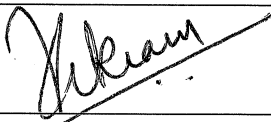
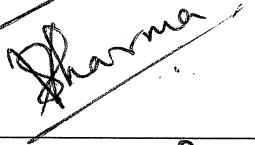
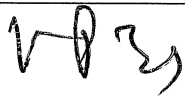

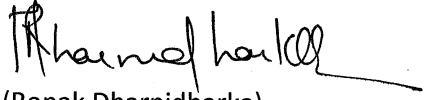


Form A

(Clause 31 (a) of the Listing Agreement)

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	Supreme Infrastructure India Limited
2.	Annual financial statements for the year ended	31 st March, 2014
3.	Type of Audit Observation	Unqualified
4.	Frequency of observation	Not Applicable
5.	Signed by	
	Shri Vikram Sharma (Managing Director)	
	Shri Vikas Sharma (Whole – Time Director & CFO)	
	Shri V. P. Singh (Audit Committee Chairman)	
	Joint Statutory Auditors	
	For Walker Chandiok & Co LLP Chartered Accountants Firm Registration No. 001076N	 (Aayn Jassani) Partner Membership No. F-46447
	For Shah & Kathariya Chartered Accountants Firm Registration No. 115171W	 (Ronak Dharnidharka) Partner Membership No. 141555

Annual Report 2013-14

Positive Present
Positive Future





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OUR CORE STRENGTHS:

1

A WELL-SPREAD AND
DIVERSIFIED EPC
BUSINESS

Pg. 16

2

ROBUST PROJECT
MANAGEMENT AND EXECUTION
OF BOT ASSETS

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3

A PRAGMATIC APPROACH
TOWARDS BUSINESS MODEL
DERISKING AND FINANCIAL
ENGINEERING

Pg. 20

POSITIVE PRESENT. POSITIVE FUTURE.



Progress is the activity of today and
the assurance of tomorrow.”

- Ralph Waldo Emerson

Making the most of a challenging present.

We choose to be positive; we choose to make the most of the present circumstances. Despite tough conditions, we are playing a positive role in realising India's infrastructure opportunity. In this process, we are amassing accumulated experience in multiple skill-sets for executing large-scale projects across multiple verticals. We are growing stronger each day with a consistent focus on innovation and quality. With inherent strengths of project execution and our engineering capabilities, we have a positive and sustained commitment to build value for the nation. We are constantly facing the present challenges, while making transformative moves to deliver shareholder value in the future.

Perfectly poised for an exciting future.

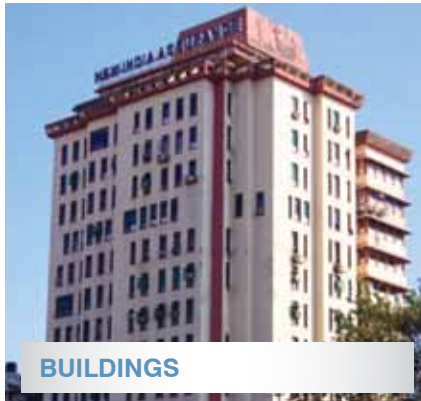
There are two ways to have a positive future – by waiting for it to arrive or by enabling it to arrive. At Supreme Infrastructure India Limited, we believe in the latter. We look to the future with optimism. Our passion, professionalism and perseverance gives us an exceptional future outlook. Our future is all about opportunities and growth; while our progress is about exploring them and sustaining them. With an eagle-eye focus on value-accretive projects, we are well prepared to embark on the next phase of our exciting journey. We are expanding our horizons and capitalising on the emerging infrastructure opportunities, setting new benchmarks of excellence. We are on the right track – ready for a focussed and progressive journey in the infrastructure space.



WHAT WE DO



ROADS



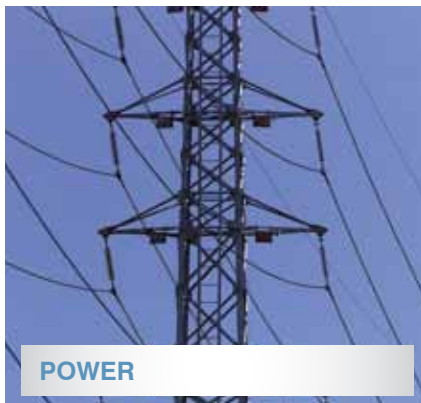
BUILDINGS



WATER INFRASTRUCTURE



BRIDGES



POWER



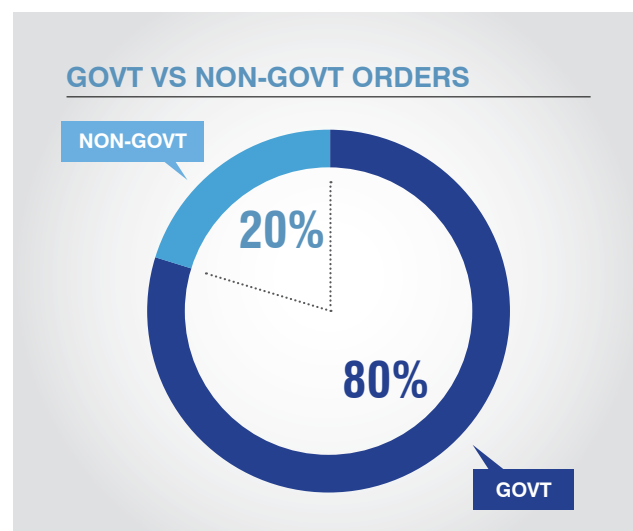
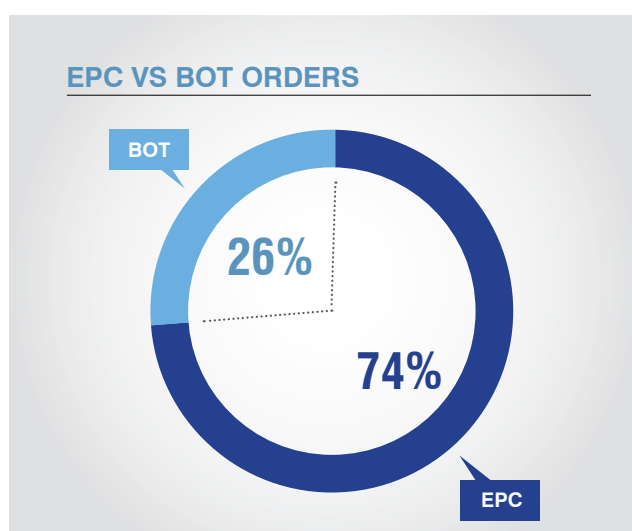
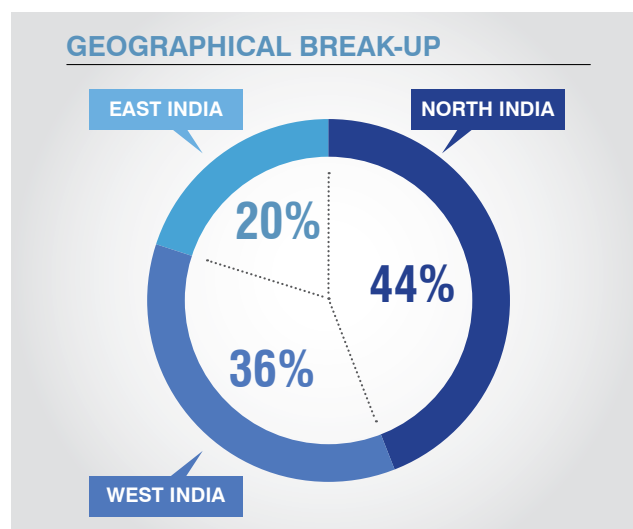
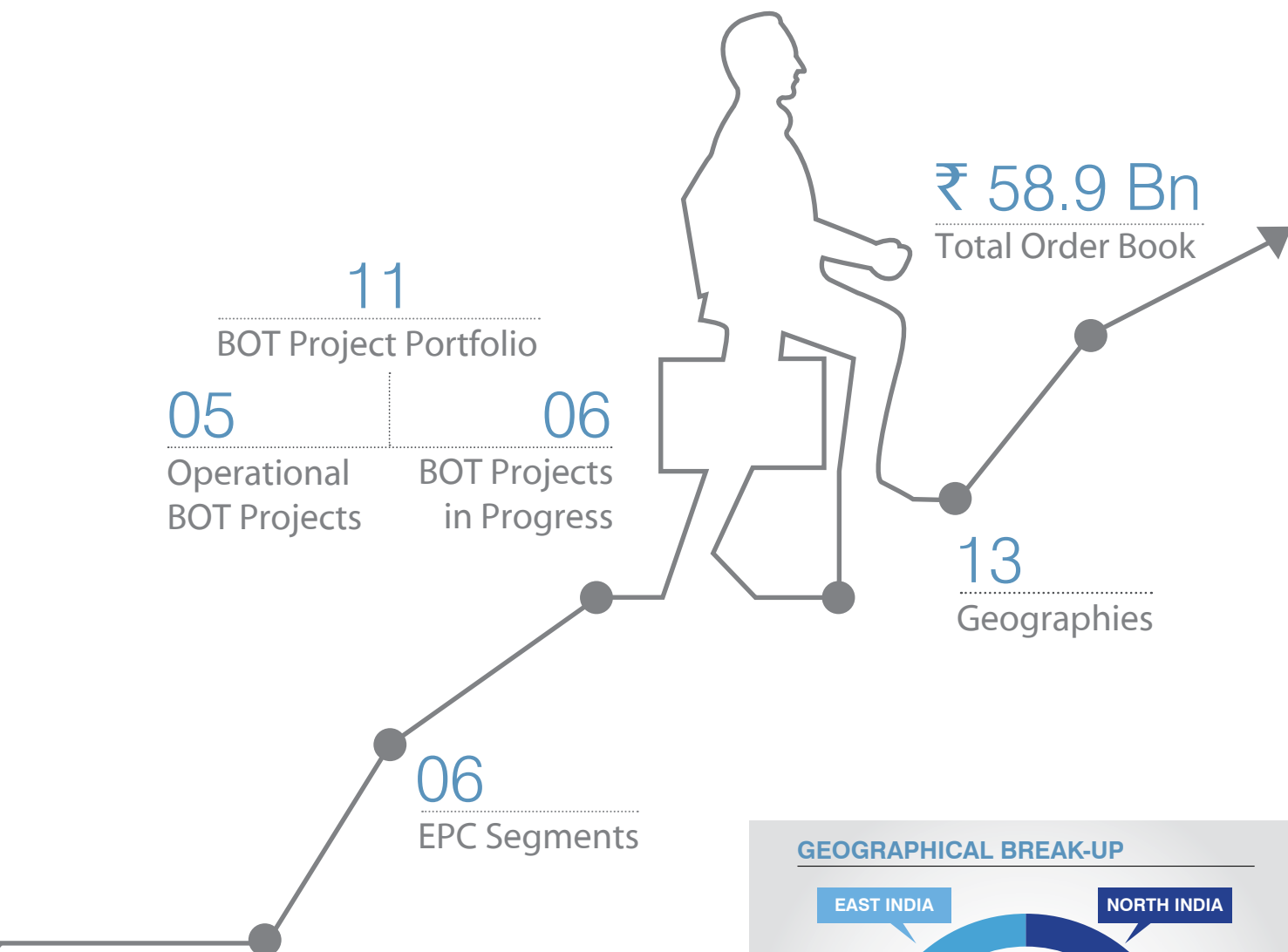
RAILWAYS



We are a diversified and multi-faceted player in the Engineering, Procurement & Construction segment and a BOT operator, creating modern infrastructure that fuels economic growth.

Being an integrated infrastructure enterprise, we are capable of taking on the most challenging infrastructure projects having accumulated vast experience in design, project execution and management.

Our operational capabilities, evolved skill-sets and solid competencies in executing large-scale projects across different verticals in the EPC segment help us straddle across the value chain and emerge as a full-fledged infrastructure player.



COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. B. H. Sharma

Executive Chairman

Mr. Vikram Sharma

Managing Director

Mr. Vikas Sharma

Whole Time Director &

Chief Financial Officer

Mr. V. P. Singh

Independent Director

Mr. Vinod Agarwala

Independent Director

Mr. Mukul Agrawal

Independent Director

Mr. Pramod Kasat

Independent Director

Mr. Dakshendra Agrawal

Non-Executive Director

COMPANY SECRETARY

Mr. Vijay Joshi

STATUTORY AUDITORS

Walker Chandiok & Co LLP

Chartered Accountants

Shah & Kathariya

Chartered Accountants

BANKERS & INSTITUTIONS

State Bank of India

State Bank of Patiala

Union Bank of India

Punjab National Bank

Bank of India

Central Bank of India

Canara Bank

Syndicate Bank

ICICI Bank Ltd.

Axis Bank Ltd.

The Saraswat Co-operative Bank Ltd.

SREI Equipment Finance Ltd.

REGISTERED OFFICE

Supreme House,

Plot No. 94/C Pratap Gad,

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

Mumbai – 400 076

Tel: +91 22 6128 9700

Fax: +91 22 6128 9711

CIN No.: L74999MH1983PLC029752

REGISTRAR AND TRANSFER AGENTS

Bigshare Services Pvt. Ltd.

E-2, Ansa Industrial Estate,

Saki Vihar Road, Sakinaka,

Andheri (E), Mumbai – 400 072.

Tel: +91 22 4043 0200

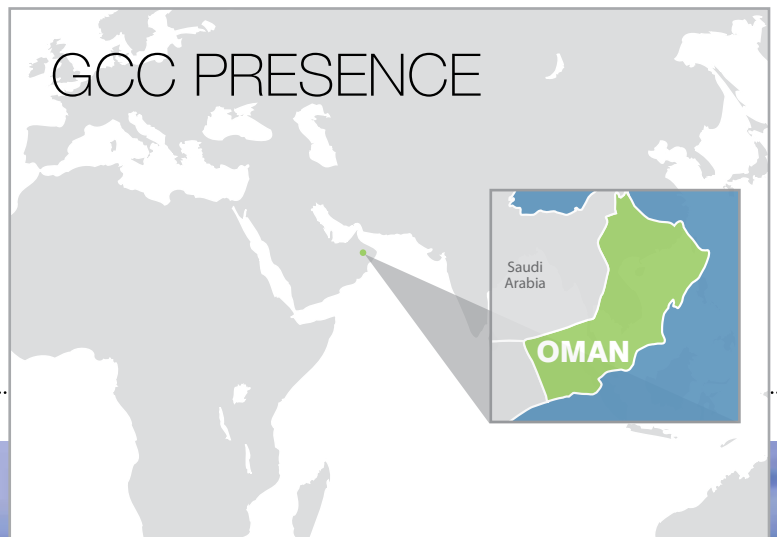
Fax: +91 22 2847 5207

WE ARE EVOLVING INTO A
POWERFUL PAN-INDIA EPC PLAYER,
READY TO RIDE THE SURGING
WAVE OF INTEREST WITHIN THE
INFRASTRUCTURE SPACE.





PAN INDIA
PRESENCE



FINANCIAL HIGHLIGHTS

Supreme Infrastructure India Limited displayed steady growth during FY2013-14 amidst difficult economic conditions and operating challenges. Our revenues increased by 8.6% to ₹ 21,586.4 million, while EBITDA remained flat with 1% increase to ₹ 3,112.6 million.

We remained focussed on our core strengths and continued to exhibit solid execution capabilities. This is reflected by the strong growth demonstrated over the last 5 years, reporting a CAGR growth of 42% in revenues, 35% in EBITDA and 24% in Profit After Tax between FY2010 and FY2014.

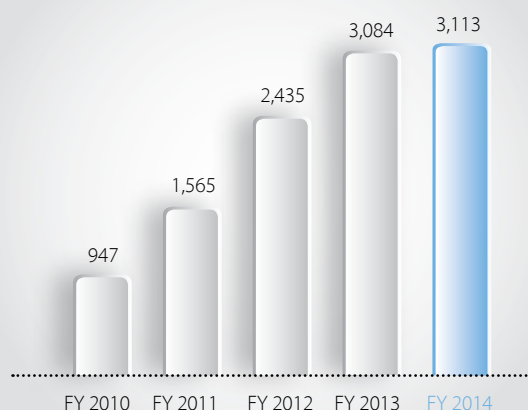
A tough business environment caused some pressure on our margins. However, we remained resilient on maintaining steady operating margins backed by our backward integrated EPC model, coupled with our cluster-led execution through owned

CAGR GROWTH (FY2010-14)
INCOME 42%
EBITDA 35%
PAT 24%

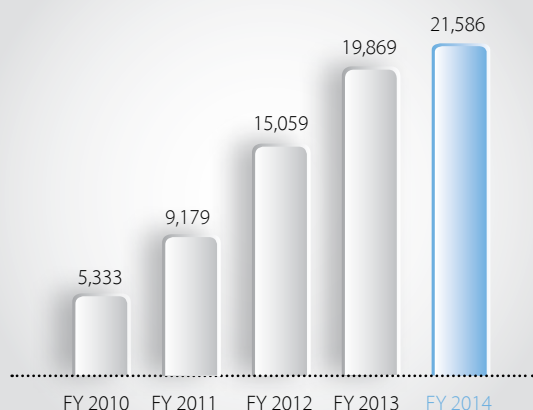
quarries, crusher plants, RMC plants and wet mix plants.

Our current order book of ₹ 58,961 million at March 2014, has grown more than 10 times from ₹ 5,670 million at March 2009. We maintain a healthy order book to FY2014 Sales Ratio of 3x, providing a strong revenue visibility for the next 2-3 years.

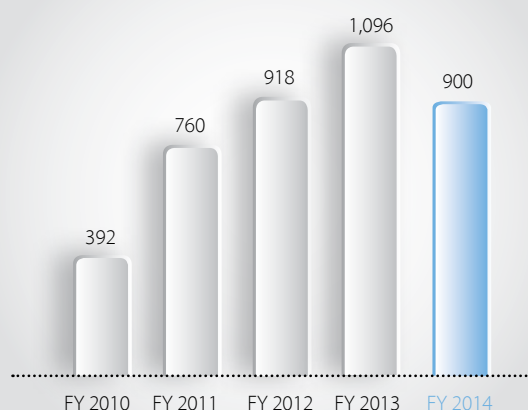
EBITDA (Excluding Other Income) (₹ in Million)



INCOME (₹ in Million)

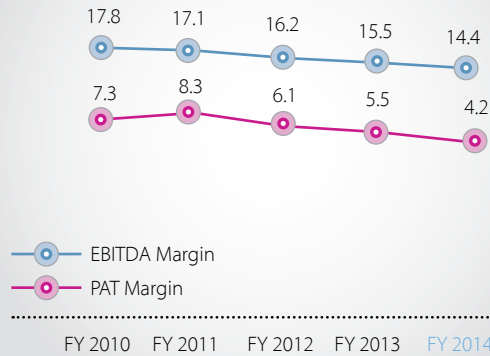


PAT (₹ in Million)

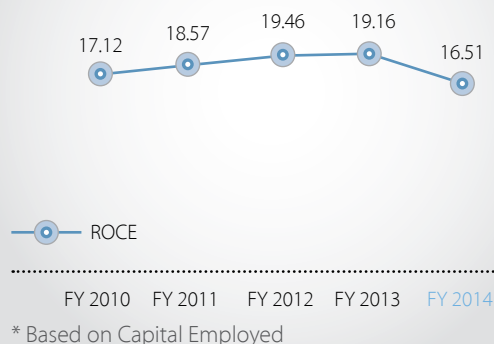




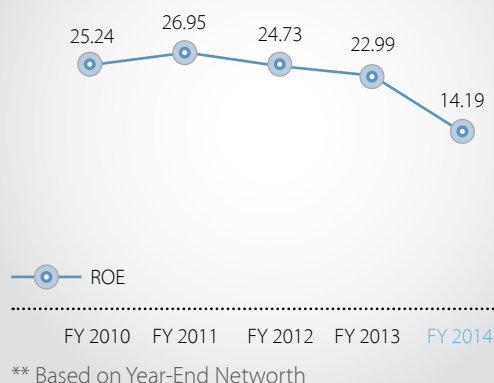
MARGIN ANALYSIS (%)



ROCE RETURN METRICS (%)*



ROE RETURN METRICS (%)**



OPERATIONAL HIGHLIGHTS

KEY ACHIEVEMENTS OF FY2014

- ◆ Current order book of ₹ 58,961 million, including L1 orders worth ₹ 8,468 million
- ◆ Current portfolio of 11 BOT projects, with unexecuted EPC order book of ₹ 14,026 million
- ◆ 5 BOT projects operational – Kasheli Bridge, Ahmednagar Kopargaon, Patiala Nabha Malerkotla, Vasai Bhiwandi and Manor Wada Bhiwandi
- ◆ Total toll collected from operational BOT projects stood at ₹ 1,371 million, compared to ₹ 453 million in FY2013
- ◆ Financial closure achieved for all Road BOT projects awarded till FY2014
- ◆ On course to commence operations in 4 under-construction Road BOT projects in FY2015

MAJOR PROJECTS WON

- ◆ Bagged ₹ 1,790 million contract from CPWD for construction of buildings under Phase-I North for IIT Mandi
- ◆ Forayed into Solar Power vertical with ₹ 400 million project from Punjab State Energy Development
- ◆ Won 2 contracts valued at ₹ 1,294 million in power segment from MSEDCL
- ◆ Bagged two EPC Contracts in water division valued at ₹ 4,570 million from SPML in the Beawar and Bharatpur region of Rajasthan
- ◆ Won Road Cash EPC Contract of ₹ 3,370 million in Bihar from National Highway Authority of India
- ◆ Added ₹ 2,371 million Cash EPC contract from Brihanmumbai Municipal Corporation



CHAIRMAN'S LETTER



Dear Shareholders,

FY2014 was a year in which Supreme Infrastructure India Limited demonstrated the right strategy, right culture and right geographical footprint to deliver consistent and sustained value for its shareholders. This was in spite of India's infrastructure and construction industry continuing to be at crossroads. The industry situation was exceptional, but so was our determination. We take pride to share that we emerged as one of the very few infrastructure companies to be better positioned, with a stable balance sheet, amidst tough times. Even as industry problems intensified, we remained determined to increase our pace.

FY2014 UNDER REVIEW

All our activities during the year had one thing in common – the desire to excel. We applied a tighter focus on our overall operations, resulting in high margins and strong cash flows. We used the time to create the right conditions for future success. We made important strides during the year under review. Most importantly, we earned the distinction of being a company that practices value engineering in each aspect of its business.

WE LEVERAGED ON OUR EXTENSIVE REPOSITORY OF INDUSTRY EXPERIENCE AND TECHNICAL KNOWLEDGE TO BECOME A MULTI-FACETED EPC PLAYER, CAPABLE OF UNDERTAKING LARGE-SCALE AND CHALLENGING INFRASTRUCTURE PROJECTS.

We leveraged on our extensive repository of industry experience and technical knowledge to become a multi-faceted EPC player, capable of undertaking large-scale and challenging infrastructure projects.

A DIVERSIFIED EPC PRESENCE

Our strong and well-diversified order book continues to be healthy at close to ₹ 60 billion executable over the next three years, including our captive BOT road EPC order book of ₹ 14,026 million. Our diversified EPC presence demonstrates our position as a highly-focussed and an integrated player in the infrastructure development space. We have achieved diverse execution capabilities through our EPC presence in 6 segments (Roads, Bridges, Buildings, Railways, Power and Water Infrastructure) and 13 states across India.

OUR BOT CAPABILITIES

Despite how tough market conditions were and how most of our peers struggled on multiple fronts, your Company fared much better than the marketplace and posted excellent results. In the BOT business, we are proud of an impressive portfolio of 11 BOT projects. On the immediate horizon, our total operational Road BOT project portfolio is 5, and others are at various levels of execution.

The projects that were completed in FY2013 – the Kasheli Bridge project; the Ahmednagar Kopergaon project; the Patiala Nabha Malerkotla project and the Manor Wada Bhiwandi project – performed close to our expected projections.

