in this regard which might have a negative impact on the gearing ratio.

### Note 40 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

#### A Defined benefit obligations - Gratuity (unfunded)

The gratuity plan is governed by the Payment of Gratuity Act, 1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

#### a) Changes in defined benefit obligations

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Present value of obligation as at the beginning of the year	128.95	101.07
Interest cost	8.98	7.34
Current service cost	17.20	13.67
Remeasurements - Net actuarial (gains)/ losses	(80.36)	6.88
Benefits paid	-	-
Past Service Cost	-	-
<b>Present value of obligation as at the end of the year</b>	<b>74.77</b>	<b>128.96</b>

#### b) Expenses recognised in the Statement of Profit and Loss

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Interest cost	8.98	7.34
Current service cost	17.20	13.67
Past Service Cost	-	-
<b>Total</b>	<b>26.18</b>	<b>21.01</b>

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

### c) Remeasurement (gains)/ losses recognised in OCI

	Year ended 31 March 2021	Year ended 31 March 2020
	Amount	Amount
Actuarial changes arising from changes in financial assumptions	(43.94)	46.55
Actuarial changes arising from changes in demographic assumptions	6.36	4.39
Experience adjustments	(42.77)	(44.07)
<b>Total</b>	<b>(80.35)</b>	<b>6.87</b>

### d) Actuarial assumptions

	31 March 2021	31 March 2020
	Amount	Amount
Discount rate	6.71% p.a	6.75% p.a
Salary escalation rate - over a long-term	5% p.a	15% p.a
Mortality rate	Indian assured lives mortality (2012-14) ultimate	Indian assured lives mortality (2012-14) ultimate

The attrition rate varies from 1% to 15% (31 March 2020: 1% to 7%) for various age groups

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### e) Quantities sensitivity analysis for significant assumption is as below:

	31 March 2021	31 March 2020
	Amount	Amount
	1% increase	
i. Discount rate	(3.12)	(11.27)
ii. Salary escalation rate - over a long-term	2.99	5.62
	1% decrease	
i. Discount rate	3.40	12.88
ii. Salary escalation rate - over a long-term	(2.95)	(5.69)

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

### f) Maturity analysis of defined benefit obligation

	31 March 2021	31 March 2020
	Amount	Amount
Within the next 12 months	12.42	9.40
Between 2 and 5 years	41.62	42.78
Between 6 and 10 years	29.52	66.45
<b>Total expected payments</b>	<b>83.56</b>	<b>118.63</b>

### B Defined contribution plans

	31 March 2021	31 March 2020
	Amount	Amount
<b>a)</b> The Company has recognised the following amounts in the Statement of Profit and Loss for the year:		
(i) Contribution to provident fund	14.88	21.89
(ii) Contribution to ESIC	0.59	17.80
	<b>15.47</b>	<b>39.70</b>

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021  
All amounts are in Indian Rupees and in lakhs

- b) The expenses for leave entitlement and compensated absences is recognized in the same manner as gratuity and provision of ₹9.60 lakhs (31 March 2020: ₹21.43 lakhs) has been reversed as at 31 March 2021.

### C Current/ non-current classification

	31 March 2021	31 March 2020
	Amount	Amount
<b>Gratuity</b>		
Current	12.02	9.10
Non-current	62.75	119.86
	<b>74.77</b>	<b>128.96</b>
<b>Leave entitlement (including sick leave)</b>		
Current	10.37	10.80
Non-current	27.87	41.54
	<b>38.24</b>	<b>52.34</b>

