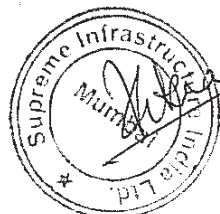
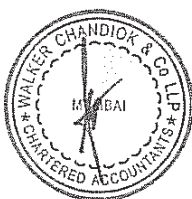


ANNEXURE I

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

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

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



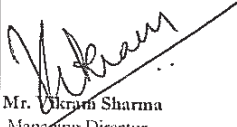
SUPREME INFRASTRUCTURE INDIA LTD.



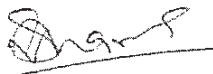
b. Type of Audit Qualification :	Qualified Opinion
c. Frequency of qualification:	Qualifications: Qualification II (a) (i) and (ii) have been appearing from the year ended 31 March 2015 and the Qualification II (a) (iii) has been included for the first time during the year ended 31 March 2016.
d. For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

III Signatories:

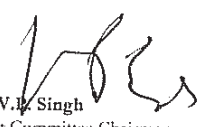
Supreme Infrastructure India Limited



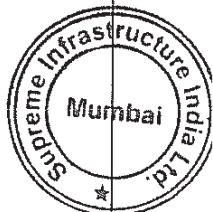
Mr. Vikram Sharma
Managing Director
Place: Mumbai
Date: 30 May 2016



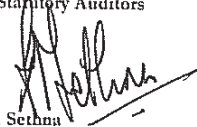
Mr. Vikas Sharma
Wholtime Director & CFO
Place: London
Date: 30 May 2016



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

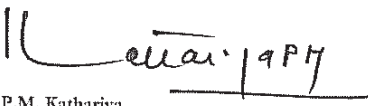


Joint Statutory Auditors




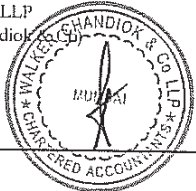
Adi P. Sethna
Partner
Membership No.: 108840
Walker ChandioK & Co LLP
(Formerly Walker, ChandioK & Co)
Chartered Accountants

Place: Mumbai
Date: 30 May 2016



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





ANNEXURE I

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

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

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

II Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

Auditor's Qualification:

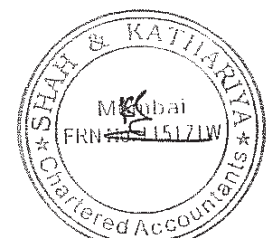
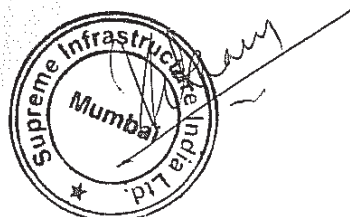
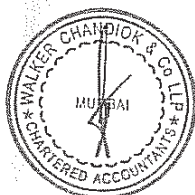
(i) As stated in Note 3(a) to the Statement, the Company's trade receivables and unbilled work as at 31 March 2016 include amounts aggregating ₹ 3,139.40 Lacs (31 March 2015 ₹ 3,139.40 Lacs) and ₹ 1,003.36 Lacs (31 March 2015 ₹ 1,003.36 Lacs) respectively, in respect of projects which were closed/ terminated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

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

(iii) Auditor's Qualification on the Internal Financial Controls relating to above matters:
According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Holding Company's Internal Financial Controls over Financial Reporting as at 31 March 2016:

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

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



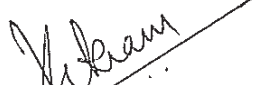
SUPREME INFRASTRUCTURE INDIA LTD.

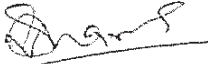



b. Type of Audit Qualification :	Qualified Opinion
c. Frequency of qualification:	<p>Qualifications:</p> <p>Qualification II (a) (i) and (ii) have been appearing from the year ended 31 March 2015 and the Qualification II (a) (iii) has been included for the first time during the year ended 31 March 2016.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

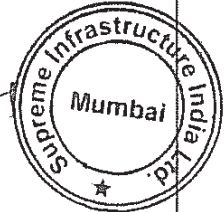
III Signatories:

Supreme Infrastructure India Limited

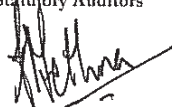

Mr. Vikram Sharma
 Managing Director
 Place: Mumbai
 Date: 30 May 2016



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

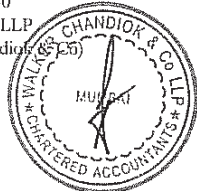
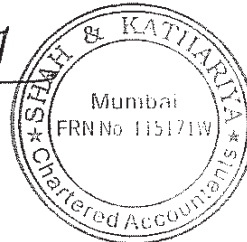

Mr. V.P. Singh
 Audit Committee Chairman
 Place : Mumbai
 Date: 30 May 2016



Joint Statutory Auditors


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


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



Place: Mumbai
 Date: 30 May 2016