We are taking the next step by working towards operationalising 4 more BOT projects – Panvel Indapur, Ahmednagar Karmala Tembhurni, Sangli Shirol and Haji Malang. Once these projects begin operations, our operational BOT portfolio will scale higher in a few years.

OUR REPORT CARD FOR FY2014

We are performing today, while transforming for tomorrow. Our performance has been particularly commendable in the context of a challenging domestic environment. On a consolidated basis, our revenues from operations grew by 8.6% YoY to ₹ 21,586 Mn in FY2014, while our EBITDA increased by nearly 1% YoY to sustain itself at ₹ 3,113 Mn. Our EBITDA margins in percentage terms decreased by 110 basis points to 14.4% vis-à-vis 15.5% in FY2013.

This reduction is a natural result of our growing business wins in more diversified segments and distant geographical regions, where margins tend to be slightly lower and due to the overall base effect stemming from a growing topline. This is also a result of a change in our overall growing product mix. However, given our integrated model in which we also produce certain raw materials and our 'Hub and Spoke' model in which we enjoy logistical and speed advantages in projects near our own raw material sources, our overall margins continue to be comparatively healthier than the industry average.

Since all our projects have different timelines for execution and commissioning, our debt levels can be managed comfortably. Our healthy order book and deep pipeline of large-ticket projects give us strong earnings and revenue visibility. Our Board of Directors have approved a dividend of 15% for FY2014, amounting to a pay-out of ₹ 1.50 per share on a face value of ₹ 10 per share.

INFRASTRUCTURE – A KEY PRIORITY

Construction is the second-largest economic activity in India after agriculture and its expansion is a necessary prerequisite to further economic growth. The link between infrastructure and economic development is not a once-and-for-all affair, but a continuous process. If India is serious about fulfilling its declared objectives of generating a self-accelerating process of economic development, then progress in economic development has to be preceded, accompanied and followed by progress in infrastructure.

SETTING BENCHMARKS IN EXCELLENCE

By virtue of being present in all key verticals, we hope to play a meaningful role in India's modernisation programme. As we move ahead, project execution continues to be our key strength. Our excellent engineering and project management capabilities lead to strong risk mitigation in all our projects. We ensure that every project is driven by our commitment to advanced standards of quality.

Our mission continues to be to complete each project before time, optimally utilising our technological strengths and domain expertise. We make the most of our capex by reusing them over multiple projects through our backward integrated model. This model helps us deliver improved margins and gain better control over projects and their execution, without having to depend on external sources. Our cluster-led approach enables us to emerge as the lowest bidder in projects that are in close proximity to each other.

KEY FOCUS AREAS

We have already de-risked our business model by executing the EPC portion of our BOT projects. Going forward, our objective will be to further reduce the execution risk for our SPVs, considering our execution capabilities in Roads and Bridges. En-cashing the intrinsic value of some of our projects will help us meet our funding requirements. We will continue to focus on expanding our geographic presence and our basket of projects in existing and new sectors and acquire more EPC orders, particularly in water and power segments.

A PROMISING FUTURE

We are well positioned to grow – by category, region and trend. Looking ahead, we intend to set on a 'high growth trajectory' by continuing to focus on value-accretive projects. We look forward to the years ahead with optimism. Our passion, professionalism and perseverance gives us an exceptional future outlook. We will continue to leverage our inherent strengths and expand our horizons to capture a larger share of the infrastructure opportunity and be seen as a preferred infrastructure partner. Our objective is to drive innovation across each aspect of our business and make that an integral part of our sustainability approach. As we move forward, we intend to carry forward our legacy by creating standards in quality execution and high degree of engineering skills, resulting in enhanced value creation for our shareholders.

I take this opportunity to thank our highly competent employees who have been delivering operational excellence even during difficult conditions. Our Board thanks all the shareholders for their co-operation and continued support. We, at Supreme Infrastructure India Limited, strive to work towards enhancing the value of your investments through development of quality projects.

And we seek your support as we follow this course.

Warm Regards,

Mr. Bhawanishankar H. Sharma
Executive Chairman

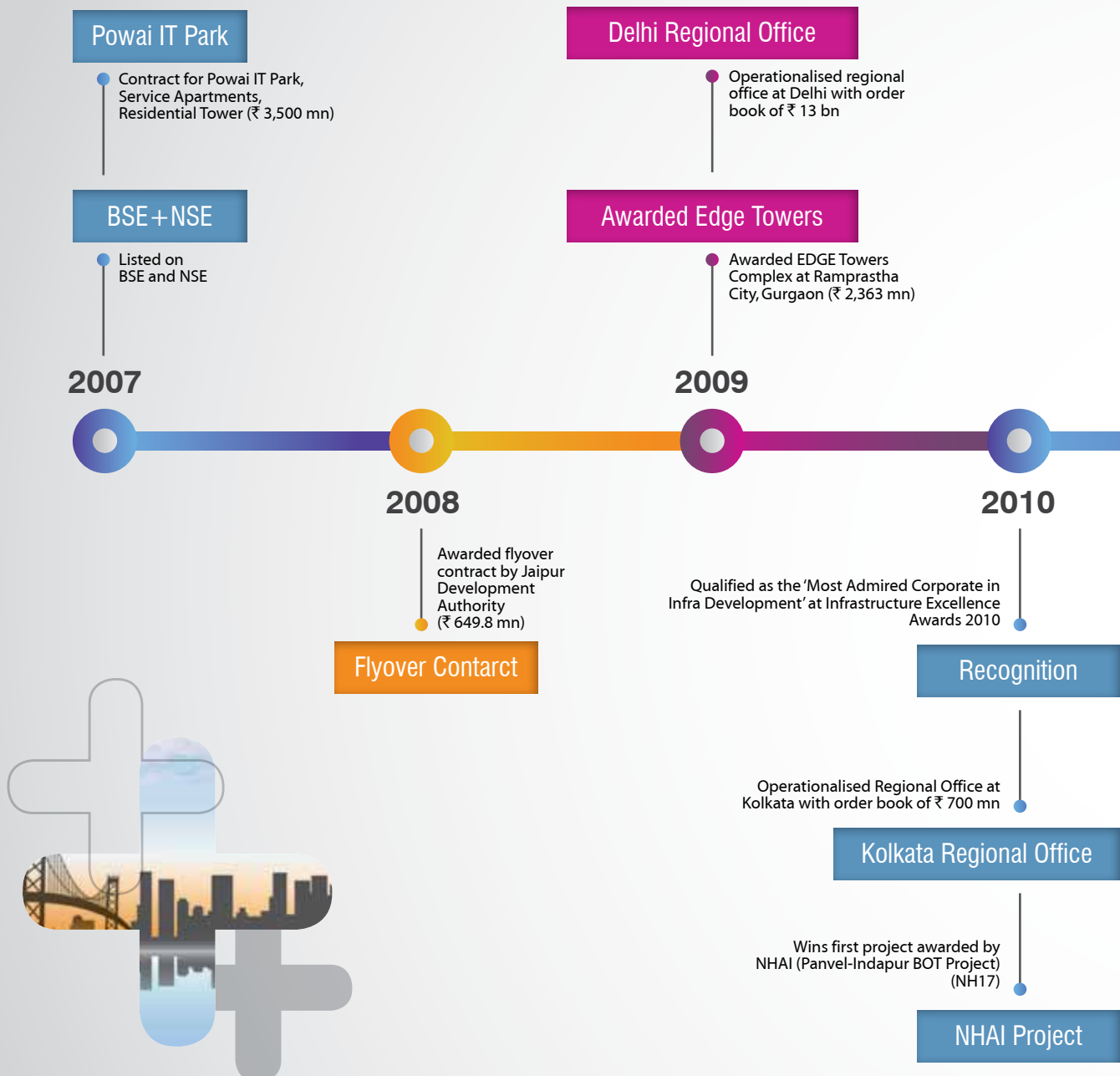
WE ARE CONSTANTLY EVOLVING OUR BUSINESS MODEL AS PER MARKET CONDITIONS. OUR YEARS OF LEARNING AND TRANSFORMATION HAVE LED US TO THE GATEWAY OF INDIA'S LARGEST INFRASTRUCTURE SPEND.

OUR MILESTONES & EVOLUTION

OUR BUSINESS MODEL

By delivering innovative infrastructure projects, we endeavour to be a part of the grand infrastructure spectacle and contribute to India's progress.

Being an integrated infrastructure enterprise, our crucial capabilities help us raise the quality bar and conform to



global delivery standards. We ensure that each project is driven by a commitment to advanced levels of quality standards.

Our core capital comprises accelerated and superior project execution, value engineering and resource mobilisation,

which drives us towards infrastructure creation. This value engineering has been the result of our consistent efforts to drive innovation across each aspect of our business and is integral to our sustainability approach.





OUR OPERATIONAL BOT ASSETS



MANOR WADA BHIWANDI
MAHARASHTRA



AHMEDNAGAR KOPARGAON
MAHARASHTRA



PATIALA NABHA MALERKOTLA
PUNJAB

₹ 5,540 Mn

Project Cost

74%

Supreme's Stake

₹ 3,942 Mn

Sanctioned Debt

₹ 3,647 Mn

Debt Outstanding

70.9 Kms

Project Road Length

₹ 2,340 Mn

Project Cost

51%

Supreme's Stake

₹ 1,750 Mn

Sanctioned Debt

₹ 1,450 Mn

Debt Outstanding

55.0 Kms

Project Road Length

₹ 953 Mn

Project Cost

100%

Supreme's Stake

₹ 653 Mn

Sanctioned Debt

₹ 635 Mn

Debt Outstanding

55.7 Kms

Project Road Length

WE ARE CONSTANTLY LEVERAGING THE BOT SEGMENT TO DIVERSIFY OUR REVENUE STREAMS. OUR DOMAIN EXPERTISE IN PROJECT DEVELOPMENT AND MANAGEMENT ENABLED US TO OPERATIONALISE 5 OF OUR 11 BOT PROJECTS WELL ON TIME.



VASAI BHIWANDI
MAHARASHTRA



KASHELI BRIDGE
MAHARASHTRA

₹ 2,140 Mn

Project Cost

100%

Supreme's Stake

₹ 1,540 Mn

Sanctioned Debt

₹ 1,540 Mn

Debt Outstanding

26.0 Kms

Project Road Length

₹ 3,014 Mn

Project Cost

10%

Supreme's Stake

₹ 100 Mn

Equity Infused

8.9 Kms

Project Road Length





OUR BOT ASSETS UNDER CONSTRUCTION



**AHMEDNAGAR KARMALA
TEMBHURNI, MAHARASHTRA**



**HAJI MALANG
MAHARASHTRA**



**SANGLI SHIROLI
MAHARASHTRA**

₹ 5,400 Mn

Project Cost

51%

Supreme's Stake

₹ 4,050 Mn

Sanctioned Debt

₹ 3,600 Mn

Debt Outstanding

61.1 Kms

Project Road Length

₹ 800 Mn

Project Cost

98%

Supreme's Stake

500

Sanctioned Debt

445

Debt Outstanding

1.2 Kms

Project Road Length

₹ 3,300 Mn

Project Cost

46%

Supreme's Stake

₹ 2,475 Mn

Sanctioned Debt

₹ 1,080 Mn

Debt Outstanding

51.0 Kms

Project Road Length

FOUR OF OUR REMAINING 6 BOT PROJECTS ARE CURRENTLY UNDER ADVANCED STAGES OF COMPLETION. THESE ARE PROJECTED TO BECOME OPERATIONAL IN FY2015. OUR PORTFOLIO OF OPERATIONAL BOT PROJECTS WILL TOUCH 9 BY FY2015 END, RESULTING IN STRONG CASH FLOWS.



PANVEL INDAPUR
MAHARASHTRA



KOTKAPURA-MUKTSAR
PUNJAB



JAIPUR RING ROAD
RAJASTHAN

₹ 12,060 Mn

Project Cost

64%

Supreme's Stake

₹ 9,000 Mn

Sanctioned Debt

₹ 5,182 Mn

Debt Outstanding

84.0 Kms

Project Road Length

₹ 1,080 Mn

Project Cost

74%

Supreme's Stake

₹ 800 Mn

Sanctioned Debt

30.0 Kms

Project Road Length

₹ 10,450 Mn

Project Cost

40%

Supreme's Stake

₹ 7,900 Mn

Sanctioned Debt

₹ 1,800 Mn

Debt Outstanding

47.0 Kms

Project Road Length



OUR CORE STRENGTHS:

A WELL-SPREAD AND DIVERSIFIED EPC BUSINESS

WITH OPPORTUNITIES IN INFRASTRUCTURE GROWING PHENOMENALLY, OUR CAPABILITIES STRADDLE ACROSS THE EPC VALUE CHAIN.

Added 24 new orders valuing
₹ 27,768 Mn
Across EPC Segments

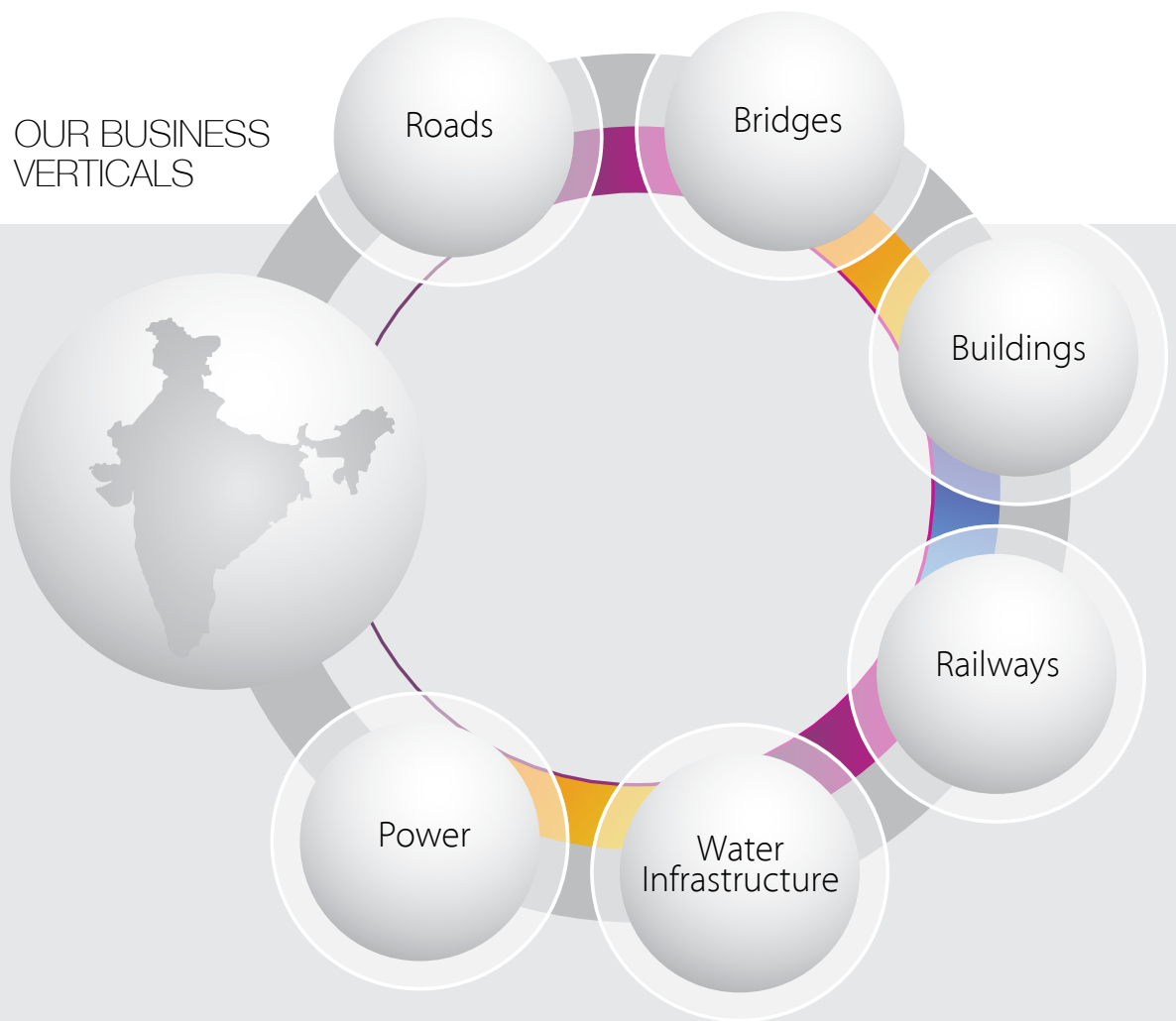


We are an EPC-focussed infrastructure company with a strong order book touching ₹ 58,961 million. We achieved business diversification into 6 high-margin value-added segments, resulting in lower risks. These are Roads, Bridges, Buildings, Railways, Water Infrastructure and Power. We are a pan-India player with a presence across 13 states in India – Arunachal Pradesh, Assam, Bihar, Delhi NCR, Haryana, Himachal Pradesh, Jharkhand, Maharashtra, Orissa, Punjab, Rajasthan, Uttar Pradesh and West Bengal. We also have a small presence in the Middle East through a quarry that we acquired in FY2013.

Our order book has grown six-fold in the last six years since FY2008. With opportunities in infrastructure growing phenomenally, our capabilities straddle across the EPC value chain. We added 24 new orders in FY2014 valuing ₹ 27,768 million across roads, buildings, water infrastructure and power segments. We combined technology and human capital and built skill-sets to execute large-scale projects across EPC verticals, which reflects our intrinsic strengths.

Our strong clientele base comprises a good mix of Government and non-Government players. Our robust and efficient project execution capabilities help us gain repeat orders from our clients. This also moderates any order slowdown risk and depicts good revenue visibility. Going forward, we are aiming at expanding our operations geographically and vertically. We are constantly exploring opportunities in key overseas markets and already have a small presence in the Middle East. We will continue to focus on acquisition of more EPC orders, particularly in the water infrastructure and power segments.

OUR BUSINESS VERTICALS



OUR KEY MARKET DIFFERENTIATORS





OUR CORE STRENGTHS:

ROBUST PROJECT MANAGEMENT AND EXECUTION OF BOT ASSETS

WE STRIVE ON PROJECT DELIVERY WITHIN THE BUDGETED COST BY WAY OF BETTER ENGINEERING AND EFFICIENT USE OF OUR TECHNOLOGY.

Project execution is our key strength. We deliver technological and engineering excellence, building on our core competencies of superior and timely execution. Our innovative design capabilities and technological edge enable us in handling complex infrastructure projects. We remain committed to project development and execution. We also strive on project delivery within the budgeted cost by way of better engineering and efficient use of our technology. Our technical expertise has strengthened our bidding capacity to expand operations into multiple areas.

Our robust project execution entails accomplishment of the final project by way of proper planning and timely completion at various stages of the project. This involves proper management and coordination of people and other critical resources, based on our project management plan. Our mission continues to be to complete each project before time, optimally utilising our technological strengths and domain expertise.

OUR BOT EDGE

We are constantly leveraging the BOT segment to diversify our revenue streams and enhance EPC growth. Our domain expertise in project development and management enabled us to operationalise 5 of our 11 BOT projects well on time. Of the 5 operationalised BOT projects, 4 BOT projects were made operational in FY2013, while the Vasai Bhiwandi project was made operational in FY2014. Our current focus is timely execution and delivery of our 6 ongoing BOT projects. Of these, four projects (Panvel Indapur, Ahmednagar Karmala Tembhurni, Sangli Shirol and Haji Malang) are in advanced stages of completion. Our portfolio of operational BOT projects will touch 9 by FY2015 end, resulting in strong cash flows.

A POSITIVE JUNCTURE

Our toll collection increased to ₹ 1,371 million during the year, almost three times of ₹ 453 million in FY2013. Our project routes are in key commercial corridors and attract a good amount of industrial traffic, granting us further revenue visibility.

CLUSTER-LED EXECUTION

Our cluster-led method for project execution has given us continued success. According to this, we identify a cluster and acquire more quarries in the same vicinity for captive use. For optimum utilisation of our capex across multiple projects, we then bid aggressively in this cluster and aim towards gaining more projects. This strategy enables us achieve smoother and swifter execution of our projects and emerge as the lowest bidder for projects in close proximity to each other. We also gain successes in reducing our transportation costs, besides gaining a logistics advantage and building a sizeable order book.

BACKWARD INTEGRATED MODEL

Our key differentiating factor has been our backward integrated model. Our sizeable supporting infrastructure includes 7 quarries, 9 crusher plants, 10 RMC plants and 6 asphalt plants. All our quarries are located within a radius of 100-150 Kms from the project sites. Besides the logistics advantage, our model insulates us against price fluctuation in raw materials and grants an assurance on quality of supplies. This gives us a comparative advantage since cost of aggregates constitutes about 25-30% of raw material costs. The strategy thus provides a cushion against operating costs, besides optimising our operating margins and enhancing our order book.



OUR BACKWARD INTEGRATION EDGE



OUR HEALTHY PIPELINE OF OPERATIONAL AND UNDER-CONSTRUCTION BOT PROJECTS

PROJECT	LOCATION	PROJECT COST (₹ Million)	AWARDING AUTHORITY
Manor Wada Bhiwandi	Maharashtra	5,540	PWD
Ahmednagar Kopergaon	Maharashtra	2,340	PWD
Patiala Nabha Malerkotla	Punjab	930	PIDB
Kasheli Bridge	Maharashtra	3,014	Sangam Infra
Vasai Bhiwandi	Maharashtra	2,140	PWD
Panvel Indapur	Maharashtra	12,060	NHAI
Ahmednagar Karmala Tembhurni	Maharashtra	5,400	PWD
Sangli Shirol	Maharashtra	3,300	PWD
Haji Malang	Maharashtra	800	PWD
Jaipur Ring Road	Rajasthan	10,450	JDA
Kotkapura Muktsar	Punjab	1,080	PWD





OUR CORE STRENGTHS:

A PRAGMATIC APPROACH TOWARDS BUSINESS MODEL DERISKING AND FINANCIAL ENGINEERING

OUR ORDER BOOK TO FY2014 SALES RATIO OF ~3X DELIVERS STRONG VISIBILITY OVER THE NEXT 2- 3 YEARS. OUR CORE STRATEGIES ENSURE BETTER OPERATING MARGINS.

With 4 more BOT projects set to commence operations in FY2015, our portfolio will comprise 9 operational BOT projects giving us revenue visibility and leading to strong cash flows. With 90% of land acquisition already in place for the under-construction BOT projects, our project portfolio involves minimal implementation risk. We have further de-risked our business model by executing the EPC portion of our BOT projects. Going forward, with our entire BOT funding in place, we are in a comfortable position to execute our growth agenda.

3 Times

Approx.

Order Book to FY2014
Sales Ratio

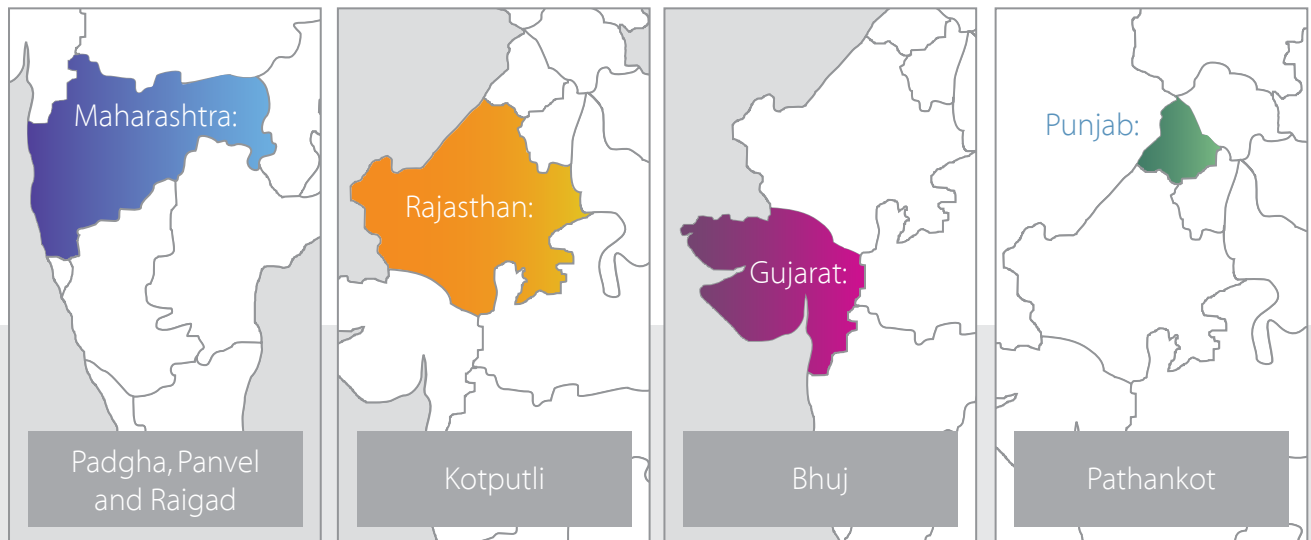
Our order book to FY2014 sales ratio of ~3X delivers strong visibility over the next 2- 3 years, while our ROE for the year stands at 16.6%. We have achieved a good FY2010-14 CAGR growth for Income at 42%, EBITDA at 35% and Profit After Tax at 24%. Our core strategies of cluster-led execution and backward integrated model ensure better operating margins. Strong EBITDA margins help maintain healthy ROCE and ROE ratios.