### Note 41 Statement pursuant to details to be furnished for subsidiaries as prescribed by Companies Act, 2013

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Rupees in lakhs	As % of consolidated profit or loss	Rupees in lakhs	As % of consolidated other comprehensive income	Rupees in lakhs	As % of consolidated total comprehensive income	Rupees in lakhs
1	2	3	4	5	6	7	8	9
Parent: Supreme Infrastructure India Limited	61.87%	(2,09,272.51)	70.47%	(64,150.95)	100.00%	80.35	70.44%	(64,070.60)
<b>Subsidiaries</b>								
<b>Indian</b>								
1. Supreme Infrastructure BOT Private Limited	27.84%	(94,171.83)	12.99%	(11,823.66)	-	-	13.00%	(11,823.66)
2. Supreme Panvel Indapur Tollways Private Limited	-7.13%	24,114.47	1.93%	(1,752.43)	-	-	1.93%	(1,752.43)
3. Supreme Mega Structures Private Limited	-0.03%	111.17	0.01%	(9.50)	-	-	0.01%	(9.50)
<b>Foreign</b>								
1. Supreme Infrastructure Overseas LLC	0.21%	(697.03)	0.00%	-	0.00%	-	0.00%	-
Total elimination/adjustment	17.24%	(58,303.54)	14.61%	(13,296.40)	0.00%	-	14.62%	(13,296.40)
<b>TOTAL</b>	<b>100%</b>	<b>(3,38,219)</b>	<b>100%</b>	<b>(91,032.95)</b>	<b>100%</b>	<b>80.35</b>	<b>100%</b>	<b>(90,952.59)</b>

\*"- " denotes less than 1%

### Note 42

The Group has disclosed business segment as the primary segment. Segments have been identified taking into account the nature of activities of the parent company, its subsidiaries and joint ventures, the differing risks and returns, the organization structure and internal reporting system. Also, refer note 38(ii) for information on revenue from major customers.

The Group's operations predominantly relate to 'Engineering and Construction' and 'Road Infrastructure'.

The segment revenue, segment results, segment assets and segment liabilities include respective amounts identifiable to each of the segment and also amounts allocated on a reasonable basis.

## Summary of significant accounting policies

and other explanatory information to the consolidated financial statements as at and for the year ended 31 March 2021

All amounts are in Indian Rupees and in lakhs

Particulars	As at	As at
	31 March 2021	31 March 2020
	Amount	Amount
<b>Segment revenue</b>		
Engineering and construction	24,312.10	22,076.37
Road Infrastructure	2,032.37	9,989.75
<b>Total Revenue</b>	<b>26,344.47</b>	<b>32,066.12</b>
<b>Segment profit/ (loss) before tax, finance cost and exceptional item</b>		
Engineering and construction	(2,748.98)	499.31
Road Infrastructure	(2,464.50)	(4,114.06)
<b>Total</b>	<b>(5,213.48)</b>	<b>(3,614.75)</b>
Less: Exceptional items		
- Engineering and construction	402.76	1,431.39
- Road Infrastructure	10,896.76	5,716.19
<b>Profit/ (loss) before finance cost, share of profit/ (loss) of associate and joint ventures and tax</b>	<b>(16,513.00)</b>	<b>(10,762.33)</b>
<b>Segment Assets</b>		
Engineering and construction	95,169.87	1,40,580.86
Road Infrastructure	3,93,461.97	3,31,353.00
Unallocable corporate assets	1,484.91	3,498.46
	<b>4,90,116.75</b>	<b>4,75,432.32</b>
<b>Segment Liabilities</b>		
Engineering and construction	3,21,239.63	1,71,242.68
Road Infrastructure	1,92,979.04	13,433.64
Unallocable corporate liabilities	1,55,605.32	5,98,768.46
	<b>6,69,823.99</b>	<b>7,83,444.78</b>

**Note 42.1** Segment asset excludes current and non-current investments, deferred tax assets and advance payment of income tax.

**Note 42.2** Segment liabilities excludes borrowings (including current borrowings) and current maturities of long term borrowing, share application money deferred tax liability, accrued interest and non-controlling interests.

### Note 43

Previous years figures have been regrouped and reclassified wherever necessary to confirm with the current year's presentation.

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

#### For Ramanand & Associates

Chartered Accountants

Firm Registration No: 117776W

#### CA Ramanand Gupta

Partner

M.No.: 103975

Place: Mumbai

Date: 18.09.2021

#### For Borkar & Muzumdar

Chartered Accountants

Firm Registration No: 101569W

#### Devang Vaghani

Partner

M. No. 109386

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

#### Bhawanishankar Sharma

Chairman

DIN No: 01249834

Place: Mumbai

Date: 18.09.2021

#### Vikram Sharma

Managing Director

DIN No: 01249904





[www.supremeinfra.com](http://www.supremeinfra.com)