Of the ₹ 9,240-million equity requirement for our BOT projects, a sum of ₹ 6,870 million has been invested by us, while 3i Capital has infused ₹ 2,000 million. We are well placed to fund the remaining ₹ 370 million over the next 15 months either by way of internal accruals or by securitising the operational BOT projects. With all our projects having different timelines for execution and commissioning, we are confident of managing our debt levels appropriately. As no major capex is required to execute our current order-book, our return ratios are likely to improve further.



AIMING TOWARDS VERTICAL INTEGRATION

LOCATION OF OUR QUARRY SITES





OUR BUSINESS VERTICALS

OUR DIVERSIFIED PRESENCE IN 6 EPC SEGMENTS REFLECTS OUR INHERENT STRENGTHS AS AN INTEGRATED INFRASTRUCTURE ENTERPRISE. OUR HEALTHY ORDER BOOK AND ROBUST PROJECT EXECUTION CAPABILITIES DEMONSTRATES OUR REVENUE VISIBILITY OVER THE COMING YEARS. IT ALSO MITIGATES THE RISK OF ORDER SLOWDOWN IN A PARTICULAR VERTICAL OR GEOGRAPHY.

WE WILL CONTINUE TO LEVERAGE OUR CORE COMPETENCIES AND EXPAND OUR HORIZONS TO CAPTURE A LARGER SHARE OF THE INFRASTRUCTURE OPPORTUNITY.

ROADS

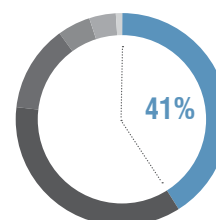


Roads and highways are core to India's growth potential. Road infrastructure has been identified as a key enabler for India to hit double-digit economic growth. The model of commercial highways offers better connectivity and boosts commerce along these paths.

₹ 23,767 Mn

Current Order Book

Contribution to Total Portfolio



BUILDINGS

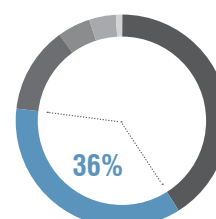


Construction is the second-largest industry in India, accounting for 11% of India's GDP. We have built experience in constructing commercial, residential and low-cost housing projects. Our ideology is not only to build with new technologies and innovation, but to pass on the benefits to our customers.

₹ 21,463 Mn

Current Order Book

Contribution to Total Portfolio



WATER INFRASTRUCTURE

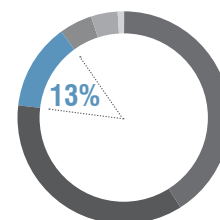


India's waste-water treatment plants market is expected to grow at a CAGR of 15% by 2018 in terms of industry revenues. Increasing population and urbanisation is projected to help sewage treatment plants to hold a major share in this market and we hope to leverage the rising opportunity.

₹ 7,850 Mn

Current Order Book

Contribution to Total Portfolio



BRIDGES

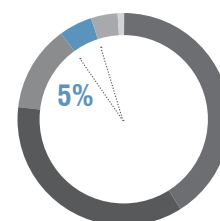


Construction sector is the second-largest employer in India, next only to agriculture. The construction industry, which includes building bridges, exhibits a vast business opportunity for contracting companies. We are leveraging this and taking a holistic approach towards building a sustainable infrastructure with strong competitive advantages.

₹ 2,750 Mn

Current Order Book

Contribution to Total Portfolio



POWER

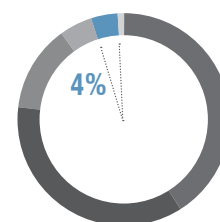


Infrastructure presents an excellent opportunity in India. Amidst infrastructure, the power sector stands out as a particular bright spot, with staggering sums of investment planned over the next few years. Increased manufacturing activities and a growing population are causing a surge in India's power usage across urban and rural India.

₹ 2,482 Mn

Current Order Book

Contribution to Total Portfolio



RAILWAYS

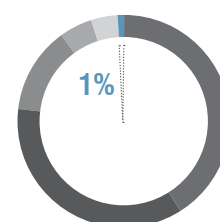


The Indian Government recognises existing infrastructure gaps and capacity constraints in our rail system. It has planned large-scale investment. To deliver multi-disciplinary railway projects in the railway sector, we have established a technology base and a strong pool of experienced personnel.

₹ 649 Mn

Current Order Book

Contribution to Total Portfolio





CORPORATE SOCIAL RESPONSIBILITY

MAKING A DIFFERENCE

OUR CSR INITIATIVE IS FOCUSED TOWARDS PROVIDING SKILL-BASED AND VOCATIONAL COURSES TO RURAL INDIA'S UNEMPLOYED YOUTH. WITHIN THE FRAMEWORK OF SUSTAINABLE DEVELOPMENT, WE PROVIDE THE LOCAL POPULACE THE WHEREWITHAL TO BE PRODUCTIVE AND HELP THEM BECOME SELF-RELIANT, ADDING NEW DIMENSIONS TO THEIR LIVES.



Corporate Social Responsibility is textured into our Company's value systems aimed towards the larger good of the society. We carry forward this philosophy by weaving in the concept of sustainable livelihood. The key mission of our CSR initiatives is to unleash the potential of human capital around us. This is done in a manner that hastens social, economic and environmental progress. The aim is to generate systematic and sustainable improvement for local communities in rural India.

BEYOND BUSINESS

During the year, the Company set up Supreme Technical Institute, affiliated with Maharashtra State Board of Vocation Education Examination (MSBVEE). It is a pioneering concept in providing a strategic direction to the needy through free vocational technical education. The objective behind the certificate courses is to provide an employment and skill-learning opportunity to those who haven't been able to pursue higher studies owing to economic constraints. The minimum qualification needed for the courses is 7th, 8th and 10th standard. The Institute strengthens the economic stability of people, in turn proving to be a boon to the society.

WE CARE

The first lot of three batches with 75 students (25 per batch) completed their course in December 2013 and received their certificates. The second lot of another 75 students is about to finish soon. Thus, in all, about 150 lives have already been touched through the Institute within a span of one year. Going a step further, we are absorbing the enrolled students who cleared these certificate courses and achieved first-class. These students are being absorbed as trainees for a period of one year. We are also scouting for tie-ups with other infrastructure companies to enable all the students to gain employability.





SUPREME TECHNICAL INSTITUTE: KEY HIGHLIGHTS

- ◆ Supporting the educationally deprived through vocational technical education and skills development
- ◆ Generating employment for certified students
- ◆ Empowering the nation and infrastructure industry through a revolutionary CSR activity

COURSES OFFERED

- ◆ Servicing & Repairing of Diesel Engine
- ◆ Automobile Electrical & Electronics Mechanic
- ◆ Road Construction

Supreme Technical Institute aims to:

- ◆ Educate every student with skills and technical expertise to empower them with technical knowledge
- ◆ Provide free job-oriented technical courses through theory and substantial practical training
- ◆ Build theoretical knowledge and practical skills in students
- ◆ Promote holistic development of students through a differentiated study approach, practical training and personal development through soft skills
- ◆ Inculcate appropriate moral and ethical values in students through proper instruction and career guidance
- ◆ Boost students' careers through a team of caring, dedicated, determined, well-trained and qualified faculty providing mentoring and advisory services
- ◆ Initiate active student-based societies to empower nation development

an opportunity to develop work skills by getting acquainted with the actual equipment.

c. Apprenticeship:

Students are also provided with on-the-job training and apprenticeship, enabling them to learn technical skills by being on the job.

OTHER THRUST AREAS

Our basic objective is to ensure that the communities we engage through our CSR activities experience certainty in their lives. We also undertake a series of other CSR activities and programs with the aim of improving the health and sanitation status of the community at large. Towards this effect, we conduct free medical camp and eye check-up and blood donation camps for the needy. Through these programs, we aim to contribute to the society's betterment and benefit the lower sections of the society towards holistic development. We have a continued commitment to contribute to economic development, while improving the quality of life of the society at large.

THE SUPREME APPROACH

METHODS OF IMPARTING TECHNICAL TRAINING

a. Theoretical Knowledge:

Classroom studies are conducted as per MSBVEE syllabus to provide theoretical knowledge. Classes are conducted by highly-qualified faculties which provide superior knowledge to enrolled students. In a well-appointed classroom infrastructure, students experience and gain the best technical knowledge helping them shape their careers.

b. Practical Training:

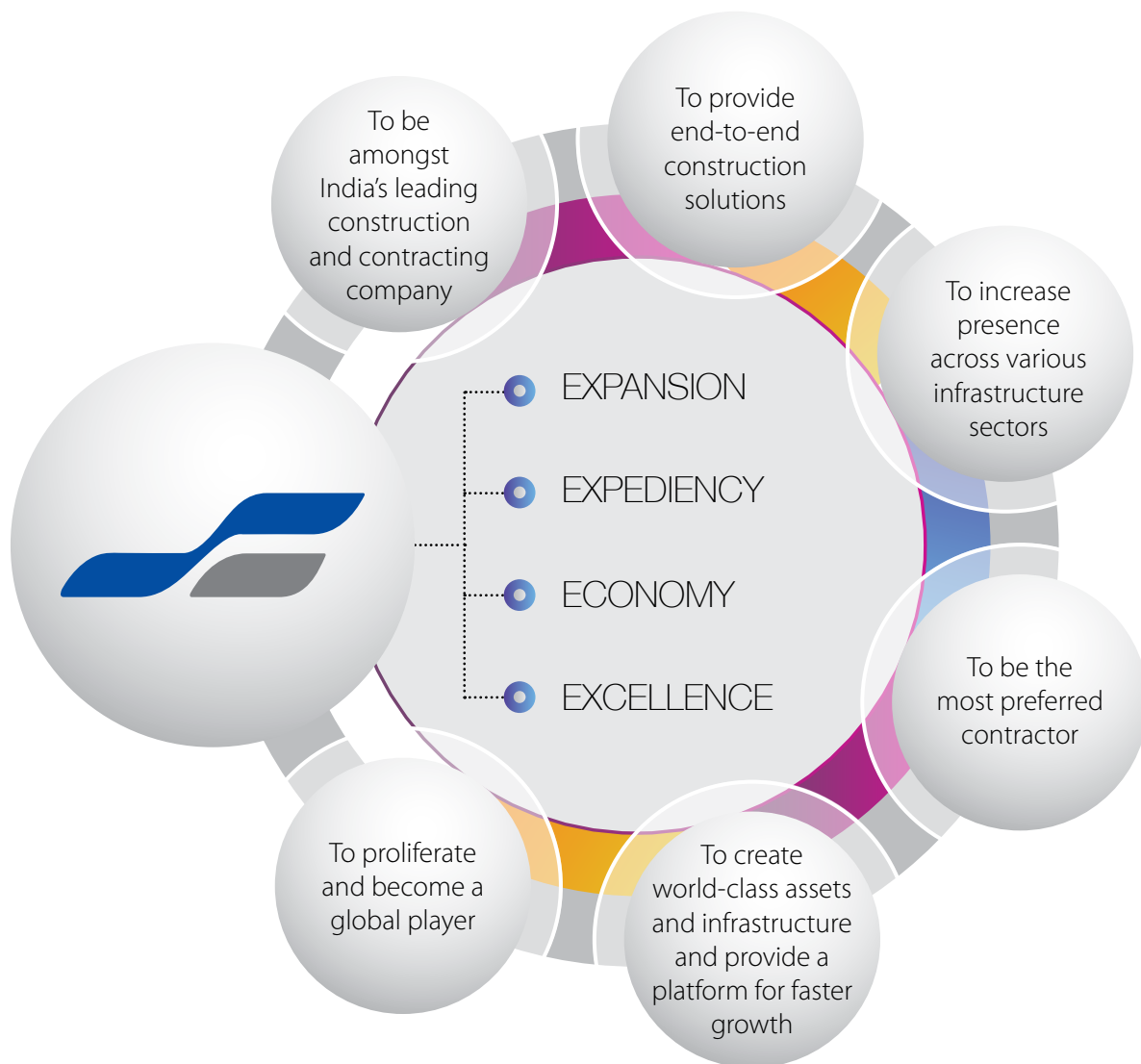
Apart from theoretical sessions, students are also provided with practical sessions through workshops. At these practical sessions, students are provided with the training apparatus and tools, thus giving them



OUR VALUES



WE ARE AN EPC CONTRACTOR AND A BOT OPERATOR KNOWN FOR CONSISTENTLY DELIVERING SUCCESSFUL AND INNOVATIVE INFRASTRUCTURE PROJECTS. WE TREAT EVERY PROJECT AS AN OPPORTUNITY TO SHOWCASE OUR ABILITIES AND RAISE THE BAR OF INDUSTRY EXPECTATIONS.



DIRECTORS' REPORT

To The Members of SUPREME INFRASTRUCTURE INDIA LIMITED

Your Directors have pleasure in presenting their 31st Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2014.

FINANCIAL PERFORMANCE SUMMARY (₹ in Million)

Sr.No.	Particulars	31-03-2014	31-03-2013
1	Income from operation	21586.4	19869.5
2	Profit before Interest, Depreciation & Tax	3112.6	3084.7
	Add: Other Income	60.5	40.6
	Less: Interest/ Finance Charges	1350.1	1191.8
	Depreciation	365.0	335.9
3	Profit before Tax	1458.0	1597.6
	Less: Provision for Tax		
	Current Tax	677.0	480.0
	Deferred Tax	(119.2)	(3.1)
	Tax adjustment for earlier years	0.00	24.3
4	Profit After Tax	900.2	1096.4
	Add: Profit at the beginning of the year	3408.9	2461.9
5	Profit available for appropriation	4309.1	3558.3
	Appropriations		
6	Proposed Dividend on :		
	a. Equity Shares	30.1	33.5
	b. Preference Shares	0.3	0.3
7	Corporate Dividend Tax	5.2	5.7
8	Transfer to General Reserve	45.1	110.0
9	Balance carried to Balance Sheet	4228.4	3408.9

OPERATION AND PERFORMANCE REVIEW

During the year under review, the Company's income from operations improved as compared to the previous year. Total Income during the year was ₹ 21586.4 Million as compared to ₹ 19869.5 Million in the previous year, registering a growth of 8.64%. The Net Profit before Interest, Depreciation and Tax during the year under review was ₹ 3112.6 Million as compared to ₹ 3084.7 Million in the previous year, registering a growth of 0.9%. The Net Profit after Tax was ₹ 900.2 Million as compared to ₹ 1096.4 Million in the previous year.

DIVIDEND AND TRANSFER TO RESERVES

Your Directors are pleased to recommend for approval of the members, dividend at the rate of 15 % on Equity Shares of ₹ 10/- i.e. ₹ 1.5/- per Equity Share on the Equity Capital of 2,00,92,087 Equity Shares of ₹ 10/- each and at the rate of 1 % on Preference Shares of ₹ 10/- i.e. ₹ 0.10 per Preference Share on the Preference Capital of 25,00,000 Preference Shares of ₹ 10/- each. The said Dividends, if approved by the members would involve a cash outflow of ₹ 35.6 Million including dividend distribution tax. The Company transferred ₹ 45.1 Million to General Reserves.

FINANCE

During the financial year 2013-14, the Company allotted 33,50,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 185/- per share and 20,00,000 Warrants with a right exercisable by the Warrant holder to subscribe for one Equity Share of ₹ 10/- each per Warrant for cash at an exercise price of ₹ 185/- each on a preferential basis to promoters and non-promoters. The Company received ₹ 619.8 Million towards allotment of equity shares and ₹ 92.5 Million towards warrants all aggregating to ₹ 712.25 Million. The proceeds of the preferential issue were utilised for meeting long term working capital requirements and general corporate purposes in terms of the explanatory statement to the EGM Notice dated 13th November, 2013.

CREDIT RATING

Your Company has been assigned "IND BBB-" by India Ratings & Research Pvt. Ltd. for the long term facilities of the Company. The rating is applicable to facilities having tenure of more than one year. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.

The Company has also been assigned "IND A3" by India Ratings & Research Pvt. Ltd. for facilities of the Company having tenure up to one year. The instruments with this rating are considered to have moderate degree of safety regarding timely payment of financial obligations.

SUBSIDIARY COMPANIES

As on March 31, 2014, the Company has following subsidiaries:

1. Supreme Infrastructure BOT Private Limited
2. Supreme Infrastructure BOT Holdings Private Limited
3. Supreme Panvel Indapur Tollways Private Limited
4. Rudranee Infrastructure Limited
5. Supreme Mega Structures Private Limited
6. Supreme Infrastructure Overseas LLC

As part of the Company's strategy to diversify its activities and opportunities being available in view of the Government initiative to develop roads and highway infrastructure in the Country, the Company is moderately building up the BOT portfolio. The Company's two Subsidiary Companies viz. Supreme Infrastructure BOT Private Limited and Supreme Infrastructure BOT Holdings Private Limited undertake various BOT projects along with its holding Company. The BOT projects are executed in the Special Purpose Vehicle Company ("SPV Company") incorporated for the purpose.

1. SUPREME INFRASTRUCTURE BOT PRIVATE LIMITED (SIBPL)

SIBPL has the following operative subsidiary companies executing the BOT projects:

A) Supreme Manor Wada Bhiwandi Infrastructure Private Limited

Incorporated as SPV Company for execution of the Project of 'widening of Manor- Wada (24.25 Kms) and Wada Bhiwandi Road (40.07 Kms) on SH-34 and SH-35 respectively in the State of Maharashtra and to convert it into a 4 lane highway on BOT basis'. The total length

DIRECTORS' REPORT

of the project aggregates 64.32 Kms. The Concession period of the project is 28 years and 6 months from the date of work order. EPC work is executed by Supreme Infrastructure India Ltd. The Company commenced tolling operations for this project on 4th March, 2013. The Company is also in the process of executing additional bypass road from SH-35 at Vishwabharati Phata-Bhinar-Vadpa Junction (KM 0/000 to 7/900 (Total Length - 7.90 km) Dist. Thane, Maharashtra on BOT (Toll) basis. Once completed, the bypass road would attract more road traffic for the main road project.

B) Supreme Infra Projects Private Limited

Incorporated as SPV Company for execution of 'Patiala Nabha Malerkotla (PNM) Road Project'. This partially completed project was awarded by Punjab Industrial Development Board (PIDB), taken over from the earlier owner. The Company commenced tolling operations on 24th June, 2012. The cost of the project was ₹ 953.4 Million. The concession period is 13.5 years. The total length of the road is approximately 56 kms. The EPC work is executed by Supreme Infrastructure India Ltd.

C) Supreme Suyog Funicular Ropeways Private Limited

Incorporated as SPV Company for execution of the Project for construction of funicular ropeway system at Haji Malang Gad, Ambarnath in Thane District, Maharashtra on Built, Operate and Transfer (BOT) basis. SIBPL is the majority stakeholder in the SPV Company. The project envisages a funicular trolley system for transporting devotees and luggage from the foot of the hill to Haji Malang Durgah and return. The total cost of the project is ₹ 800 Million. The concession period is 24 years and 5 months including construction period of 24 months.

D) Supreme Vasai Bhiwandi Tollways Private Limited (SVBTPL)

SVBTPL was incorporated during the year 2013-14 as SPV Company for execution of 4 laning of Chinchoti-Kaman-Anjurphata to Mankoli road (Major SH No. 4) section from km 00.00 to km 26.425 of the existing road in the state of Maharashtra on Build-Operate-Transfer (BOT) basis. This partially completed project with existing tolling operations was awarded by PWD, Maharashtra, taken over from the earlier owner. The total length of the stretch is 26.425 kms. SIBPL is the majority stakeholder in the SPV Company. The total concession period is 20.1 years. The total cost of project is ₹ 2140 Million. The EPC work is executed by Supreme Infrastructure India Ltd.

E) Kotkapura Muktsar Tollways Private Limited (KMTPL)

KMTPL incorporated in 2012 for execution of "Two laning From km 0+000 to km 29+996 (approximately 30.000 km) on the Kotkapura — Muktsar Road of State Highway No.16 in the State of Punjab" on design, build, finance, operate and transfer ("DBFOT") basis. SIBPL is the majority stakeholder in the SPV Company. The

Concession Period is 18 Years including construction period of 1.5 years. The starting point of the project corridor is Kotkapura. The total cost of the project has been estimated at ₹ 1080 Million.

2. SUPREME INFRASTRUCTURE BOT HOLDINGS PRIVATE LIMITED (SIBHPL)

SIBHPL was incorporated during the year 2011-12 and is the subsidiary of Supreme Infrastructure India Ltd. 3i India Infrastructure Fund, an investment fund established by international investor 3i Group plc, has through its affiliates viz. Strategic Road Investments Limited, invested ₹ 2000 Million for a minority stake in SIBHPL. SIBHPL has three road BOT portfolio housed in the following three subsidiary companies:

A) Supreme Kopergaon Ahmednagar Tollways Private Limited.

This partially completed project was awarded by Maharashtra PWD, taken over from the earlier owner. The Company commenced tolling operations for this project on September 26, 2011. The project cost was ₹ 2340 Million. The project was completed 3 months before estimated timelines. The concession period of the project is up to May 2019. EPC work is executed by Supreme Infrastructure India Ltd. This was the first road BOT project of the Company where toll operations were commenced.

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

Incorporated as SPV Company for execution of the project of 'construction, operation, maintenance and augmentation of widening of 2-lane undivided carriage way to 4 lanes between Shiroli and Baswankhind, Ankali to Miraj Phata on SH - 3, Miraj Phata to Sangli on SH -75 and strengthening of existing 2 lanes between Baswankhind and Ankali one way via Jainapur and the other way via Jaisingpur (SH -3) on Design, Build, Finance, Operate and Transfer (DBFOT) toll basis' in the State of Maharashtra. The estimated cost of project is ₹ 3300 Million. Total envisaged length for 4 laning is 25.66 Kms. & 2 laning is 26.95 Kms. The concession period of the project is 22 years and 9 months including construction period of 24 months. The project is under implementation and is expected to be completed in scheduled time of completion.

C) Supreme Ahmednagar Karmala Tembhurni Tollways Pvt. Ltd.

Incorporated as SPV Company for execution of the project of "Construction of Four Laning of 61.71 kms. of roads at Ahmednagar-Karmala-Tembhurni ch.80/600 to ch.140/080 in the State of Maharashtra on Build, Operate and Transfer (BOT) basis. The cost of the project is ₹ 5400 Million. The concession period of the project is 22 years and 9 months including construction period. The project is under implementation and is expected to be completed in scheduled time of completion.

DIRECTORS' REPORT

3. SUPREME PANVEL INDAPUR TOLLWAYS PRIVATE LIMITED (SPITPL)

Incorporated as SPV Company for execution of the Project of 'Panvel - Indapur section of NH-17 from Km.0.00 to Km.84.00' in the State of Maharashtra by widening the existing 2-lane dual carriageway to a 4-lane dual carriageway on BOT basis at an estimated cost of project of ₹ 12060 Million. Supreme Infrastructure India Limited (SIIL) holds 26% and its subsidiary SIBPL holds 38% Equity in the SPITPL. The concession period is 21 years including the construction period of 910 days. The project is under implementation and is expected to be completed in scheduled time of completion.

4. RUDRANEE INFRASTRUCTURE LIMITED

Rudranee Infrastructure Limited ('Rudranee') is Aurangabad based Construction & Infrastructure Company. Rudranee has wide experience in executing various infrastructure projects having specialization in Pipeline and Power Transmission segment. As per the Audited financials of the Company for year ended 31st March, 2014, the Company registered a turnover of ₹ 2620.4 Million and profit after tax of ₹ 60.9 Million.

5. SUPREME MEGA STRUCTURES PRIVATE LIMITED (SMSPL)

Supreme Infrastructure India Limited holds 60% Equity in SMSPL. SMSPL is carrying out the business of Rentals of staging, scaffolding, shuttering steel pipes and structural fabrication, steel fabrication work & job work. Substantial part of the Company's shuttering and fabrication job is undertaken by Supreme Mega Structures Private Limited.

6. SUPREME INFRASTRUCTURE OVERSEAS LLC

With a view to tap the potential of overseas opportunities, Supreme Infrastructure India Limited incorporated a subsidiary Company viz. Supreme Infrastructure Overseas LLC in Sultanate of Oman by investing ₹ 21.2 Million for a 60% Equity stake in the said Company. The rest 40% Equity is held by Ajit Khimji Group LLC & AL Barami Investment LLC through this subsidiary, the Company intends to make a foray into the Middle East region.

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, statement of Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. However, the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The Company will provide a copy of separate annual accounts in respect of each of its subsidiary to any shareholder of the Company who asks for it and the said annual accounts will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

DIRECTORS

In accordance with the Articles of Association of the Company Mr. Bhawanishankar Sharma, and Mr. Vikas Sharma, the Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The Company has, pursuant to the provisions of Clause 49 of the Listing Agreement entered into with Stock Exchanges, appointed Mr. V. P. Singh, Mr. Vinod Agarwala, Mr. Mukul Agrawal and Mr. Pramod Kasat as Independent Directors of the Company. The Company has received declarations from the said Independent Directors confirming that they meet the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and under Clause 49 of the Listing Agreement. In accordance with the provisions of Section 149(4) and proviso to Section 152(5) of the Companies Act, 2013, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming AGM of the Company.

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.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interest in Joint Ventures, the audited Consolidated Financial Statements for the year ended 31st March, 2014 are provided in the Annual Report.

AUDITORS AND THEIR REPORT

M/s Walker Chandiok & Co LLP, Chartered Accountants and M/s. Shah & Kathariya, Chartered Accountants, the Statutory Auditors of the Company, will retire at the ensuing Annual General Meeting of the Company. The Company has received letters from both the Auditors to the effect that their appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013.

Members are requested to reappoint Joint Auditors and to authorize the Board of Directors to fix their remuneration.

Observations made by the Auditors in their report are self explanatory and do not call for any further comment.

PARTICULARS OF EMPLOYEES

Information as per Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forms part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent excluding the statement containing the particulars to be provided under Section 217(2A) of the Act. Any member interested in obtaining such particulars may inspect the same at the Registered Office of the Company or write to the Company Secretary for a copy thereof.

FIXED 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.

DIRECTORS' REPORT

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Board of Directors reports that in preparation of Annual Accounts for the year ended 31st March, 2014:

- (i) The applicable accounting standards have been followed and there are no material departures;
- (ii) The Accounting policies applied has been consistent and judgments and estimates made are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the profits of the Company for the year under review;
- (iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The accounts for the financial year have been prepared on a going concern basis.

CORPORATE GOVERNANCE

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Practicing Company Secretary confirming the compliance of Corporate Governance norms stipulated in Clause 49 of Listing Agreement with the Stock Exchanges is included in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

A separate section on initiatives taken by the Company to fulfill its Corporate Social Responsibilities is included in the Annual Report.

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 2014-2015.

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

During the year, there were no amounts which remained unpaid / unclaimed for a period of 7 years and which were required to be transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

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 is 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.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there was foreign exchange outgo of ₹12.36 Million. There was no foreign exchange earnings by the Company during the year under review.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for the encouragement and co-operation by its stakeholders, including bankers and business associates, government authorities, local bodies, and also by its employees for their dedicated services and contribution to the Company during the year.

ON BEHALF OF THE BOARD OF DIRECTORS

(B. H. SHARMA) EXECUTIVE CHAIRMAN

Place: Mumbai

Date: May 30, 2014.

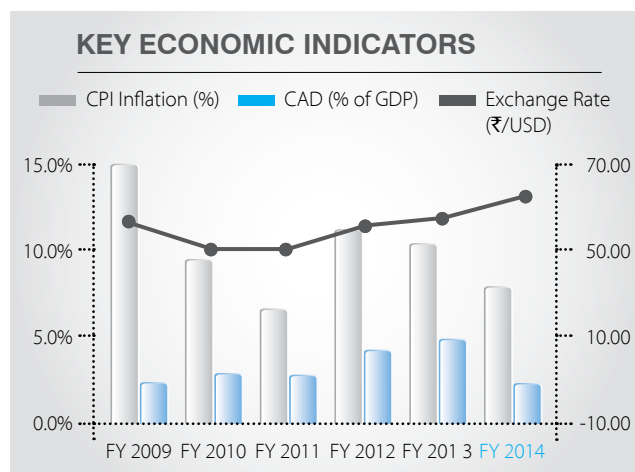
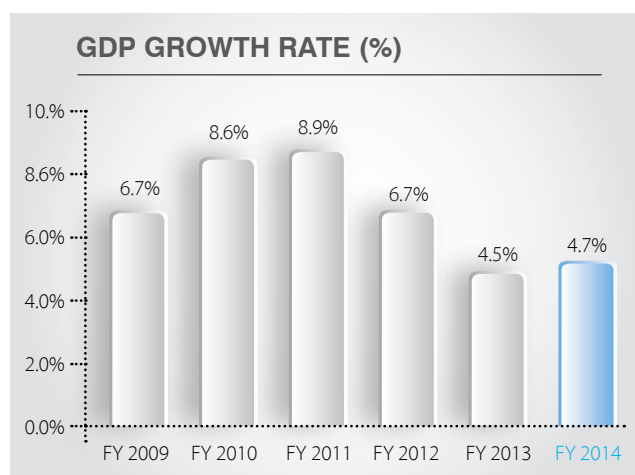
Registered Office:

Supreme House, Plot.No.94/C,
Opp. I.I.T. Main Gate, Pratap Gad, Powai,
Mumbai- 400 076

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC OVERVIEW

Over the last few years, the Indian economy has had to overcome myriad challenges in its resolve to get back on a solid growth trajectory and face the global economic upheaval. Some key issues faced by the country were an unsupportive external environment, domestic structural constraints, growth slowdown and inflationary pressures. These resulted in a decline in India's Gross Domestic Product (GDP) growth from 8.9% in 2010-11 to 6.7% in 2011-12 and further lower at 4.5% in 2012-13. Growth slowdown in India is broadly in sync with trends in similar emerging economies. However, with the economy having clocked a growth rate of 4.7% in 2013-14, the declining trend in India's economic growth seems to have taken a U-turn.



Further, FY2013-14 witnessed pressure on valuation of the Indian Rupee vis-a-vis U.S. Dollars, as an early warning signal of U.S. tapering of quantitative easing emanated in the second quarter. While the Reserve Bank of India (RBI) intervened to control the sliding Rupee with adequate and swift monetary policy actions, the Government also initiated steps to contain the widening trade gap. Both these actions yielded results by end of the 2013 (calendar year) with India's Current Account Deficit (CAD) improving

substantially. Nevertheless, the inflationary pressures and the central bank's action to contain the Rupee slide resulted in interest rate tightening in the short-term and long-term. High cost of funding affected investments and profitability, thus impacting the investment scenario. Moderation in economic growth also posed significant fiscal challenges given the sluggish tax collections.

According to the World Economic Outlook Update, global growth prospects are projected to improve from 2014 onwards over the medium term, albeit at a gradual pace. Declining fiscal deficit, stable exchange rate, reducing CAD, moderation in inflation and rising exports are reflections of a more stable economy today. In India, too, several reform measures have been undertaken in the recent past, including the clearance of several large-scale projects by the Cabinet Committee on Investment. These steps are projected to revive investments and push the economy further on the growth path. In addition to this, resurgence of exports, prospects of a revival in the global economy and the recent moderation in inflation point towards a better outlook for the Indian economy in FY2014-15 vis-à-vis FY2013-14.

INDUSTRY OVERVIEW

Out of a total of 148 countries, the Global Competitiveness Report has ranked India at the 85th position in terms of basic infrastructure. India lags far behind in terms of transport, ICT and energy infrastructure. These have failed to keep pace with the growing economy. The business community in India terms lack of proper infrastructure as the single-biggest obstacle in conducting business.

Infrastructure is the key to support double-digit GDP growth in India. The Indian Government has hence made infrastructure development a key policy issue and aims to spend US\$ 1.0 trillion on physical infrastructure during FY2013-17. This is almost double the amount spent on infrastructure during the Eleventh Five Year Plan. Now, the Twelfth Five Year Plan also lays special emphasis on the development of infrastructure. Availability and quality of infrastructure is important to facilitate a sustainable and strong economic growth for the nation.

Infrastructure is the key to support double-digit GDP growth in India. Availability of quality infrastructure is imperative to facilitate a sustainable and strong economic growth for the nation.

MANAGEMENT DISCUSSION & ANALYSIS

Roads

For a country of India's size, an efficient road network is an imperative for national integration and also for socio-economic development. Thus, Road Transport is a critical infrastructure for India's overall economic development. India has the second-largest road network in the world, spanning a total of 4.7 million kilometres. This is used to transport over 60% of all goods in the country and 85% of the total passenger traffic. Highways/Expressways constitute about 79,116 kms (2% of all roads) and carry 40% of the road traffic.

Type	Total Length (Kms.)	% Share of Total Roads
State Highways	155,716	3.3%
National Highways	79,116	1.7%
District or Rural Roads	44,55,010	95.0%

Through Five Year Plans, India has increased the length of national highways from 21,378 kms during the late 1940s to 71,772 kms by the end of the 11th Five Year Plan (FY2008-2012). The Planning Commission of India aims to spend nearly 20% of the total investment of US\$ 1 trillion during the 12th Five Year Plan (2012–2017) to develop roads. National Highways (NHs) are expected to reach 85,000 kms by the end of the 12th Five Year Plan from 79,116 kms in FY2013.

The National Highway Development Project

As National Highways comprise about 2% of the total road length in India and yet carry over 40% of the total traffic, India's National Highways Development Program (NHDP) is the world's largest road development program based on Public Private Partnership (PPP) Model. The NHDP is spread over seven phases with an estimated expenditure of ₹ 4,71,975 crore. The programme envisages the upgradation of over 54,500 kms of arterial routes of the National Highways network to international standards. Currently, about 24% of the total length of NHs is single lane/intermediate lane, 52% is two-lane standard, while the balance 24% is four-lane standard or more. In FY2012-13 (till December 2013), around 3,928 kms of NHs and 39,144 kms of rural roads have been added to our current road infrastructure.

However, the future looks promising as the Ministry of Road Transport and Highways (MoRTH), along with the National Highway Authority of India (NHAI), following a weak performance in FY2013-14, are ready with their work plan for FY2014-15 where they plan to award about 5,000 kms. NHAI has decided to award about 2,000 kms through cash contracts, or the EPC mode, and 3,000 kms is to be bid via the PPP mode..

Road Portfolio of National Highway Development Project (NHDP)

	Total Length (Kms.)	Already 4/6 Laned (Kms.)	Under Implementation (Kms.)	Contracts Under Implementation (No.)	Balance Length for Award (Kms.)
GQ	5,846	5,846	0	0	-
		-100.00%			
NS - EW	7,142	6,282	443	46	417
Ph. I & II					
Port	380	377	3	1	0
Connectivity					
NHDP Phase III	12,109	6,098	4,326	86	1,685
NHDP Phase IV	14,799	483	4,575	39	9,741
NHDP Phase V	6,500	1,819	2,262	28	2,419
NHDP Phase VI	1,000	-	-	-	1,000
NHDP Phase VII	700	22	19	2	659
NHDP Total	48,476	20,927	11,628	202	15,921
Others (Ph.-I, Ph.-II & Misc.)	1,754	1,350	404	9	-
SARDP -NE	388	88	23	1	277
Total by NHAI	50,618	22,365	12,055	212	16,198

(Source: <http://www.nhai.org/whatitis.asp>, as on 31st March, 2014)

MANAGEMENT DISCUSSION & ANALYSIS

Power

India today ranks the 5th largest in power generation and consumption in the world, after the United States, China, Japan and Russia. Total power generated in India increased at a CAGR of 4.0% over the last 5 years, having generated around 882.5 TWh between April 2013 to February 2014. The Government targets a capacity addition of 88.5 GW under the 12th Five Year Plan (2012–17) and around 100 GW under the 13th Five Year Plan (2017–22). Investments of around US\$ 223.9 billion have been planned for the power sector during the 12th Plan Five Year Plan. India's target for electricity generation during FY2013-2014 has been fixed at 975 Billion Unit (BU), indicating a growth of around 6.9% over actual generation of 912.056 BU in the previous year of FY2012-13.

Segment-wise Growth Recorded by India's Power Sector between FY2011 to FY2014

Category	2013-14	2014-15 (Target)	Growth (%)
Power			
Generation	967.1	1023.0	5.77%
Hydroelectric *	134.8	124.3	(7.82)
Thermal	792.5	858.6	8.34%
Nuclear	34.2	35.3	3.13%
Bhutan Import	5.5	4.8	(14.25%)

* Excludes generation from hydro stations up to 25 MW

Source: Ministry of Power

Capacity addition during the 12th Five Year Plan period has been estimated at 88,537 MW. This comprises 26,182 MW in the central sector, 15,530 MW in the state sector, and the remaining 46,825 MW in the private sector, respectively. India added over 29,000 MW of power generation capacity in FY2013-14. By the year 2017, the Government aims to add more capacity of 1,18,000 MW. This target includes a shortfall in addition from the previous Five Year Plan period, the Planning Commission's current target of over 88,000 MW as well as nuclear and renewable power capacities.

Railways

Indian Railways is the fourth-largest railway network in the world with a total route length of 64,460 kms, of which 21,034 kms has been electrified. Indian Railways transports 2.65 million tonne (MT) of freight and 23 million passengers every single day. The country transports nearly 57% of the total goods by road, as compared to 22% in China and 37% in the U.S. In contrast, the share of Indian Railways is only 36%, compared with 48% for the U.S. and 47% for China. The sector has a huge opportunity to grow with a current share being fairly lower than that in China and the U.S. Owing to the various measures taken such as including additional resource mobilisation through rationalisation of fare and freight tariffs, the financial position of Indian Railways has begun showing signs of improvement in the subsequent years.

NHAI has decided to award about 2,000 kms through cash contracts, or the EPC mode, and 3,000 kms to be bid via the public-private partnership (PPP) mode.

The planned investment in Indian Railways is funded through the Gross Budgetary Support (GBS), internal resources and extra budgetary resources (EBR). The 12th Five Year Plan for Railways has been approved at ₹ 5.19 lakh crore, targeting an investment of ₹ 1.94 lakh crore through GBS, ₹ 1.05 lakh crore through internal resources and ₹ 2.20 lakh crore through EBR. An amount of ₹ 64,305 crore has been provided in BE 2014-15 as against an investment of ₹ 59,359 crore in RE 2013-14 and ₹ 50,383 crore being in Actuals in 2012-13.

Planned resources are targeted to be invested judiciously and operationally important projects will be provided assured funding during the 12th Plan. This will not only help Railways in removing the infrastructural bottlenecks, but also augment the revenue earning capacity of the system. Indian Railways has initiated PPP projects during the 11th Five Year Plan in some areas such as port connectivity projects, container operations, wagon investment schemes and private freight terminals. However, the scope for PPP needs to be widened even further.

Real Estate

The real estate sector is a critical sector of the Indian economy. It has a huge multiplier effect on the economy and is a big driver for economic growth. Real estate is the second-largest employment-generating sector after agriculture. Growing at a rate of about 20% per annum, the sector has been contributing about 5-6% to India's GDP over the past few years. The industry has witnessed significant growth over the past decade attracting not only domestic developers, but also foreign investors. These investors find a strong growth potential driven by India's large population base, rising income levels and rapid urbanisation.

During 2000-2013, US\$ 22.43 billion has flown into the sector in form of FDI, comprising 11% of India's total FDI flows. During April-July of FY2013-14, US\$ 2.09 billion was invested into the construction development sector including townships, housing and built-up infrastructure. India's real estate market remained in a subdued mode in FY2013-14 owing to the dual effect of a cautious approach adopted by home buyers and developers' decision to contain their expansion plans and streamline costs. Real estate developers struggled during the year given the high borrowing costs, rising input costs and shrinking profit margins, leading to strained cash flows.

MANAGEMENT DISCUSSION & ANALYSIS

According to a study by Cushman & Wakefield, the commercial real estate market was also subdued. There was net office space absorption in the top 8 Indian locations of Delhi NCR, Mumbai, Bengaluru, Chennai, Hyderabad, Pune, Kolkata and Ahmedabad, witnessing a steep decline of 25% over the previous year. Most cities witnessed a decline in the range of 20% to 40%. Only Pune witnessed a growth of 15% year-on-year in new office space occupancy, of which 78% was Grade A. This steep decline is a result of companies exercising caution against the backdrop of an economic slowdown and their choice to focus on relocation and consolidation to streamline costs.

Total supply of commercial office space in 2013 stood at 34 million sq ft, a decline of 14% over 2012. Office space vacancy stood at 19.4%, an increase of 0.9% from the previous year. Leasing activity also witnessed a marginal decline of 2% in 2013 over the year-ago period. The slump in residential real estate market continued amidst a weak macro-economic environment as it kept potential home-buyers on the sidelines, resulting in a subdued residential market.

Key reasons for the slowdown have been inflation which has led to decreased purchasing power and financial confidence, even as the RBI went through the ceiling with a spate of hikes in interest rates. This obviously led to a steep rise in EMI of home loan borrowers. Property prices remained high in most cities, largely because real estate developers were hit hard by vastly increased costs of construction and debt. New residential project launches fell 12% in 2013 over 2012. There was an estimated 172,500 residential unit launches in 2013 across 8 major Indian locations of Delhi NCR, Mumbai, Bengaluru, Chennai, Hyderabad, Pune, Kolkata and Ahmedabad.

The sentiment, though still cautious, has changed to one of optimism post the recent General Elections, which resulted into a clear mandate with a stable Government in place. Net absorption and leasing activities are expected to gain pace with new companies entering the market, expansion plans by current players and consolidation of business operations. To encourage investor participation in India's housing sector, the Ministry of Housing and Urban Poverty Alleviation had earlier proposed easing of norms for FDI in real estate projects.

Net absorption and leasing activities are expected to gain pace with new companies entering the market, expansion plans by current players and consolidation of business operations.

New norms introduced by the Government:

- DIPP has done away with the concept of built-up area and introduced carpet area in line with the Real Estate Bill, 2013
- Minimum area to be developed in case of serviced housing plots has been reduced to 5 hectares
- In case of construction-development projects, a minimum carpet area of 20,000 sq mts has been introduced instead of 50,000 sq mts built-up area

The RBI has also given a go-ahead to foreign citizens of Indian origin to invest in the sector. It has also allowed real estate developers to raise upto US\$ 1 billion through European Commercial Borrowings (ECB). Furthermore, the Government has allowed 100% FDI under the automatic route in townships, built-up infrastructure and construction development projects, subject to certain conditions.

FUTURE OUTLOOK

A stable and decisive Government at the Centre provides an environment conducive for growth, investments and major reforms in the infrastructure sector. The new Government is expected to re-engineer India's growth story by spearheading structural reforms, going ahead. This is significant since India's economic environment will act as a catalyst in reviving the global economy. We look forward to policies that will bolster infrastructure development in India, acting as an engine of growth. A healthy growth in infrastructure will create thousands of new jobs and push up GDP growth, while lowering poverty levels and bringing to life our collective dream of driving sustainable and inclusive growth.

The total investment in the infrastructure sector during the 12th Five Year Plan is estimated at ₹ 56.3 lakh crore (approx. US\$ 1 trillion), nearly double the investment in the Eleventh Five Year Plan. Infrastructure development is a major focus area as superior quality infrastructure is significant for driving sustainable and inclusive growth. In the Interim Budget for FY2014-15, the Government raised its allocation towards the infrastructure sector by as much as 8.6%. The allocation for power, coal, roads, civil aviation, ports and railways has been higher at ₹ 1,811.3 billion in FY2014-15 vis-à-vis ₹ 1,667.5 billion in FY2013-14.

The Government aims to carry out financial restructuring of power distribution companies. It is also setting up a road regulator to address issues in the road sector. A Rail Tariff Authority is also in the process of being set up. Financing of road projects has been a key challenge as leveraged companies implementing road projects are unable to raise more debt in the absence of any fresh equity. In the current market conditions, these firms are unable to raise new equity. Thus, a Comprehensive Regulatory Mechanism and new innovative policies on financing of these projects or providing an exit route needs to be worked out, thus releasing the invested equity to fund new projects.

MANAGEMENT DISCUSSION & ANALYSIS

The Ministry of Road Transport and Highways (MORTH) has also decided to adopt the EPC mode for NHs, which are not viable on a PPP basis. The 12th Five Year Plan envisages construction of 20,000 kms of 2-lane National Highway projects through the EPC mode. The PPP model is envisaged to play a key role in the successful implementation of this plan. During the 11th Plan, private-sector investment for the NHDP has been pegged at ₹ 626.3 billion, against a target of ₹ 867.9 billion, indicating a five-fold jump over the Tenth Plan figure of ₹ 110.3 billion.

NHDP's share in infrastructure investment has increased from 22% in the Tenth Plan to 38% in the Eleventh Plan. This will further accelerate to about 48% during the Twelfth Five Year Plan. To overcome funding constraints to the infrastructure sector, an Infrastructure Debt Fund (IDF) has been conceived by the Government to attract investors (pension funds, sovereign wealth funds and insurance companies) and provide long-term funding to the sector.

BUSINESS OVERVIEW

Company Overview

Supreme Infrastructure India Limited (SILL) is a diversified and multi-faceted player in the Engineering, Procurement & Construction segment and a BOT operator, engaged in the construction of infrastructure and related projects that fuel economic growth. The Company has accumulated vast experience in design, project execution and management.

Being an integrated infrastructure enterprise with its own quarries and crusher plants, the Company takes on the most challenging infrastructure projects having accumulated vast experience in design, project execution and management. We have built diverse capabilities across 6 EPC segments which includes Roads, Bridges, Buildings, Railways, Power and Water Infrastructure. With operational capabilities, evolved skill-sets and competencies in executing large-scale infrastructure projects across different verticals in the EPC segment, we have emerged as a full-fledged infrastructure player. The Company is head-quartered in Mumbai and has its equity shares listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

With a growing pan-India presence, the Company is engaged in construction works for Government and Government-related agencies, having successfully delivered several prestigious projects awarded by the Central and State Government agencies, municipal corporations and corporate houses.

Our Current Order Book Portfolio

Vertical	Current Order Book (₹ Million)	Contribution to Total Order Book (%)
Roads BOT	14,026	24%
Roads Cash Contract	9,741	17%
Buildings	21,463	36%
Bridges	2,750	5%
Railways	649	1%
Power	2,482	4%
Water	7,850	13%
Total Order Book	58,961	100%

Our Sustainable Competitive Advantage

A differentiating factor SILL enjoys vis-à-vis the industry peers is the Backward Integration model. This grants access to captive quarries, crushing plants, RMC plants, asphalt plants and wet mix plants. It lends a comparative advantage to SILL in terms of cost of aggregates and helps contribute to higher margins. In addition to this, our well-diversified order book spread across 6 EPC segments and 13 states across India leads to lower risks. It has expanded its footprint well in the eastern part of India in the States of Assam, Arunachal Pradesh, Bihar, Jharkhand, Orissa and West Bengal.

Our BOT Portfolio

The Company also forayed into Road BOT (Build-Operate-Transfer) Projects through its subsidiary Companies viz. Supreme Infrastructure BOT Pvt. Ltd and Supreme Infrastructure BOT Holdings Private Limited. The Company has a current portfolio of 11 BOT projects, of which 5 are already operational:

1. Kopargaon-Ahmednagar Toll Plaza
2. Patiala-Nabha-Malerkotla Toll Plaza
3. Manor Wada Bhiwandi Toll Plaza
4. Kasheli Bridge, Thane in Maharashtra
5. Vasai Bhiwandi, Maharashtra

With operational capabilities, evolved skill-sets and competencies in executing large-scale infrastructure projects across different verticals in the EPC segment, we have emerged as a full-fledged infrastructure player.

MANAGEMENT DISCUSSION & ANALYSIS

Our Current Portfolio of BOT Projects

Project	Project Cost (₹ Million)	Total Debt (₹ Million)	Total Equity (₹ Million)
Manor Wada Bhiwandi	5,540.0	3,942.0	1,597.0
Kasheli Bridge	3,014.0	-	100
Haji Malang Ropeway	800.0	500.0	300.0
Jaipur Ring Road	10,450.0	7,900.0	2,550.0
Patiala-Malerkotla	930.0	650.0	280.0
Ahmednagar Karmala Tembhurni	5,400.0	4,050.0	1,350.0
Panvel Indapur	12,060.0	9,000.0	3,060.0
Nagar Kopergaon	2,340.0	1,750.0	590.0
Sangli Shirol	3,300.0	2,475.0	825.0
Kotkapura Muktsar	1,080.0	800.0	280.0
Vasai Bhiwandi	2,140.0	1,540.0	600.0

Key Business Strategies

Focus on Execution and Cash Flow Improvement

The Company continues its strategic focus on execution to ensure timely execution and delivery of BOT projects. All its 5 operational BOT projects have been timely executed. The Company has further de-risked its business model by executing the EPC portion of the BOT projects won by its subsidiary. The objective of this is to reduce the execution risk for the subsidiary company, given SILL's strong execution capabilities in Roads and Bridges segment. Nonetheless, SILL intends to be an 'EPC focussed' company. It is open to the option of securitisation for its BOT projects to optimally leverage and further enhance its bidding capacity in these projects. All its current BOT projects are set to become operational by the first half of FY2016, resulting in strong cash flows. Also, all its projects are well spaced out which reduce its peak debt levels.

Overseas Opportunities

SILL is constantly looking at exploring and leveraging new opportunities. To expand its presence, the Company has signed an MOU with the Ajit Khimji Group LLC and Al-Barami Investment LLC based in Oman. It invested 150,000 equity shares of Omani Riyal in Supreme Infrastructure Overseas Limited (SIOL) for an aggregate amount of ₹ 21.2 million, constituting 60% of SIOL's share capital. Through the subsidiary, SILL intends to foray into the Middle East markets and has already planned huge investments into infrastructure projects.

Backward Integration

Due to its backward integrated business model, SILL gains quick access to key raw materials required for construction of roads. These include Captive Quarries, Crushing Plants, Ready Mix Concrete (RMC) Plants, Asphalt Plants and Wet Mix Plants. Besides insulating the Company well against any fluctuation in input prices, the strategy ensures a smooth and uninterrupted supply of raw materials to the project site. This enables the Company to execute the projects within the stipulated time and budget, resulting in higher margins. The aggregates, which roughly constitute ~25-35% of the total raw material costs, being sourced internally, leads to huge cost savings and offers clear margin advantage of ~3-4%.

Current Order Book

The Company's current order book stands at ₹ 58,961 million, including L1 orders of ₹ 8,468 million spread widely across 6 verticals and 13 states. Going forward, the Company plans to increase its geographic presence across the country and is well equipped to handle big-ticket projects.

The Company continues its strategic focus on execution to ensure timely delivery of BOT projects. All its 5 operational BOT projects have been timely executed.

MANAGEMENT DISCUSSION & ANALYSIS

Strengths & Opportunities

Vertical Integration

The Company has access to 6 quarry sites:

- Padgha, Panvel and Raigad in Maharashtra
- Kotputli in Rajasthan
- Bhuj in Gujarat
- Pathankot in Punjab

All our quarries sites are within a radius of 100-150 kms from our project sites. Close vicinity to quarries provides an assured supply of aggregates, which generally constitutes 25-30% of the total raw material costs. Our model of vertical integration enables the Company to bid for additional projects within the same region, thereby leveraging key opportunities. This business model offers a competitive advantage and results into garnering of better margins.

Geographical and Vertical Order Book Diversification

The Company has a well-diversified order book in terms of geography and verticals. Our ongoing projects are scheduled to achieve completion over the next 24-30 months, giving us good revenue visibility over FY2015. Further, the Company is focussing on acquisition of more EPC orders, particularly in the water and power segments. It is also exploring further opportunities in key overseas markets, such as the Middle East. These strategies will enable the Company expand its operations – geographically and vertically – emphasising our leadership position in the industry.

Funding Capabilities for BOT Projects

The Company's overall capital requirement for 11 BOT projects is about ₹ 9,240 million, of which ₹ 8,870 million is already invested. The Company is well placed to fund the remaining portion through internal accruals and also possesses the capability to securitise its operational BOT projects, as and when needed.

Strong Cash Flows from Operational BOT Projects

Of our total portfolio of 11 BOT Projects, about 5 projects are already operational and provide an aggregate toll collection of ₹1,371 million in FY2014. With another 4 projects being in advanced stages of completion, our total portfolio of operational projects will be around 9 projects by FY2015, resulting in strong cash flows.

Cluster-based Strategy

The Company has developed a cluster-led approach towards execution and project bidding. The Company acquires quarries for its captive use in the region where it wins a project. With this

Besides insulating the Company well against any fluctuation in input prices, our backward integration model ensures a smooth and uninterrupted supply of raw materials to the project site.

methodology, it aims to contain costs, since transportation of raw material and aggregates to the project site is the prime cost for a project developer. After it secures a quarry, the Company aims at bidding aggressively for more projects in the same cluster. The cluster strategy gives a sizable cost advantage to the Company and increases the probability of securing newer projects in the same region. This kind of backward integration leads to savings in tariffs and taxes by virtue of enabling captive material transfer in the same state. The strategy also enables the Company to bid aggressively for additional projects in the same vicinity and build a sizeable order book.

Captive Plant & Machinery

The Company has made heavy investments in the development of its own construction equipment and machineries. Besides delivering higher margins, the strategy enables the Company gain a better control over its projects and their execution, without having to depend on external sources for equipment supplies.

Threats & Concerns

High Interest Rates

The Reserve Bank of India (RBI) has maintained a key focus on keeping inflation rates low before it goes for any rate cut. A slowing down of economy and increasing cost of credit has been adversely affecting the Company's margins and profitability. The construction sector has faced a very challenging environment over the past 2-3 years due to the high interest rate environment. However, this is expected to ease in 2014 with the peak levels of inflation and rate hike being behind us. Lower interest rates will benefit the Company's profitability and ability to fund for future projects.

Government Policies

A major portion of SILL's Order Book consists of projects awarded by the Government agencies. Any change in the Government's policies may impact the Company's future plans and resultant performance.

MANAGEMENT DISCUSSION & ANALYSIS

Slowdown in Regulatory Approvals & Bank Lending

There has been a significant delay in getting regulatory clearances, which has been the prime reason for delays in implementation. The delays were also witnessed in forest and environmental clearances. All of SILL's BOT projects have received the requisite approvals and have financial closures well in place. Of the 11 BOT projects, around 5 are already operational; the remaining 6 projects are in advanced stages of completion.

Investment Slowdown

Any significant slowdown in project orders across verticals from Government agencies such as the National Highway Authority of India (NHAI) or State PWDs may impact the Company's revenue visibility. However, the Company believes the Government's focus on infrastructure development is slowly reviving, following a lacklustre performance in the past couple of years. The Company believes it is fairly insulated against the risk of competition on the back of a strong order book position, backward integrated model, cluster-led strategy and its vast industry experience and domain expertise. Additionally, the NHAI is taking several initiatives to facilitate EPC contractors and developers, resulting in more projects getting awarded and higher participation by private players.

Risks in BOT Projects

Execution Risks: The Company has multiple projects in the BOT space and faces inherent risks in their execution. Currently, it has a portfolio of 11 BOT projects, of which 5 are already operational. Since the EPC portion of these projects has been executed by SILL, it further de-risks itself and its BOT subsidiary from any kind of delay in project execution.

Traffic Risks: In the event of a traffic slowdown on roads constructed by the Company, there can be a risk of lower toll realisation. However, this seems highly unlikely as the Company is executing all its projects in 'high density' areas or 'high growth' regions with decent visibility on traffic.

External Macro Conditions

The infrastructure industry, like any other sector, is exposed and vulnerable to risks and to any adverse changes in the overall macro-economic situation. In case of prolonged recessionary conditions leading to a slowdown in economic growth, the Company and its profitability may also be affected.

Risk Mitigation Strategy

The Company takes full cognisance of the fact that identification and evaluation of risks and their effective management is crucial for its performance and for delivering adequate value to its stakeholders. The Company keeps assessing its risks at regular intervals and takes measures to mitigate the same.

The Company has made heavy investments in the development of its own construction equipment and machineries. Besides delivering higher margins, the strategy enables the Company gain a better control over its projects and their execution, without having to depend on external sources for equipment supplies.

Financial and Operational Overview

The order book of the Company stood at ₹ 58,961 million as of 31 March, 2014 (including L1 orders of ₹ 8,468 million), compared to ₹ 60,445 million as of 31st March 2013.

The income from operations stood at ₹ 21,586.4 million for the year ended 31st March, 2014, as compared to ₹ 19,869.5 million in the previous year ended 31st March, 2013, an increase of 8.6 percent.

The Company achieved an EBITDA of ₹ 3,112.6 million for the year ended 31st March, 2014, as compared to ₹ 3,084.7 million in the previous year ended 31st March, 2013, an increase of 0.9 percent.

The PAT of the Company stood at ₹ 900.3 million for the year ended 31st March, 2014, as compared to ₹ 1,096.4 million in the previous year ended 31st March, 2013, a decrease of 17.9 percent.

The Earnings Per Share (EPS) of the Company decreased by 24.7 percent from ₹ 65.4 to ₹ 49.3 for the financial year ended 31st March, 2014 over the corresponding year.

Internal Controls

The Company has sufficient and commensurate internal control systems to match the size and the sector it falls under. The Company has well-defined and clearly laid-out policies, processes and systems. These are strictly and regularly monitored by the top management and any digression or discrepancy is immediately flagged off and corrected. All requisite regulations, rules and laws of the land are strictly followed. The Company has a sound system for financial reporting and well-defined management reporting

MANAGEMENT DISCUSSION & ANALYSIS

The Company achieved an EBITDA of ₹ 3,112.6 million for the year ended 31st March, 2014, as compared to ₹ 3,084.7 million in the previous year ended 31st March, 2013, an increase of 0.9%.

systems. These are supported by Management Information System (MIS) that regularly checks, monitors and controls all operational expenditure against budgeted allocations. The Company also has a regular internal audit process that is monitored and reviewed by the Audit Committee, which ensures that any deviations from set benchmarks are immediately reported and corrected. The Company regularly keeps upgrading its systems and processes to ensure these are up-to-date and the latest.

Human Resources

The Company recognises that its people are its most important resources. The Company's workforce comprises highly-skilled and qualified employees and it strives to provide the best working conditions. No compromise is made for the health and safety of its people either at its offices or its project sites. The Company's work culture is based on sincerity, hard work and a penchant for perfection and pursuit for excellence. The Company encourages the development of necessary and relevant skills of its workforce and regularly holds training sessions to upgrade these. The Company also has a system of recognising and rewarding exceptional performance of its employees with commensurate incentives. As on 31st March 2014, the Company had over, 2900 employees.

Cautionary Statement

This document contains statements about expected future events, financial and operating results of Supreme Infrastructure India Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Supreme Infrastructure India Limited Annual Report, 2013-14.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company's philosophy on Corporate Governance is based on cardinal values of fairness, transparency, accountability and equity, in all its operations, and in its interactions with stakeholders including shareholders, employees, the government and the lenders, thereby enhancing the shareholders' value and protecting the interest of shareholders.

Your Company has adopted an appropriate Corporate Governance framework to ensure accountability, transparency, timely disclosure and dissemination of price sensitive information, ensuring meticulous compliance with applicable laws and regulations and conducting business in its best ethical manner.

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

2. BOARD OF DIRECTORS:

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business

and industry, finance, management and legal and provide leadership and guidance to the Company's management. The Directors contribute their diversified knowledge, experience and expertise in respective areas of their specialization for the growth of the Company.

Presently, the Board of Directors of the Company comprises Eight Directors, out of which Five Directors are Non Executive Directors. The Company has 'Executive Chairman' and there are Four Independent Directors on the Board which represent 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 Clause 49 of the Listing Agreement. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees (as specified in Clause 49 of the Listing Agreement) across all companies in which they are Directors. 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 Clause 49 (I) (A) of the Listing Agreement.

The names and categories of Directors, the number of Directorships and Committee positions held by them in other Public Limited Companies are given below:

Name	Designation	Category	No. of other Directorship held in other public Companies	No. of committees Membership of other Companies	No. of committees chairmanship of other Companies
Mr. Bhawanishankar Sharma	Executive Chairman	Promoter, Executive Director	Nil	Nil	Nil
Mr. Vikram Sharma	Managing Director	Promoter, Executive Director	Nil	Nil	Nil
Mr. Vikas Sharma	Whole Time Director	Promoter, Executive Director	Nil	Nil	Nil
Mr. V. P. Singh	Director	Independent, Non-executive Director	2	Nil	Nil
Mr. Vinod Agarwala	Director	Independent, Non-executive Director	2	2	Nil
Mr. Mukul Agrawal	Director	Independent, Non-executive Director	1	Nil	Nil
Mr. Pramod Kasat	Director	Independent, Non-executive Director	1	Nil	Nil
Mr. Dakshendra Agrawal	Director	Non-executive Director	Nil	Nil	Nil

Board Procedure

The Board meets at least once a quarter and Board Meetings are usually held in Mumbai. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. All the items drafted in the Agenda are accompanied by notes giving comprehensive information about the related subject and in certain matters such as financial/ business plans, financial results etc., detailed presentations for the same are made. The Agenda and the relevant notes are circulated well in advance separately to each Director.

The members of the Board have complete access to all information of the Company. The Board, if deem necessary and depending upon the urgency and necessity of the matter, takes up any other item of business, which does not form part of the agenda. Urgent matters are also considered and approved by passing resolution through circulation, which are noted at the next Board Meeting. To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting on the overall performance of the Company.

CORPORATE GOVERNANCE REPORT

Number of Board Meetings Held and Dates on which held

Five Board Meetings were held during the financial year 2013-2014 on 28-05-2013, 13-08-2013, 13-11-2013, 14-02-2014 and 27-03-2014.

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

During the financial year ended March 31, 2014, Five Board Meetings were held. The gap between two Board Meetings did not exceed four months. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Name of the Director	No. of Board Meetings attended	Attendance at last AGM held on 26th September, 2013
Mr. Bhawanishankar Sharma	1	Yes
Mr. Vikram Sharma	5	Yes
Mr. Vikas Sharma	1	Yes
Mr. V. P. Singh	5	Yes
Mr. Vinod Agarwala	5	No
Mr. Mukul Agrawal	2	No
Mr. Pramod Kasat	5	Yes
Mr. Dakshendra Agrawal	3	Yes

BOARD COMMITTEES

The Board of Directors has constituted Committees of Directors with adequate delegation of powers, to discharge their functions with respect to specific matters of the Company on behalf of the Board of Directors. The Committees are constituted by inclusion of Executive, Non-Executive and Independent Directors as may be required to meet the prescribed requirements, which carry out its function as per their terms of reference. The brief particulars of Audit Committee, Remuneration Committee and Investors' Grievance Committee as required under Clause 49 of the Listing Agreement are given hereunder:

Sr. No.	Name of the Director	Designation	Category	No. of Audit Committee Meetings attended
1	Mr. V. P. Singh	Chairman	Non-Executive Independent Director	6
2	Mr. Vinod Agarwala	Member	Non-Executive Independent Director	4
3	Mr. Vikas Sharma	Member	Executive Whole Time Director	1
4	Mr. Mukul Agrawal	Member	Non-Executive Independent Director	1
5	Mr. Pramod Kasat	Member	Non-Executive Independent Director	6

Six meetings of the Audit committee were held during the year 2013-2014 on 28-05-2013, 13-08-2013, 14-09-2013, 29-10-2013, 13-11-2013 and 14-02-2014.

The terms of reference of the Audit Committee as defined by the Board are as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

3. AUDIT COMMITTEE

The terms of reference of the Audit Committee is being amended in accordance with the provisions of Section 177 of the Companies Act, 2013 and the rules made thereunder and Clause 49 of the Listing Agreement. The Board of Directors of the Company at their meeting held on May 30, 2014, have approved new terms of reference for the Audit Committee and thereupon the revised terms of reference of the Audit Committee are in conformity with the requirements of Clause 49 (II)(D) of the Listing Agreement and Section 177 of the Companies Act, 2013. Further, the Audit Committee has been granted powers as prescribed under Clause 49 (II)(C) of the Listing Agreement.

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 Clause 49 of the Listing Agreement.

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

The Composition of the Directors and the details of Meetings held during the Year 2013- 2014 is as under:

2. Recommending to the Board, the appointment, re-appointment, remuneration and terms of appointment of the Auditors including Cost Auditors of the Company and if required, the replacement or removal of the Statutory Auditor/ Cost Auditor and the fixation of audit fees.
3. Review and monitor the Auditor's independence and performance and effectiveness of Audit process.
4. Approval or any subsequent modification of transactions of the Company with related parties.

CORPORATE GOVERNANCE REPORT

5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertaking or assets of the Company, wherever it is necessary.
7. Evaluation of Internal Financial Controls and risk management systems.
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 the public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
9. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
10. Reviewing, with the Management, the Annual Financial Statements & 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 Section 134(3)(c) of the Companies Act, 2013.
 - b. Management Discussion and Analysis of Financial condition and results of operations.
 - c. Changes, if any, in accounting policies and practices and reasons for the same.
 - d. Major accounting entries involving estimates based on the exercise of judgment by management.
 - e. Significant adjustments made in the financial statements arising out of audit findings.
 - f. Compliance with listing and other legal requirements relating to financial statements.
 - g. Disclosure/ statement of significant related party transactions submitted by Management.
 - h. Qualifications in the draft audit report.
 - i. Management letters/ letters on internal control weaknesses issued by the Statutory Auditors.
 - j. The appointment, removal and terms of remuneration of Internal Auditors.
11. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
12. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
13. 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.
14. Discussion with Internal Auditors any significant findings and follow up there on.
15. 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.
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower Mechanism/ Vigil Mechanism.
19. 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 & background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee as amended from time to time.

4. NOMINATION AND REMUNERATION COMMITTEE (formerly termed as 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 Clause 49 of the Listing Agreement. The Board of Directors of the Company at their meeting held on May 30, 2014, have approved the reconstitution and change in nomenclature of the Remuneration Committee to Nomination and Remuneration Committee with the revised terms of reference in conformity with the requirements of Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013.

The terms of reference of the Nomination and Remuneration Committee as defined by the Board are as under:

1. To determine, review and consider payment of remuneration, from time to time, of the Executive Directors of the Company.
2. To identify persons who are qualified to become directors including Independent Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
3. To carry out evaluation of every Director's performance.

CORPORATE GOVERNANCE REPORT

4. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. While formulating the policy, it shall ensure that:

- 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;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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.

In order to comply with the provisions of section 178 of the Companies Act, 2013, Mr. Vikram Sharma, Managing Director and Mr. Pramod Kasat, Non-Executive Director were appointed as additional members of the committee. Hence, the committee now has the following members:

Sr. No.	Name of the Director	Designation	Category
1	Mr. Vinod Agarwala	Chairman	Non-Executive Independent Director
2	Mr. Mukul Agrawal	Member	Non-Executive Independent Director
3	Mr. Pramod Kasat	Member	Non-Executive Independent Director
4	Mr. Vikram Sharma	Member	Executive Managing Director

One meeting of the Remuneration Committee was held on 26th May, 2014.

Remuneration Policy

The Remuneration of the Executive Directors is recommended by the Remuneration Committee based on the Remuneration criteria and is decided by the Board of Directors within the over all ceiling approved by the shareholders.

Remuneration to Non-Executive Directors

The Non-Executive Directors of the Company are receiving the sitting fees for attending the meeting of the Board of Directors and the Meeting of the Audit Committee. No sitting fees have been paid to the Directors for attending the meeting of the Investors' Grievance Committee and the Remuneration Committee. Non-Executive Directors also receive commission on the profits of the Company as approved by the Board of Directors up to 1% of the net profits of the Company.

The details of the remuneration paid to Executive Directors for the year ended 31st March, 2014 is as follows:

Name of the Director	Salary ₹	Perquisite ₹	Total ₹
Mr. Bhawanishankar Sharma	60,00,000	36,00,000	96,00,000
Mr. Vikram Sharma	60,00,000	36,00,000	96,00,000
Mr. Vikas Sharma	60,00,000	36,00,000	96,00,000
Total	1,80,00,000	1,08,00,000	2,88,00,000

The agreement with the above Executive Directors is for a period of five years with effect from 1st April 2010. 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.

The details of the sitting fees and commission to Non-Executive Directors for the year ended 31st March, 2014 is as follows:

Name of the Director	Sitting fees ₹	Commission ₹	Total ₹
Mr. V.P Singh	2,20,000	10,00,000	12,20,000
Mr. Vinod Agarwala	1,80,000	10,00,000	11,80,000
Mr. Mukul Agrawal	60,000	10,00,000	10,60,000
Mr. Pramod Kasat	2,20,000	10,00,000	12,20,000
Mr. Dakshendra Agrawal	60,000	7,50,000	8,10,000

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

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

(formerly termed as Shareholders'/ Investors' Grievance Committee)

The terms of reference of the Stakeholders Relationship Committee is made in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Board of Directors of the Company at their meeting held on May 30, 2014, have approved the change in nomenclature of the Shareholders Grievances Committee to Stakeholders Relationship Committee in conformity with the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms of reference of the committee is to consider and resolve the grievances/ complaints of the security holders relating to transfer & transmission of shares, non-receipt of annual report, dividend, share certificate etc., to provide responses to the queries, if any, raised by the investors and to take investor friendly initiatives.

The composition of the Stakeholders Relationship Committee is as follows:

Name of the Director	Designation	Category
Mr. Mukul Agrawal	Chairman	Non-Executive Independent Director
Mr. Vinod Agarwala	Member	Non-Executive Independent Director
Mr. Vikram Sharma	Member	Executive Managing 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

CORPORATE GOVERNANCE REPORT

the complaints received from the Investors/Shareholders within 7 days of receipt of the same. The Company Secretary places before the Board the status of various complaints received by the Committee at every Board meeting. During the year four Committee meetings were held.

Compliance Officer

Mr. Vijay Joshi, Company Secretary of the Company is the Compliance officer of the Company.

Complaints from Investors

During the year under review, the Company had received 5 complaints from the investors and resolved all 5 complaints of the investors. There were no investor complaints pending as at the end of the year as on 31st March 2014.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on May 30, 2014, have approved the constitution of the CSR Committee which comprises three directors viz. Mr. Bhawanishankar Sharma, Mr. Vikram Sharma and Mr. Pramod Kasat and defined the role of the Committee, which 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.

7. GENERAL BODY MEETINGS

- Location and time, where last three Annual General Meetings were held is given below:

AGM	Date	Venue and Time	Special Resolutions passed
30th	26/09/2013	Sai Palace Hotels, Mahakali Caves Road, Chakala, Andheri (East), Mumbai 400 093 at 3.30 p.m.	Nil
29th	28/09/2012	Sai Palace Hotels, Mahakali Caves Road, Chakala, Andheri (East), Mumbai 400 093 at 3.30 p.m.	Alteration of Clause 208 & 209 of the Articles of Association of the Company.
28th	30/09/2011	The Beatle Hotel, JMJ House Orchard Avenue, Hiranandani Gardens, Powai, Mumbai - 400076 at 3.30 p.m.	Nil

One Extra Ordinary General Meeting was held during the year 2013-14 on 13th December, 2013 whereat the members passed the Special Resolution under Section 81(1A) of the Companies Act, 1956 for issue of equity shares/ warrants on preferential basis to promoters and non-promoters.

8. DISCLOSURES

- 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 Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital market during the last 3 years. No penalties or strictures have been imposed by them on the Company.
- 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.

9. MEANS OF COMMUNICATION

- **Quarterly Disclosures:** The Company communicates the quarterly financial results to the Stock Exchanges immediately after its approval by the Board. Quarterly Results are also published in the 'The Economic Times' (English Daily), Free Press Journal (English Daily) and 'Navshakti' (Marathi Daily) newspapers.
- **Website:** The Company's website www.supremeinfra.com contains a separate dedicated section "investors" where shareholders information is available. Full 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

CORPORATE GOVERNANCE REPORT

designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

- **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the Complaint and its current status.

10. GENERAL SHAREHOLDER INFORMATION

1. Company Registration details	The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L74999MH1983PLC029752
2. Annual General Meeting Date, Time and Venue	Friday, 12th September, 2014 at 3.30 P.M. Sai Place Hotel, Mahakali Caves Road, Chakala, Andheri (E), Mumbai - 400 093.
3. Financial Year	2013-2014
4. Tentative Financial Calendar	
Quarterly results will be declared as per the following tentative schedule :-	
Financial reporting for the quarter ending 30th June, 2014:	by 14th August 2014
Financial reporting for the half year ending 30th September, 2014:	by 14th November 2014
Financial reporting for the quarter ending 31st December, 2014:	by 14th February 2015
Financial reporting for the year ending 31st March, 2015:	by 30th May 2015
5. Dates of Book Closure	From Friday, 5th September 2014 to Friday, 12th September, 2014
6. Dividend	Dividend of ₹ 1.5 per Equity Share for F.Y.2013-14 on the paid-up Equity Share Capital of the Company.
7. Dividend Payment date	Dividend @ 15% on Equity Share will be paid/ dispatched on or after 13th September, 2014 subject to the approval by the Shareholders at the forthcoming Annual General Meeting of the Company.
8. Listing on Stock Exchanges	The Equity Shares of your Company are listed on: BSE Limited (BSE) Add:- Floor 25, P.J. Towers, Dalal Street, Fort, Mumbai-400 001 and National Stock Exchange of India Ltd (NSE). Add:- Exchange Plaza, Bandra-Kurla Complex, Bandra, Mumbai-400 051. Your Company has paid Annual Listing Fees for the financial year 2014-15 to both the Exchanges.
9. Stock Code	BSE Limited (BSE):- "532904" National Stock Exchange of India Limited (NSE):- "SUPREMEINF"
10. Registrar & Transfer Agents	Bigshare Services Private Limited Add:- E- 2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri(East), Mumbai 400 072. Tel: + 91 22 4043 0200 Fax: + 91 22 2847 5207 Website:www.bigshareonline.com Email: investor@bigshareonline.com

CORPORATE GOVERNANCE REPORT

11. Share Transfer System	The Board of Directors has delegated the power of share transfer to 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	Mr. Vijay Joshi Company Secretary Supreme Infrastructure India Limited Add.: Supreme House, Plot No.94/C, Opp. I.I.T. Main Gate, Pratap Gad, Powai, Mumbai- 400 076. Tel: + 91 22 6128 9700 Fax: + 91 22 6128 9711 Website:www.supremeinfra.com Email:vijayj@supremeinfra.com
13. Dematerialization of Shares and liquidity	As on 31st March, 2014, 2,00,92,076 Equity Shares of the Company constituting appx. 100% of the Equity Shares Capital are held in Dematerialized form. The equity shares of the Company are in compulsory dematerialized trading for all investors.
14. Electronic clearing services (ECS)	Members are requested to update their bank account details with their respective Depository Participants for Shares held in the electronic form or write to the Company's Registrar and Share Transfer Agent M/s Bigshare Services Private Limited for the shares held in physical form.
15. Investor Complaints to be addressed to	Registrar and Share Transfer Agent M/s Bigshare Services Private Limited or to Mr. Vijay Joshi, Company Secretary at the address mentioned earlier.
16. Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity.	The Company has on 13th December, 2013 issued 20,00,000 Warrants with a right exercisable by the Warrant holder to subscribe for one Equity Share of ₹10/- each per Warrant for cash at an exercise price of ₹ 185/- each on a preferential basis to promoters. The warrants are exercisable within a period of 18 months from their date of allotment. The above referred warrants are outstanding as on 31st March, 2014. The Company has not issued any GDRs/ADRs
17. Plant Locations	1. Hot Mix Plant, RMC Plant and Crusher Plant at Padgha Add.: Near Vasare Village, Kalyan-Padgha Road, Talvali, Padga. 2. RMC Plants and Crusher Plant at Powai Add.: Hiranandani Complex, Powai, Mumbai- 400 076.

CORPORATE GOVERNANCE REPORT

Distribution of Share Holding

Face value: ₹ 10/- each (as on 31st March 2014)

Range of shares	Number of Shareholders	Percentage of shareholders	Number of Shares	Percentage of Total Capital
1 500	6333	93.34	495582	2.47
501 1000	197	2.90	161724	0.80
1001 2000	93	1.37	148219	0.73
2001 3000	32	0.47	83674	0.42
3001 4000	16	0.24	55617	0.28
4001 5000	12	0.18	54329	0.27
5001 10000	28	0.41	214727	1.07
10001 & above	74	1.09	18878215	93.96
	6785	100.00	20092087	100.00

Shareholding Pattern as on 31st March, 2014

Sr. No.	Category of Shareholders	No. of Shares held	Percentage of Shareholding
1.	Promoters & Promoters Group	11044332	54.97
2.	Director and their Relative	905	0.00
3.	Mutual funds/ UTI	257740	1.28
4.	Government Companies, Financial Institutions, Banks and Insurance Companies	Nil	Nil
5.	Foreign Institutional Investors (FIIs)	2647374	13.18
6.	Bodies Corporate	3861213	19.22
7.	NRIs	513240	2.55
8.	Indian Public (Other than above)	1767283	8.80
	Total	2,00,92,087	100.00

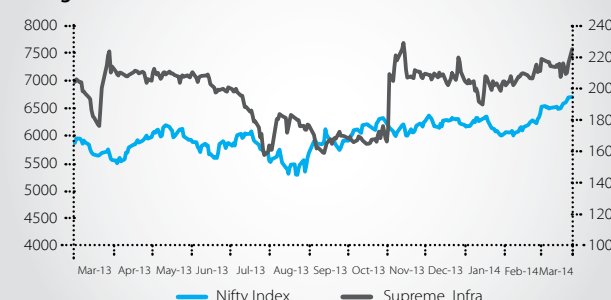
Market Price Data

Months	BSE Limited (BSE)		The National Stock Exchange of India Limited (NSE)	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2013	223.85	208.00	223.75	207.70
May 2013	210.70	204.60	212.50	203.55
June 2013	208.75	198.45	210.35	197.35
July 2013	202.75	169.15	200.70	168.80
August 2013	182.25	157.60	183.70	157.50
September 2013	177.05	158.55	177.00	158.90
October 2013	172.40	164.25	172.60	164.70
November 2013	228.65	167.00	229.10	166.10
December 2013	210.00	196.60	210.50	202.05
January 2014	215.40	189.10	219.75	189.70
February 2014	209.00	196.05	209.75	198.50
March 2014	224.25	205.60	225.20	207.30

Share price movement of SIIL on Bombay Stock Exchange (BSE) during FY2014 In ₹



Share price movement of SIIL on National Stock Exchange (NSE) during FY2014 In ₹



11. CODE OF CONDUCT:

The Board of Directors have adopted the Code of Conduct for the Board of Directors of the Company and have been posted on the Company's website www.supremeinfra.com. As required by Clause 49(I)(D) of the Listing Agreement with the Stock Exchange(s), it is hereby declared that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March, 2014.

B. Non-mandatory requirements

- The Company has adopted the non-mandatory requirements as regards the provisions relating to the Remuneration Committee.
- Since the financial results are published in leading newspapers as well as promptly intimated to the stock exchanges, the same are not sent to each household of the shareholders.
- Audit Qualifications :
There are no audit qualification on the financial statements of the Company for the year 2013-14.

ANNUAL DECLARATION BY CEO PURSUANT TO CLAUSE 49(I)(D) (ii) OF THE LISTING AGREEMENT

As per the requirements of Clause 49(I)(D)(ii) of the Listing Agreement, I, Vikram Sharma, Managing Director, hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year 2013-14.

Place: Mumbai
Date: 30th May, 2014

VIKRAM SHARMA
MANAGING DIRECTOR

CORPORATE GOVERNANCE REPORT

Corporate Governance Report Certificate

To
The Members,
Supreme Infrastructure India Limited

We have examined the compliance of conditions of Corporate Governance by Supreme Infrastructure India Limited ("the Company"), for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange(s) in India. The compliance of conditions of corporate governance is the responsibility of the management. Our examination 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as

stipulated in the above mentioned Listing Agreement. On the basis of the records maintained by the Company we state that as at 31st March, 2014 there were no investor grievances pending with the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kothari H & Associates
Company Secretaries

Place: Mumbai
Dated: 30th May, 2014

Hitesh Kothari
Membership No.: FCS 6038

CERTIFICATION BY THE MANAGING DIRECTOR ON FINANCIAL STATEMENTS OF THE COMPANY for the year ended 31st March, 2014

I, Vikram Sharma, Managing Director of SUPREME INFRASTRUCTURE INDIA LIMITED, certify that:

- (a) I have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of 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 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 we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

VIKRAM SHARMA
MANAGING DIRECTOR

Place: Mumbai
Date : 30th May, 2014

INDEPENDENT AUDITORS' REPORT

To the Members of Supreme Infrastructure India Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Supreme Infrastructure India Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial

statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the financial statements dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the financial statements comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
 - e. on the basis of written representations received from the directors, as on 31 March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.-

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

per **Amyr Jassani**
Partner
Membership No: F -46447

Place: Mumbai
Date: 30 May 2014

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

per **Ronak Dharnidharka**
Partner
Membership No: 141555

Place: Mumbai
Date: 30 May 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

of even date to the members of Supreme Infrastructure India Limited, on the financial statements for the year ended 31 March 2014

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, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, a substantial part of fixed assets has not been disposed off during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) (a) The Company has granted unsecured loans to five parties covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year is ₹ 4,831,046,533 and the year-end balance is ₹ 4,831,046,533.
- (b) In respect of interest free loans granted, the principal amounts are repayable on demand. In our opinion, other terms and conditions of such loan, are not, *prima facie*, prejudicial to the interest of the Company.
- (c) In respect of interest free loans given, the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, receipt of the principal amount is regular.
- (d) There is no overdue amount in respect of loans granted to such companies, firms or other parties.
- (e) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clauses 4(iii)(f) and 4(iii)(g) of the Order are not applicable.
- (iv) In our opinion there are adequate internal control systems commensurate with the size of the Company and nature of its

business for the purchase of fixed assets. *However, the internal control system for purchase of inventory and sale of goods and services is inadequate, since the purchase order in certain cases were prepared after receiving the invoice and sales are not being updated in the Company's financial reporting system on timely basis; however, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.*

- (v) (a) In our opinion, the particulars of all contracts or arrangements that need to be entered into the register maintained under Section 301 of the Act have been so entered.
- (b) In our opinion, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) According to the information and explanations given to us, the Companies (Cost Accounting Records) Rules 2011 have become applicable to the Company during the previous year and the said rules have not prescribed any specific formats for the cost statements relating to Company's operations. In terms with the clarification issued by the Ministry of Corporate Affairs, the management believes that its records currently maintained by Company provide the information required under the said rules. 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 clause (d) of sub-section (1) of Section 209 of the Act in respect of Company's operations 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.
- (ix) (a) Undisputed statutory dues including investor education and protection fund, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues, as applicable, *have not been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect of income-tax, provident fund, employees' state insurance and Profession Tax which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:*

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT of even date to the members of Supreme Infrastructure India Limited, on the financial statements for the year ended 31 March 2014 (Contd.)

Name of the statute	Nature of the dues	Amount ₹	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Income Tax	1,005,164	April to August 2013	Various dates	Not yet paid
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	1,742,687	July to August 2013	Various dates	Not yet paid
Employees' State Insurance Act, 1948	Employees' State Insurance Corporation	550,887	April to August 2013	Various dates	Not yet paid
Profession Tax Act, 1975	Profession Tax	352,995	April to August 2013	Various dates	Not yet paid

- (b) There are no dues in respect of income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute.
- (x) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to any bank or financial institution during the year. The Company did not have any outstanding debentures during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Accordingly, provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others from banks or financial institutions are not, *prima facie*, prejudicial to the interest of the Company.
- (xvi) In our opinion, the Company has applied the term loans for the purpose for which these loans were obtained.
- (xvii) In our opinion, no funds raised on short-term basis have been used for long-term investment by the Company.
- (xviii) During the year, the Company has made preferential allotment of shares to company covered in the register maintained under Section 301 of the Act. In our opinion, the price at which shares have been issued is not, *prima facie*, prejudicial to the interest of the Company.
- (xix) The Company has neither issued nor had any outstanding debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- xxi) No fraud on or by the Company has been noticed or reported during the period covered by our audit.

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

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

per **Amyr Jassani**
Partner
Membership No: F -46447

per **Ronak Dharnidharka**
Partner
Membership No: 141555

Place: Mumbai
Date: 30 May 2014

Place: Mumbai
Date: 30 May 2014

BALANCE SHEET

as at 31 March 2014

	Notes	As at 31 March 2014	Amounts in ₹ As at 31 March 2013
Equity and liabilities			
Shareholders' funds			
Share capital	2	225,920,870	192,420,870
Reserves and surplus	3	6,026,719,704	4,575,763,747
Convertible warrants [Refer note 2(g)]		92,500,000	-
		6,345,140,574	4,768,184,617
Non-current liabilities			
Long-term borrowings	4	1,578,234,671	2,350,863,426
Deferred tax liability (net)	5	-	104,412,980
Long-term provisions	6	55,567,605	19,424,090
		1,633,802,276	2,474,700,496
Current liabilities			
Short-term borrowings	7	7,550,986,691	6,667,818,328
Trade payables	8	2,114,868,051	2,198,363,144
Other current liabilities	9	4,541,953,422	4,498,265,350
Short-term provisions	6	451,605,686	127,738,698
		14,659,413,850	13,492,185,520
Total		22,638,356,700	20,735,070,633
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	2,874,725,574	3,021,225,296
Intangible assets	11	8,951,526	15,078,243
Capital work-in-progress		-	31,196,922
Non-current investments	12	2,935,476,262	2,227,763,925
Deferred tax assets (net)	13	14,812,251	-
Long-term loans and advances	14	21,126,431	152,806,274
Other non-current assets	15	1,554,457	19,767,885
		5,856,646,501	5,467,838,545
Current assets			
Current investments	16	17,034,743	17,339,339
Inventories	17	1,807,693,703	1,706,574,365
Trade receivables	18	7,795,930,486	6,920,255,835
Cash and bank balances	19	1,082,630,256	1,297,721,604
Short-term loans and advances	14	6,078,421,011	5,325,340,945
		16,781,710,199	15,267,232,088
Total		22,638,356,700	20,735,070,633

Notes 1 to 41 form an integral part of these financial statements

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

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

For Shah & Kathariya
Chartered Accountants

For and on behalf of the Board of Directors

Amyr Jassani
Partner

Ronak Dharnidharka
Partner

B. H. Sharma
Chairman

Vikram Sharma
Managing Director

Vikas Sharma
Wholetime Director

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 30 May 2014

Place : Mumbai
Date : 30 May 2014

Place : Mumbai
Date : 30 May 2014

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2014

	Notes	Year ended 31 March 2014	Amounts in ₹ Year ended 31 March 2013
Revenue			
Revenue from operations	20	21,586,440,261	19,869,502,302
Other income	21	60,550,535	40,627,808
Total		21,646,990,796	19,910,130,110
Expenses			
Material consumed and contractor costs	22	17,292,044,930	16,016,307,848
Changes in work-in-progress	23	(120,147,220)	(70,176,244)
Employee benefits expense	24	739,090,123	536,686,641
Finance costs	25	1,350,139,830	1,191,804,550
Depreciation and amortisation	26	365,050,295	335,898,672
Other expenses	27	562,779,518	301,975,779
Total		20,188,957,476	18,312,497,246
Profit before tax		1,458,033,320	1,597,632,864
Tax expense			
Current tax		(677,000,000)	(480,000,000)
Deferred tax		119,225,231	3,110,716
Tax adjustment for earlier years		-	(24,363,970)
Profit for the year		900,258,551	1,096,379,610
Earnings per equity share (Face value of ₹ 10 each)	28		
Basic		50.88	65.47
Diluted		49.31	65.47

Notes 1 to 41 form an integral part of these financial statements

This is the statement of profit and loss referred to in our report of even date

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

Amyr Jassani
Partner

Place : Mumbai
Date : 30 May 2014

For Shah & Kathariya
Chartered Accountants

Ronak Dharnidharka
Partner

Place : Mumbai
Date : 30 May 2014

For and on behalf of the Board of Directors

B. H. Sharma
Chairman

Vikas Sharma
Wholtime Director

Place : Mumbai
Date : 30 May 2014

Vikram Sharma
Managing Director

Vijay Joshi
Company Secretary

CASH FLOW STATEMENT

for the year ended 31 March 2014

	(Amounts in ₹)	
	Year ended 31 March 2014	Year ended 31 March 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	1,458,033,320	1,597,632,864
Adjustment for:		
Depreciation and amortisation	365,050,295	335,898,672
Interest income	(50,704,658)	(37,115,213)
Dividend income	(1,695,404)	(30,963)
Provision for doubtful debts	270,300,000	30,150,000
Provision for doubtful advances	12,600,000	-
Provision for diminution in value of investment	2,300,000	-
Profit on redemption of mutual funds	(3,309,967)	(3,481,632)
Interest expenses	1,228,306,544	1,108,848,738
Operating profit before working capital changes	3,280,880,130	3,031,902,466
Adjustment for:		
(Decrease)/ increase in trade and other payables	(790,062,187)	434,876,282
Increase in inventories	(101,119,338)	(292,775,952)
Increase in trade receivables	(1,145,974,651)	(1,856,516,861)
(Increase)/ decrease in loans and advances	(695,100,941)	63,286,581
Decrease/ (Increase) in non current assets	18,213,428	27,156,053
Cash from operating activities	566,836,442	1,407,928,570
Income taxes paid	(351,546,274)	(554,342,054)
Net cash generated from operating activities	215,290,167	853,586,515
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of assets (including capital work in progress)	(120,126,216)	(519,192,854)
Purchase of investments		
- Subsidiary	(710,012,337)	(954,851,618)
- other	(5,346,510)	(3,059,611)
Sale of investment	8,961,073	37,131,632
Interest received	50,704,658	37,115,213
Dividends received	1,695,404	30,963
Net investments in bank deposits (having original maturity of more than three months)	(1,270,232)	(476,277,907)
Net cash used in investing activities	(775,394,160)	(1,879,104,182)

CASH FLOW STATEMENT

for the year ended 31 March 2014

	(Amounts in ₹)	
	Year ended 31 March 2014	Year ended 31 March 2013
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (including share premium)	619,750,000	-
Proceeds from issue of convertible warrants	92,500,000	-
Proceeds from borrowings	1,333,284,178	2,529,117,794
Repayment of borrowings	(458,485,901)	(231,366,813)
Interest paid	(1,203,838,222)	(1,108,848,738)
Dividends paid (including dividend tax)	(39,467,642)	(24,653,703)
Net cash generated from financing activities	343,742,413	1,164,248,540
Net increase/(decrease) in cash and cash equivalents	(216,361,580)	138,730,873
Cash and cash equivalents as at the beginning of the year	380,377,039	241,646,166
Cash and cash equivalents as at the end of the year (Also refer note 19)	164,015,459	380,377,039

This is the cash flow statement referred to in our report of even date

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

Amyr Jassani
Partner

Place : Mumbai
Date : 30 May 2014

For Shah & Kathariya
Chartered Accountants

Ronak Dharnidharka
Partner

Place : Mumbai
Date : 30 May 2014

For and on behalf of the Board of Directors

B. H. Sharma
Chairman

Vikas Sharma
Wholetime Director

Place : Mumbai
Date : 30 May 2014

Vikram Sharma
Managing Director

Vijay Joshi
Company Secretary

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

Corporate Information

The Company was incorporated in the year 1983 and is engaged in construction & development of roads, highways, buildings, bridges, etc. The Company also owns and operates Ready Mix Concrete ("RMC") plant, Asphalt plant and Crushing plant.

1 Significant Accounting Policies

a. Basis of accounting and preparation of financial statements

The financial statements have been prepared to comply in all material respects with the notified accounting standards by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements are prepared under the historical cost convention, on an accrual basis of accounting. The accounting policies applied are consistent with those used in the previous year.

All 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 as set out in the Revised Schedule VI to the Companies Act, 1956.

b. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amount of revenue and expenses during the reporting year. Key estimates include estimate of useful life of fixed assets, unbilled revenue, income tax and future obligations under employee retirement benefit plans. Actual results could differ from those estimates. Any revision to accounting estimates will be recognized prospectively in the current and future periods.

c. Fixed assets

Tangible assets are stated at cost of acquisition, less accumulated depreciation. Cost includes inward freight, duties, taxes, and incidental expenses related to acquisition and installation up to the point the asset is ready for its intended use. Intangible assets includes software which are not integral part of the hardware are stated at cost less accumulated amortisation. Capital work in progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, construction cost, borrowing costs capitalized and other direct expenditure.

d. Depreciation and amortisation

Depreciation on assets, other than pantoon, shuttering materials and truss, is provided on written down value method, pro rata from the period of use of assets, at the rates stipulated in Schedule XIV of the Companies Act, 1956. Pantoon, shuttering material and truss are depreciated over the period of 5 years based on the management's estimate of useful life of the asset. Individual assets costing less than ₹ 5,000 are depreciated in full in the year they are put to use. The cost of leasehold land is not amortised as these are perpetual lease.

e. Impairment of assets

The carrying amounts of the Company's assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognized in the Statement of Profit and Loss or against revaluation surplus where applicable.

f. Borrowing 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. Other borrowing costs are charged to Statement of Profit and Loss in the year in which it is accrued.

g. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments. Current investments are carried at lower of cost and net realizable value determined on an individual investment basis.

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

h. Inventories

Inventory of construction materials is stated at lower of cost and net realizable value. Cost is determined using First-in-First-out (FIFO) method.

i. Employee benefits

(a) Defined Contribution Plan

Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Fund in accordance with Employees State Insurance Corporation Act, 1948 which are defined contribution plans and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

(b) Defined Benefit Plan

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/ obligation at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/ obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the year in which such gains or losses are determined.

(c) Other Employee Benefits

The employees of the company are also entitled for Leave avilment and Encashment as per the company's policy. The liability for Leave Entitlement is provided on the basis of valuation, as at Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method. Termination benefits are recognised as an expense as and when incurred. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

j. Revenue recognition

(a) Revenue from construction contracts

The Company follows the percentage completion method, on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of the actual work done. Unbilled work-in-progress related to project works is valued at cost or estimated net realisable value, whichever is lower, till such time the outcome of the related project is ascertained realibly and at contract rates thereafter. Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented.

(b) Revenue from joint venture contracts

- (i) Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted in accordance with the accounting policy followed by the Company for an independent contract to the extent work is executed.
- (ii) In respect of contracts executed in Integrated Joint Ventures under profit sharing arrangement (assessed as Association of Persons under Income tax laws), the services rendered to the Joint Ventures are accounted as income on accrual basis. The profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the Joint Venture is reflected as investments, loans and advances or current liabilities.

(c) Dividend is recognized when the right to receive the payment is established.

(d) Interest and other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

k. Leases

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

l. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are translated at the year-end rate. Gains or losses arising out of remittance/translations at the year-end are credited / debited to the Statement of Profit and Loss except in cases of long term foreign currency monetary items where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

m. Taxation

(a) Current tax

Provision for current tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

(b) Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the financial statements' carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet dates. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in the future. Such assets are reviewed at each Balance Sheet date to reassess realization. Timing differences originating and reversing during the tax holiday period are not considered for the purposes of computing deferred tax assets and liabilities.

n. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential equity shares.

o. Provisions and Contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management's estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates. Provisions are recognized in the financial statements in respect of present probable obligations, for amounts which can be reliably estimated. 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.

		(Amounts in ₹)	
		As at	As at
	Number	31 March 2014	Number 31 March 2013
2 Share capital			
Authorised share capital			
Equity shares of ₹10 each	30,000,000	300,000,000	30,000,000 300,000,000
1% Non cumulative redeemable preference shares of ₹10 each	20,000,000	200,000,000	20,000,000 200,000,000
	50,000,000	500,000,000	50,000,000 500,000,000
Issued, subscribed and fully paid up			
Equity shares of ₹10 each	20,092,087	200,920,870	16,742,087 167,420,870
1% Non cumulative redeemable preference shares of ₹10 each	2,500,000	25,000,000	2,500,000 25,000,000
Total	22,592,087	225,920,870	19,242,087 192,420,870

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Balance at the beginning of the year	16,742,087	167,420,870	16,742,087	167,420,870
Add : Issued during the year (Refer note below)	3,350,000	33,500,000	-	-
Balance at the end of the year	20,092,087	200,920,870	16,742,087	167,420,870

During the year, the Company has issued 3,350,000 Equity Shares of face value of ₹ 10 each at a premium of ₹ 175 per share, pursuant to the resolutions passed by the Shareholders during Extra Ordinary General Meetings held on 13 December 2013, the pricing of the issue has been determined as per the SEBI guidelines.

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

b) Reconciliation of preference shares outstanding at the beginning and at the end of the reporting period

Balance at the beginning of the year	2,500,000	25,000,000	2,500,000	25,000,000
Add : Issued during the year	-	-	-	-
Balance at the end of the year	2,500,000	25,000,000	2,500,000	25,000,000

c) 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 shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. 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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Rights, preferences, restrictions & conversion terms attached to preference shares

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 (allottee). 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 redeemable 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.

e) Shareholders holding more than 5% of the shares in the Company as at balance sheet date

	Number	% Shareholding	Number	% Shareholding
Equity shares of ₹10 each				
Bhawanishankar H Sharma	3,699,000	18%	3,699,000	22%
Vikram B Sharma	3,015,832	15%	2,927,000	17%
Vikas B Sharma	1,800,000	9%	1,800,000	11%
Kitara PIIN 1101	1,650,000	8%	1,650,000	10%
BHS Housing Private Limited	1,350,000	7%	-	-
Preference shares of ₹10 each				
BHS Housing Private Limited	2,500,000	100%	2,500,000	100%

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.

f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the date 31 March, 2014.

The Company has not issued any bonus shares, shares issued for consideration other than cash and nor has there been any buy back of shares during five years immediately preceding 31 March, 2014.

g) During the year, the Company has issued 2,000,000 Warrants to BHS Housing Private Limited with a right exercise by the Warrant Holder to subscribe for one equity share of ₹ 10 each per Warrant for cash at an exercise price of ₹ 185 each. An amount equivalent to 25% of the exercise price of the equity shares arising out of the Warrants i.e. ₹ 46.25 per Warrant is paid on the application for the Warrants will be kept by the Company as application money to be adjusted and appropriated against the price of the equity shares payable by the Warrant Holder at the time of exercising the option. The balance of 75% of the exercise price of the equity shares arising out of the Warrants i.e. ₹ 138.75 per Warrant shall be paid at the time of exercise of Warrant to acquire the equity shares. The option to acquire the equity shares shall be exercised by the Warrant Holder in one or more tranches within the period of 18 months from the date of allotment of Warrants i.e. 13 December 2013. In the event the Warrant Holder does not exercise the option under the Warrants on or before the expiry of 18 months from the date of allotment of the Warrants, the Warrants shall lapse and the application money of 25% received by the Company shall stand forfeited by the Company.

h) 4,800,000 Equity shares held by the promoters of the Company are pledged as security in respect of amount borrowed by the company.

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

		(Amounts in ₹)	
		As at 31 March 2014	As at 31 March 2013
3	Reserves and surplus		
	Securities premium account		
	Balance at the beginning of the year	908,621,501	908,621,501
	Add : Amount arising on equity shares issued [Also, refer note 2 (a)]	586,250,000	-
	Balance at the end of the year	1,494,871,501	908,621,501
	General reserve		
	Balance at the beginning of the year	258,282,483	148,282,483
	Add : Transfer from statement of profit and loss	45,100,000	110,000,000
	Balance at the end of the year	303,382,483	258,282,483
	Surplus in the statement of profit and loss		
	Balance at the beginning of the year	3,408,859,763	2,461,947,795
	Add : Transferred from statement of profit and loss	900,258,551	1,096,379,610
	Less : Proposed equity dividend	30,138,131	33,484,174
	Less : Proposed preference dividend	250,000	250,295
	Less : Tax on dividends	5,164,463	5,733,173
	Less : Transfer to general reserve	45,100,000	110,000,000
	Balance at the end of the year	4,228,465,720	3,408,859,763
	Total	6,026,719,704	4,575,763,747

		(Amounts in ₹)	
		As at 31 March 2014	As at 31 March 2013
		Long Term	Current Portion
4	Long term borrowings		
	Secured		
	External commercial borrowings	167,678,442	81,735,728
	Term loans		
	From banks	697,486,831	906,790,022
	From financial institutions	713,069,398	544,010,495
	Total	1,578,234,671	1,532,536,245
	Amount disclosed under "Other current liabilities" (Also refer note 9)	-	(1,532,536,245)
		1,578,234,671	-
			2,350,863,426

External commercial borrowings

External commercial borrowings from Axis Bank carries interest @ 6 Months LIBOR plus 3.45 % per annum (quarterly rests). The loan is repayable within 7 years including moratorium of 27 months from the date of first disbursement in equal quarterly installments. The loan is 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.

Term loans from banks

- Term loan obtained from consortium bankers carries interest rate of base rate plus 2.35 % to 3.50 % and are secured by hypothecation of assets which includes all movable fixed assets of the Company and fixed assets created out of these loans and personal guarantee of Company's promoter directors. These loans are repayable over the period of 3-4 years.
- Loan from other banks carries 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 Financial Statements
for the year ended 31 March 2014

Term loans from financial institutions :

- (i) Loans from SREI Equipment Finance Limited carries interest @ base rate minus 2.19 % per annum and are repayable in 35 monthly installments 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.
- (ii) Loan from L&T Infrastructure Finance Company Limited carries interest @ L&T Infra PLR minus 3% per annum and is repayable in 5 years with a moratorium period of 12 months from the date of first disbursement. The loan is secured by first pari passu charge by way of hypothecation on the entire current assets and encumbered movable fixed assets of the Company, current and future. This loan is further secured by first charge by way of equitable mortgage on pari passu basis on the immovable properties together with all structure and appurtenances thereon, demand promissory notes and personal guarantee of the promoter directors.

		(Amounts in ₹)	
		As at 31 March 2014	As at 31 March 2013
5	Deferred tax liability (Net)		
	Deferred tax liability arising on account of :		
	Timing difference between book depreciation and depreciation as per Income Tax Act, 1961	-	127,934,001
	Total deferred tax liabilities (A)	-	127,934,001
	Deferred tax asset arising on account of :		
	Provision for bad and doubtful advances	-	6,910,784
	Provision for bad and doubtful debts	-	9,782,168
	Provision for employee benefits	-	6,828,069
	Total deferred tax assets (B)	-	23,521,021
	Net deferred tax liability (A-B)	-	104,412,980

		(Amounts in ₹)	
		As at 31 March 2014	As at 31 March 2013
		Long term	Short term
6	Provisions		
	Provision for employee benefits [Also, refer note 35B]	35,937,675	3,949,279
	Provision for leave encashment [Also, refer note 35C]	19,629,930	-
	Proposed dividend on equity shares	-	30,138,131
	Proposed dividend on preference shares	-	250,000
	Tax on proposed dividend	-	5,164,463
	Provision for taxation (net of advance tax)	-	412,103,813
		55,567,605	451,605,686
		19,424,090	127,738,698

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

	(Amounts in ₹)	
	As at 31 March 2014	As at 31 March 2013
7 Short-term borrowings		
Secured		
Cash credit facilities from banks [Also, refer note (i) below]	7,550,986,691	6,656,968,062
Unsecured		
Loans from related parties [Also, refer notes (ii) below and 31]	-	10,850,266
	7,550,986,691	6,667,818,328

Notes :

- (i) Cash Credit facilities availed from bankers are secured by first pari passu charge on the current assets of the Company and equitable mortgage of Company's office premises and property of one of the directors, extension of hypothecation charge on pari passu basis on fixed assets of the Company and assets created out of equipment loans and personal guarantee of Company's directors. These facilities are repayable on demand.
- (ii) Represents interest free loan and was repayable on demand.

8 Trade payables		
Trade payables (Also refer note 31 and 36)	2,114,868,051	2,198,363,144
	2,114,868,051	2,198,363,144

9 Other current liabilities		
Current Portion of long term borrowings (Also, refer note 4)	1,532,536,245	768,277,575
Mobilisation advances from customers (Also, refer notes 30 and 31)	2,367,771,391	2,953,876,286
Interest accrued but not due	9,440,633	3,002,113
Interest accrued and due	18,029,802	-
Retention payable	300,896,931	431,714,661
Unpaid dividends*	396,662	335,574
Unpaid share application money*	388,320	388,320
Book overdraft	66,452,750	197,618,114
Statutory dues	70,097,868	95,699,181
Employee related payables (Also, refer note 31)	165,042,820	44,567,800
Other liabilities	10,900,000	2,785,726
	4,541,953,422	4,498,265,350

* Not due for credit to Investor Education & Protection Fund

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

10 Tangible assets

(Amounts in ₹)

Gross block-	Freehold land	Leasehold land	Buildings *	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Balance as at 1 April 2012	683,567,226	5,470,000	527,233,871	2,422,531,938	12,445,403	118,193,752	9,340,856	10,305,849	3,789,088,895
Additions	-	-	64,861,585	426,428,711	40,896,296	2,522,912	2,165,916	1,937,745	538,813,165
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2013	683,567,226	5,470,000	592,095,456	2,848,960,649	53,341,699	120,716,664	11,506,772	12,243,594	4,327,902,060
Additions	-	-	76,076,473	115,118,689	615,480	13,735,859	3,257,686	3,619,670	212,423,857
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2014	683,567,226	5,470,000	668,171,929	2,964,079,338	53,957,179	134,452,523	14,764,458	15,863,264	4,540,325,917
Accumulated depreciation									
Balance as at 1 April 2012	-	-	31,375,420	840,303,476	6,124,353	86,339,350	3,500,043	6,125,358	973,768,000
Depreciation charge	-	-	25,860,653	288,097,301	6,999,615	8,683,752	1,092,381	2,175,062	332,908,764
Balance as at 31 March 2013	-	-	57,236,073	1,128,400,777	13,123,968	95,023,102	4,592,424	8,300,420	1,306,676,764
Depreciation charge	-	-	29,860,639	308,118,917	7,633,136	9,430,683	1,470,122	2,410,082	358,923,579
Balance as at 31 March 2014	-	-	87,096,712	1,436,519,694	20,757,104	104,453,785	6,062,546	10,710,502	1,665,600,343
Net block									
Balance as at 31 March 2013	683,567,226	5,470,000	534,859,383	1,720,559,872	40,217,731	25,693,562	6,914,348	3,943,174	3,021,225,296
Balance as at 31 March 2014	683,567,226	5,470,000	581,075,217	1,527,559,644	33,200,074	29,998,738	8,701,912	5,152,762	2,874,725,574

11 Intangible assets

Gross block	Computer Software	Total
Balance as at 1 April 2012	-	-
Additions	18,068,150	18,068,150
Disposals	-	-
Balance as at 31 March 2013	18,068,150	18,068,150
Additions	-	-
Disposals	-	-
Balance as at 31 March 2014	18,068,150	18,068,150
Accumulated amortisation		
Balance as at 1 April 2012	-	-
Depreciation charge	2,989,907	2,989,907
Balance as at 31 March 2013	2,989,907	2,989,907
Depreciation charge	6,126,717	6,126,717
Balance as at 31 March 2014	9,116,624	9,116,624
Net block		
Balance as at 31 March 2013	15,078,243	15,078,243
Balance as at 31 March 2014	8,951,526	8,951,526

* Title deeds of Kolkata office of ₹ 42,951,413 is yet to be executed in favour of the Company.

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Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

(Amounts in ₹)

	As at 31 March 2014		As at 31 March 2013	
	No. of Shares	Book Value	No. of Shares	Book Value
12 Non-current investments (Valued at cost, fully paid up, unless stated otherwise)				
Trade				
Investments in equity shares (unquoted) *				
In subsidiaries				
Supreme Infrastructure BOT Private Limited	10,000	100,000	10,000	100,000
Supreme Infrastructure BOT Holdings Private Limited	790,000	933,760,000	790,000	933,760,000
Supreme Panvel Indapur Tollways Private Limited	26,000	260,000	26,000	260,000
Supreme Mega Structures Private Limited	6,000	60,000	6,000	60,000
Supreme Infrastructure Overseas LLC (Face Value of Omani Riyal 1 each)	150,000	21,191,618	150,000	21,191,618
Rudranee Infrastructure Limited	12,183,648	179,952,481	12,183,648	179,952,481
Kotkapura Muksar Tollways Private Limited [Refer note (i) below]	5,099	50,990	-	-
Others				
Kalyan Sangam Infratech Limited (Face Value of ₹100 each)	390,625	39,062,500	390,625	39,062,500
Kotkapura Muksar Tollways Private Limited	-	-	4,899	48,990
Sanjose Supreme Tollways Development Private Limited	4,000	40,000	4,000	40,000
Investments in preference shares (unquoted)				
In subsidiaries				
Supreme Infrastructure BOT Holdings Private Limited [Refer note (ii) below]	95,000	160,010,337	-	-
Others				
Kalyan Sangam Infratech Limited (Face Value of ₹100 each)	609,375	60,937,500	609,375	60,937,500
Investments in debentures*				
In subsidiaries				
Supreme Infrastructure BOT Private Limited	56,000,000	560,000,000	56,000,000	560,000,000
Supreme Panvel Indapur Tollways Private Limited	98,000,000	980,000,000	43,000,000	430,000,000
Investment in unincorporated joint ventures				
Supreme Siddhi JV [50% share (31 March 2013 - 50%)]	-	2,300,000	-	2,300,000
Less: Provision for diminution in value of investment	-	(2,300,000)	-	-
Non trade				
Investments in equity shares (unquoted)*				
Others				
The Saraswat Co-op Bank Limited	2,500	50,836	2,500	50,836
		2,935,476,262		2,227,763,925
Aggregate amount of Investments				
Aggregate amount of unquoted investment at cost		2,937,776,262		2,227,763,925
Provision for diminution in value of investments		(2,300,000)		-
		2,935,476,262		2,227,763,925

* Face value of ₹ 10 each, unless otherwise stated

- (i) During the year, the Company has acquired 200 equity shares of ₹ 10 each in Kotkapura Muksar Tollways Private Limited for an aggregate amount of ₹ 2,000.
- (ii) During the year, the Company has acquired 95,000 0.001% Compulsorily Convertible Cumulative Participatory Preference Shares of ₹ 10 each of Supreme Infrastructure BOT Holdings Private Limited for an aggregate amount of ₹ 160,010,337.

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

		(Amounts in ₹)	
		As at 31 March 2014	As at 31 March 2013
13	Deferred tax assets (Net)		
	Deferred tax asset arising on account of :		
	Provision for bad and doubtful advances	11,522,610	-
	Provision for bad and doubtful debts	102,122,955	-
	Provision for diminution in value of investment	781,770	-
	Disallowance u/s 40(a)(ia) of the Income Tax Act, 1961	3,399,000	-
	Provision for employee benefits	20,229,789	-
	Total deferred tax assets (A)	138,056,124	-
	Deferred tax liability arising on account of :		
	Timing difference between book depreciation and depreciation as per Income Tax Act, 1961	123,243,873	-
	Total deferred tax liabilities (B)	123,243,873	-
	Net deferred tax asset (A-B)	14,812,251	-

		(Amounts in ₹)			
		As at 31 March 2014		As at 31 March 2013	
		Long term	Short term	Long term	Short term
14	Loans and advances				
	(Unsecured, considered good unless otherwise stated)				
	Capital advances	9,120,459	-	70,221,177	-
	Security deposits	12,005,972	697,334,624	2,585,097	658,325,887
	Loans and advances to related parties (refer note 31)				
	Due from subsidiary companies	-	4,831,046,533	-	2,832,144,738
	Due from joint ventures	-	-	-	376,196,735
	Advances recoverable in cash or kind				
	- considered good	-	191,833,944	-	638,574,557
	- considered doubtful	-	33,900,000	-	21,300,000
	Other loans and advances				
	Subscription money pending allotment	-	-	80,000,000	-
	Mobilisation and material advances	-	316,902,831	-	476,350,616
	Advances to employees	-	21,795,018	-	27,454,367
	Balances with statutory / government authorities	-	19,508,061	-	316,294,045
		21,126,431	6,112,321,011	152,806,274	5,346,640,945
	Less : Provision for doubtful advances	-	(33,900,000)	-	(21,300,000)
		21,126,431	6,078,421,011	152,806,274	5,325,340,945

		(Amounts in ₹)	
		As at 31 March 2014	As at 31 March 2013
15	Other non current assets		
	Non-current bank balances (Also, refer note 19)	1,554,457	19,767,885
		1,554,457	19,767,885

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

(Amounts in ₹)				
	No. of Units	As at 31 March 2014	No. of Units	As at 31 March 2013
16 Current investments				
Investments in mutual funds*				
(Non-trade, unquoted, at lower of cost and fair value)				
Reliance Money Manager Fund - Institutional option	177	188,333	177	188,333
(Face value of ₹ 1,000 each)				
S.B.I. Capital Protection Oriental Fund Series - I	-	-	50,000	500,000
S.B.I. Gold Fund - I-Growth plan	250,000	2,500,000	250,000	2,500,000
Axis Hybrid Fund-Series 1 - Growth plan	500,000	5,000,000	500,000	5,000,000
Axis Mid Cap Fund	-	-	250,000	2,500,000
Axis Triple Advantage Fund	-	-	264,869	2,651,006
Axis Bank Long Term Equity Fund	225,509	2,255,090	200,000	2,000,000
Axis Capital Protection Oriented Fund - Series 5 - Growth Plan	250,000	2,500,000	100,000	1,000,000
Axis Capital Protection Oriented Fund - Series 3 - Growth Plan	99,990	999,900	99,990	1,000,000
Axis Hybrid Fund - Series 8 Dividend	309,142	3,091,420	-	-
Axis Hybrid Fund - Series 8 Growth	50,000	500,000	-	-
		17,034,743		17,339,339
Aggregate market value of current investments		21,331,334		22,077,819

* Face value of ₹ 10 each, unless otherwise stated

(Amounts in ₹)		
	As at 31 March 2014	As at 31 March 2013
17 Inventories		
(as valued and certified by management)		
Construction materials	870,033,846	889,061,728
Unbilled work-in-progress	937,659,857	817,512,637
	1,807,693,703	1,706,574,365

(Amounts in ₹)		
	As at 31 March 2014	As at 31 March 2013
18 Trade receivables		
(unsecured, considered good) (Refer note 31)		
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered good [Refer note (i) below]	3,001,387,365	1,766,815,038
- Considered doubtful	300,450,000	30,150,000
	3,301,837,365	1,796,965,038
Less: Provision for doubtful debts	(300,450,000)	(30,150,000)
	3,001,387,365	1,766,815,038
Other debts [Refer note (ii) below]	4,794,543,121	5,153,440,797
	7,795,930,486	6,920,255,835
Notes:		
i. Includes retention money	251,101,211	64,715,372
ii. Includes retention money	1,477,526,084	975,943,728

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

(Amounts in ₹)

	As at 31 March 2014		As at 31 March 2013	
	Non-current	Current	Non-current	Current
19 Cash and bank balances				
Cash and cash equivalents				
Cash on hand	-	49,836,087	-	22,897,883
Balances with banks in current accounts *	-	114,179,372	-	357,479,156
	-	164,015,459	-	380,377,039
Other bank balances				
Earmarked bank balances				
- Unpaid dividend account	-	396,662	-	335,574
- IPO escrow account	-	388,320	-	388,320
Margin money **	-	917,829,814	-	871,445,829
Bank deposits with maturity of more than 3 months but less than 12 months	-	-	-	45,174,842
Bank deposits with maturity of more than 12 months ***	1,554,457	-	19,767,885	-
	1,554,457	1,082,630,256	19,767,885	1,297,721,604
Less : Amounts disclosed as Other non-current assets (Also, refer note 14)	(1,554,457)	-	(19,767,885)	-
Total	-	1,082,630,256	-	1,297,721,604

* Includes : ₹ Nil [31 March 2013 : ₹ 104,963] being unutilised money out of the public issue

** Pledged against guarantees issued by bank on behalf of the Company aggregating ₹7,299,210,147 (31 March 2013 : ₹ 6,138,527,331)

*** Includes ₹ Nil [31 March 2013 : ₹14,999,540] pledged against loans from banks

(Amounts in ₹)

	Year ended 31 March 2014	Year ended 31 March 2013
20 Revenue from operations		
Sales and contract revenue	21,586,440,261	19,869,502,302
	21,586,440,261	19,869,502,302
21 Other income		
Interest income	50,704,658	37,115,213
Dividend income	1,695,404	30,963
Profit on redemption of mutual funds	3,309,967	3,481,632
Rental income	4,840,506	-
	60,550,535	40,627,808
22 Material consumed and contractor costs		
Construction materials and components		
Opening stock	889,061,728	666,462,020
Add : Purchases during the year	7,749,285,810	6,181,551,656
Less: Closing stock	870,033,846	889,061,728
Construction materials and components consumed	7,768,313,692	5,958,951,948
Labour and sub contract costs	8,349,644,690	9,227,627,082
Power and fuel	399,553,739	218,810,599
Repairs to plant and equipment	25,271,471	32,345,361
Rent and hire charges	472,591,276	362,794,783
Transportation charges	202,754,870	140,785,217
Other	73,915,192	74,992,858
	17,292,044,930	16,016,307,848

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

	(Amounts in ₹)	
	Year ended 31 March 2014	Year ended 31 March 2013
23 Changes in work-in-progress		
Opening work in progress	817,512,637	747,336,393
Less: Closing work in progress	937,659,857	817,512,637
	(120,147,220)	(70,176,244)
24 Employee benefit expense		
Salaries, wages and bonus (Also, refer note 35C)	663,095,672	479,903,910
Contribution to provident and other defined contribution funds (Also, refer note 35A)	15,649,357	14,861,836
Contribution to gratuity (Also, refer note 35B)	18,841,895	6,263,668
Staff welfare expenses	41,503,199	35,657,227
	739,090,123	536,686,641
25 Finance costs (net)		
Interest expenses		
- External commercial borrowings	12,355,680	19,690,631
- Term loans	361,273,889	421,402,191
- Cash credit facilities	784,488,483	665,961,268
- Interest on mobilisation advance	64,430,061	910,055
- Others	5,758,431	884,593
Bank charges	121,833,286	82,955,812
	1,350,139,830	1,191,804,550
26 Depreciation and amortisation expense		
Depreciation of tangible assets (Also, refer note 10)	358,923,578	332,908,765
Amortisation of intangible assets (Also refer note 11)	6,126,717	2,989,907
	365,050,295	335,898,672
27 Other expenses		
Power and fuel	28,511,534	27,338,579
Rent (Also, refer note 39)	15,791,057	11,891,870
Repairs and maintenance	1,698,223	1,747,101
Insurance	42,860,692	36,786,758
Rates and taxes	1,449,313	1,158,069
Payments to auditors (Also, refer note 32)	4,799,550	3,679,550
Legal and professional	45,112,856	74,002,281
Provision for doubtful debts	270,300,000	30,150,000
Provision for doubtful advance	12,600,000	-
Travelling and conveyance	23,533,385	20,469,757
Printing and stationery	10,539,867	10,661,075
Communication expenses	18,721,811	12,361,887
Advertisement	12,930,607	13,315,929
Non executive directors' commission	6,250,000	6,250,000
Provision for diminution in value of investment	2,300,000	-
Directors sitting fees	1,286,000	1,030,000
Miscellaneous expenses	64,094,623	51,132,923
	562,779,518	301,975,779

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

	(Amounts in ₹)	
	Year ended 31 March 2014	Year ended 31 March 2013
28 Earnings per share (EPS)		
Weighted average number of equity shares outstanding during the year	17,687,429	16,742,087
Add:- Dilutive effect	564,384	-
Weighted average number of equity shares used to compute diluted EPS	18,251,813	16,742,087
Net Profit after tax	900,258,551	1,096,379,610
Less: Dividend on preference shares (including tax)	(292,488)	(290,556)
Net Profit after tax attributable to equity shareholders	899,966,063	1,096,089,054
Earning per share :		
Basic	50.88	65.47
Diluted	49.31	65.47

29 Commitments and Contingent Liabilities

(a) Commitments

The Company has entered into agreements with various government authorities and semi government corporations to develop road and water supply facilities on Build-operate-transfer (BOT) and Public Private Partnership (PPP) basis through its certain subsidiary 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.

(b) Corporate Guarantee given to bank on behalf of subsidiary companies amounting of Rs. 600,000,000 (31 March 2013 : Nil)

30 Mobilisation advances represents amounts taken from customers for project related expenses. These advances are subsequently adjusted at pre-determined rates against the bills raised on the customers.

31 Related Party Disclosures :

a) Names of related parties and description of relationship

A Enterprise where control exists

(i) Subsidiaries

Supreme Infrastructure BOT Private Limited
Supreme Infrastructure BOT Holdings Private Limited
Supreme Panvel Indapur Tollways Private Limited
Supreme Mega Structures Private Limited
Rudranee Infrastructure Limited
Supreme Infrastructure Overseas LLC

Subsidiaries of Supreme Infrastructure BOT Private Limited:

Supreme Manor Wada Bhiwandi Infrastructure Private Limited
Supreme Infra Projects Private Limited
Supreme Suyog Funicular Ropeways Private Limited
Kopargaon Ahmednagar Tollways (Phase I) Private Limited
Supreme Vasai Bhiwandi Tollways Private Limited (incorporated on 1 May 2013)
Supreme Tikamgarh Orcha Annuity Private Limited (incorporated on 7 February 2014)
Kotkapura Muktsar Tollways Private Limited (w.e.f 1 October 2013)

Subsidiaries of Supreme Infrastructure BOT Holdings Private Limited:

Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited
Supreme Kopargaon Ahmednagar Tollways Private Limited

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

(ii) Associates

Sanjose Supreme Tollways Development Private Limited
Kotkapura Muktsar Tollways Private Limited (till 30 September 2013)
Mohol Kurul Kamati Mandrup Tollways Private Limited

B Other related parties with whom the Company had transactions,

(i) Joint ventures

Supreme - MBL JV
Petron - Supreme JV
Supreme - Siddhi JV
Supreme Zanders JV
Supreme Brahmaputra JV
HGCL - Niraj - Supreme Infrastructure Private Limited

(ii) Key management personnel (KMP)

Mr. Bhawanishankar Sharma - Chairman
Mr. Vikram Sharma - Managing Director
Mr. Vikas Sharma - Wholetime Director
Mr. Vijay Joshi - Company Secretary

(iii) Relatives of key management personnel:

Ms. Rita Sharma
Ms. Barkha Sharma

(iv) Companies in which key management personnel or their relatives have significant influence (Other related parties)

Supreme Housing and Hospitality Private Limited
BHS Housing Private Limited

b) The transactions with related parties are as follows:

(Amount in ₹)

Transaction during the year	Subsidiaries	Associate	Joint ventures	Key Management Personnel	Relatives of Key Management Personnel	Other related parties
Contract Revenue						
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	568,850,000	-	-	-	-	-
	(1,536,142,590)	(-)	(-)	(-)	(-)	(-)
Supreme Panvel Indapur Tollways Private Limited	1,303,800,000	-	-	-	-	-
	(1,819,824,602)	(-)	(-)	(-)	(-)	(-)
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	989,171,569	-	-	-	-	-
	(2,086,230,115)	(-)	(-)	(-)	(-)	(-)
Supreme Best Value Kolhapur (Shirol) Sangli Tollways Private Limited	777,370,961	-	-	-	-	-
	(344,900,348)	(-)	(-)	(-)	(-)	(-)
Sanjose Supreme Tollways Development Private Limited	0	289,977,967	-	-	-	-
	(-)	(1,086,107,547)	(-)	(-)	(-)	(-)
Supreme Suyog Funicular Ropeways Private Limited	232,134,478	-	-	-	-	-
	(307,300,000)	(-)	(-)	(-)	(-)	(-)
HGCL Niraj Supreme Infrastructure Private Limited	-	-	438,805,348	-	-	-
	(-)	(-)	(356,500,000)	(-)	(-)	(-)
Supreme Housing and Hospitality Private Limited	-	-	-	-	-	141,027,131
	(-)	(-)	(-)	(-)	(-)	(84,400,000)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

(Amount in ₹)

Transaction during the year	Subsidiaries	Associate	Joint ventures	Key Management Personnel	Relatives of Key Management Personnel	Other related parties
Supreme Vasai Bhiwandi Tollways Private Limited	435,600,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Kotkapura Muktsar Tollways Private Limited	285,831,385	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	40,600,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Purchases						
Supreme Siddhi JV	-	-	-	-	-	-
	(-)	(-)	(224,557,048)	(-)	(-)	(-)
Transportation and hire charges						
Supreme Mega Structures Private Limited	123,339,228	-	-	-	-	-
	(27,206,580)	(-)	(-)	(-)	(-)	(-)
Labour and subcontracting						
Supreme Mega Structures Private Limited	48,664,986	-	-	-	-	-
	(130,487,691)	(-)	(-)	(-)	(-)	(-)
Expenses reimbursed to						
Supreme Kopargaon Ahmednagar Tollways Private Limited	-	-	-	-	-	-
	(31,391,695)	(-)	(-)	(-)	(-)	(-)
Refund of share application money						
Rudranee Infrastructure Limited	-	-	-	-	-	-
	(296,370,568)	(-)	(-)	(-)	(-)	(-)
Supreme Infra Projects Private Limited	-	-	-	-	-	-
	(175,324,975)	(-)	(-)	(-)	(-)	(-)
Investments in preference share						
Supreme Infrastructure BOT Holdings Private Limited	160,010,337	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Investment in equity shares						
Supreme Infrastructure BOT Holdings Private Limited	-	-	-	-	-	-
	(933,660,000)	(-)	(-)	(-)	(-)	(-)
Kotkapura Muktsar Tollways Private Limited	2,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Investment in debentures						
Supreme Panvel Indapur Tollways Private Limited	550,000,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Receipt of unsecured loan						
Mr. Bhawanishankar Sharma	-	-	-	-	-	-
	(-)	(-)	(-)	(1,646,300)	(-)	(-)
Mr. Vikram Sharma	-	-	-	-	-	-
	(-)	(-)	(-)	(2,962,200)	(-)	(-)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

(Amount in ₹)

Transaction during the year	Subsidiaries	Associate	Joint ventures	Key Management Personnel	Relatives of Key Management Personnel	Other related parties
Repayment of unsecured loan						
Mr. Bhawanishankar Sharma	-	-	-	4,688,066	-	-
	(-)	(-)	(-)	(18,799,130)	(-)	(-)
Mr. Vikram Sharma	-	-	-	2,962,200	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Ms. Rita Sharma	-	-	-	-	3,200,000	-
	(-)	(-)	(-)	(-)	(2,600,000)	(-)
Receipt of mobilisation advance						
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	4,497,452	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	-	-	-	-	-	-
	(82,643,423)	(-)	(-)	(-)	(-)	(-)
Supreme Kopargaon Ahmednagar Tollways Private Limited	-	-	-	-	-	-
	(314,375,865)	(-)	(-)	(-)	(-)	(-)
Kotkapura Muktsar Tollways Private Limited	85,000,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Tikamgarh Orcha Annuity Private Limited	53,000,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Sanjose Supreme Tollways Development Private Limited	-	725,000,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Housing and Hospitality Private Limited	-	-	-	-	-	8,728,597
	(-)	(-)	(-)	(-)	(-)	(-)
Issue of preference shares (including securities premium)						
BHS Housing Private Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(250,000,000)
Issue of convertible warrants						
BHS Housing Private Limited	-	-	-	-	-	92,500,000
	(-)	(-)	(-)	(-)	(-)	(-)
Issue of equity shares (including securities premium)						
BHS Housing Private Limited	-	-	-	-	-	249,750,000
	(-)	(-)	(-)	(-)	(-)	(-)
Remuneration to key managerial person						
Mr. Bhawanishankar Sharma	-	-	-	9,600,000	-	-
	(-)	(-)	(-)	(9,600,000)	(-)	(-)
Mr. Vikram Sharma	-	-	-	9,600,000	-	-
	(-)	(-)	(-)	(9,600,000)	(-)	(-)
Mr. Vikas Sharma	-	-	-	9,600,000	-	-
	(-)	(-)	(-)	(9,600,000)	(-)	(-)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

Transaction during the year	(Amount in ₹)					
	Subsidiaries	Associate	Joint ventures	Key Management Personnel	Relatives of Key Management Personnel	Other related parties
Mr. Vijay Joshi	-	-	-	1,640,640	-	-
	(-)	(-)	(-)	(15,24,480)	(-)	(-)
Loan given						
Supreme Infrastructure BOT Holdings Private Limited	7,232,945	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Infrastructure BOT Private Limited	2,198,482,906	-	-	-	-	-
	(1,670,023,393)	(-)	(-)	(-)	(-)	(-)
Rudranee Infrastructure Limited	-	-	-	-	-	-
	(514,092,290)	(-)	(-)	(-)	(-)	(-)
Supreme Infra Projects Private Limited	-	-	-	-	-	-
	(187,503,779)	(-)	(-)	(-)	(-)	(-)
Supreme Infrastructure Overseas LLC	26,409,013	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Repayment of loan given						
Supreme Infrastructure BOT Holdings Private Limited	-	-	-	-	-	-
	(1,187,970,798)	(-)	(-)	(-)	(-)	(-)
Rudranee Infrastructure Limited	135,999,999	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	-	-	-	-	-	-
	(56,229,964)	(-)	(-)	(-)	(-)	(-)
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	-	-	-	-	-	-
	(20,640,167)	(-)	(-)	(-)	(-)	(-)
Supreme Suyog Funicular Ropeways Private Limited	-	-	-	-	-	-
	(27,101,012)	(-)	(-)	(-)	(-)	(-)
Supreme Mega Structures Private Limited	-	-	-	-	-	-
	(8,007,747)	(-)	(-)	(-)	(-)	(-)
Sanjose Supreme Tollways Development Private Limited	-	-	-	-	-	-
	(-)	(40,430,179)	(-)	(-)	(-)	(-)
Supreme MBL JV	-	-	249,657,753	-	-	-
	(-)	(-)	(203,505,603)	(-)	(-)	(-)
HGCL Niraj Supreme Infrastructure Private Limited	-	-	126,538,982	-	-	-
	(-)	(-)	(25,506,612)	(-)	(-)	(-)
Supreme Infra Projects Private Limited	97,223,070	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

c) Balances at the year end :

(Amount in ₹)

Particulars	Subsidiaries	Associate	Joint ventures	Key Management Personnel	Relatives of Key Management Personnel	Other related parties
Short term borrowings						
Mr. Bhawanishankar Sharma	-	-	-	-	-	-
	(-)	(-)	(-)	(4,688,066)	(-)	(-)
Ms. Rita Sharma	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(3,200,000)	(-)
Mr. Vikram Sharma	-	-	-	-	-	-
	(-)	(-)	(-)	(2,962,200)	(-)	(-)
Trade payable						
Supreme Panvel Indapur Tollways Private Limited	326,091,808	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Mega Structures Private Limited	7,198,385	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	62,669,129	-	-	-	-	-
	(43,015,308)	(-)	(-)	(-)	(-)	(-)
Sanjose Supreme Tollways Development Private Limited	-	232,452,495	-	-	-	-
	(-)	(49,582,020)	(-)	(-)	(-)	(-)
Supreme Kopargaon Ahmednagar Tollways Private Limited	-	-	-	-	-	-
	(33,669,034)	(-)	(-)	(-)	(-)	(-)
Other current liabilities						
Mr. Bhawanishankar Sharma	-	-	-	3,200,000	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Vikram Sharma	-	-	-	3,200,000	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Vikas Sharma	-	-	-	3,200,000	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Vijay Joshi	-	-	-	546,880	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Mobilisation advance						
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	225,560,641	-	-	-	-	-
	(320,263,483)	(-)	(-)	(-)	(-)	(-)
Supreme Panvel Indapur Tollways Private Limited	188,579,353	-	-	-	-	-
	(318,473,187)	(-)	(-)	(-)	(-)	(-)
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	-	-	-	-	-	-
	(903,196,871)	(-)	(-)	(-)	(-)	(-)
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	4,497,452	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

Particulars	Subsidiaries	Associate	Joint ventures	Key Management Personnel	(Amount in ₹)	
					Relatives of Key Management Personnel	Other related parties
Supreme Suyog Funicular Ropeways Private Limited	1,346,757	-	-	-	-	-
	(61,222,157)	(-)	(-)	(-)	(-)	(-)
Sanjose Supreme Tollways Development Private Limited	-	985,448,700	-	-	-	-
	(-)	(365,275,340)	(-)	(-)	(-)	(-)
Kotkapura Muktsar Tollways Private Limited	85,000,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Tikamgarh Orcha Annuity Private Limited	53,000,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Housing & Hospitality Private Limited	-	-	-	-	-	8,728,597
	(-)	(-)	(-)	(-)	(-)	(-)
Trade receivable						
Supreme Mega Structures Private Limited	135,813,870	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Panvel Indapur Tollways Private Limited	95,003,073	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	75,559,382	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	-	-	-	-	-	-
	(211,323,475)	(-)	(-)	(-)	(-)	(-)
Sanjose Supreme Tollways Development Private Limited	-	685,636,087	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	135,224,598	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Suyog Funicular Ropeways Private Limited	23,483,731	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
HGCL - Niraj - Supreme Infrastructure Private Limited	-	-	120,453,305	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Housing and Hospitality Private Limited	-	-	-	-	-	122,200,008
	(-)	(-)	(-)	(-)	(-)	(-)
BHS Housing Private Limited	-	-	-	-	-	87,022,000
	(-)	(-)	(-)	(-)	(-)	(-)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

Particulars	(Amount in ₹)					
	Subsidiaries	Associate	Joint ventures	Key Management Personnel	Relatives of Key Management Personnel	Other related parties
Loan and advances						
Supreme Infrastructure BOT Holdings Private Limited	8,863,022	-	-	-	-	-
	(1,630,077)	(-)	(-)	(-)	(-)	(-)
Supreme Infrastructure BOT Private Limited	4,084,971,169	-	-	-	-	-
	(1,886,488,263)	(-)	(-)	(-)	(-)	(-)
Supreme Infra Projects Private Limited	332,711,039	-	-	-	-	-
	(429,934,109)	(-)	(-)	(-)	(-)	(-)
Rudranee Infrastructure Limited	378,092,290	-	-	-	-	-
	(514,092,289)	(-)	(-)	(-)	(-)	(-)
Supreme Infrastructure Overseas LLC	26,409,013	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme MBL JV	-	-	-	-	-	-
	(-)	(-)	(249,657,753)	(-)	(-)	(-)
HGCL Niraj Supreme Infrastructure Private Limited	-	-	-	-	-	-
	(-)	(-)	(126,538,982)	(-)	(-)	(-)

(Figures in bracket represents previous year numbers)

	(Amounts in ₹)	
	Year ended 31 March 2014	Year ended 31 March 2013
32 Auditor Remuneration (excluding service tax)		
Audit fees	4,650,000	3,550,000
Tax audit fees	25,000	25,000
Out of pocket expenses	124,550	104,550
Total	4,799,550	3,679,550
33 Expenditure in foreign currency		
Interest on external commercial borrowings	12,355,680	19,690,631
Total	12,355,680	19,690,631

34 Disclosures pursuant to Accounting Standard 7 "Construction Contracts"

Particulars	(Amounts in ₹)	
	31 March 2014	31 March 2013
A. Amount of contract revenue recognized as revenue during the year	21,586,440,261	19,869,502,302
B. Aggregate amount of cost incurred and recognized profits less recognized losses upto the reporting date on Contract under progress	27,721,334,220	17,179,265,566
Balances as at year end		
C. Amount of customer advances outstanding as on reporting date	2,367,771,391	2,953,876,286
D. Amount of retentions	1,728,627,295	1,040,659,100
E. Gross amount due from customers for contract work	937,659,857	817,512,637

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

35 Employee benefits (Unfunded)

A. Defined contribution plan

The amount of contribution to provident fund and employee state insurance scheme recognised as expenses during the year is ₹15,649,357 (31 March 2013 ₹ 14,861,836)

B. Defined benefit plan

The Company has gratuity as defined benefit retirement plan for its employees. Disclosures as required by Accounting Standard - 15 (Revised) for the year ended 31 March 2014 are as under :

(Amounts in ₹)

	31 March 2014	31 March 2013
1. Changes in the present value of defined benefit obligation		
Defined benefit obligation as at the beginning of the year	21,045,059	15,108,459
Service Cost	10,915,290	7,199,558
Interest Cost	2,620,749	1,270,319
Actuarial Losses/(Gains)	5,305,856	(2,206,209)
Benefits Paid	-	(327,068)
Defined benefit obligation as at the end of the year	39,886,954	21,045,059
2. The amount recognised in the Statement of Profit and Loss are as follows :		
Service Cost	10,915,290	7,199,558
Interest Cost	2,620,749	1,270,319
Net actuarial losses/(gain) recognised during the year	5,305,856	(2,206,209)
Expense recognised in Statement of Profit and Loss	18,841,895	6,263,668
3. The amount recognised in the balance sheet are as follows :		
Present Value of the obligation as at the end of the year	39,886,954	21,045,059
Fair Value of Plan assets as at the end of the year	-	-
Net Liability recognised in the balance sheet	39,886,954	21,045,059
4. Experience Adjustments:		
Experience (Gains)/Loss Adjustments on Plan Liabilities	5,305,856	(2,206,209)
Experience Gain/(Loss) Adjustments on Plan Assets	-	-
Assumptions used		
Discount rate	9.20%	8.20%
Future salary increase	8.50%	8.50%
Retirement Age (in years)	58	58

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.

The gratuity liabilities of the company are unfunded and hence there are no assets held to meet the liabilities.

Amounts for the current and previous annual periods are as follows:

(Amounts in ₹)

	31 March 2012	31 March 2011	31 March 2010
Present Value of the obligation as at the end of the year	15,108,459	10,498,398	6,178,358
Fair Value of Plan assets as at the end of the year	-	-	-
Net Liability recognised in the balance sheet	15,108,459	10,498,398	6,178,358
Experience (Gains)/Loss Adjustments on Plan Liabilities	(181,384)	-	-
Experience Gain/(Loss) Adjustments on Plan Assets	-	-	-

C. Other Long Term Employee Benefits

The liability for leave entitlement and compensated absences is recognized in the same manner as gratuity and amounts as at year end is ₹ 19,629,930 (31 March 2013 : NIL)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Financial Statements
for the year ended 31 March 2014

36 Micro, Small and Medium Enterprises

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the statutory auditors.

37 Joint venture disclosure

Contracts executed by following joint ventures are accounted in accordance with accounting policy no. 1(j)(ii)(a) and (b).

Name of the Company	Description of interest	Company's share
Supreme - MBL JV	Lead JV partner	60%
Petron - Supreme JV	Minority JV partner	45%
Supreme Siddhi JV	Equal JV partner	50%
Supreme Zanders JV	Lead JV partner	51%
HGCL -Niraj-Supreme Infrastructure Private Limited	Equal JV partner	50%
Supreme Brahmaputra JV	Equal JV partner	50%

38 Foreign currency transactions of the Company that are not hedged by derivative instruments or otherwise.

		(Amount)		
	Currency	As at 31 March 2014	Currency	As at 31 March 2013
External Commercial borrowings	USD	4,150,000	USD	5,510,000
	INR	249,414,170	INR	299,685,045
Loans and advances	USD	392,956	-	-
	INR	24,816,567	-	-
	Euro	18,576	-	-
	INR	1,592,445	-	-

39 Operating lease

The Company has taken various residential/commercial premises and construction equipment on cancellable operating lease. These lease agreements are normally renewed on expiry. Rental expenses in the statement of profit and loss for the year includes lease payments towards premises ₹ 15,791,057 (31 March 2013 - ₹ 11,891,870).

40 The activities of the Company comprises of only one business segment viz Engineering, Procurement and Construction ('EPC'). The Company operates in only one geographical segment viz India. Hence the Company's financial statements also represents the segmental information.

41 Previous year's figures have been regrouped or reclassified, to conform to the current year's presentation wherever considered necessary.

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

Amya Jassani
Partner

Place : Mumbai
Date : 30 May 2014

For Shah & Kathariya
Chartered Accountants

Ronak Dharnidharka
Partner

Place : Mumbai
Date : 30 May 2014

For and on behalf of the Board of Directors

B. H. Sharma
Chairman

Vikas Sharma
Wholetime Director

Place : Mumbai
Date : 30 May 2014

Vikram Sharma
Managing Director

Vijay Joshi
Company Secretary

SUMMARY OF FINANCIAL INFORMATION

of Subsidiary Companies for FY 2013-14

Sr. No.	Name of the Subsidiary Company	Supreme Infrastructure BOT Pvt. Ltd.	Supreme Panvel Indapur Tollways Pvt. Ltd.	Supreme Mega Structures Pvt. Ltd.	Supreme Manor Wadia Bhiwandi Infrastructure Pvt. Ltd.	Supreme Infra Projects Pvt. Ltd.	Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Pvt. Ltd.	Supreme Ahmednagar Karmala Tembhumri Tollways Pvt. Ltd.	Supreme Infra-structure BOT Holding- Pvt. Ltd.	Supreme Kopargaon Ahmednagar Tollways Pvt. Ltd.	Rudranee Infra-structure Limited	Supreme Suvog Funicular Ropeways Pvt. Ltd.	Kopargaon Ahmednagar Tollways (Phase II) Pvt. Ltd.	Supreme Infra-structure Overseas LLC	Supreme Vasai Bhiwandi Tollways Pvt. Ltd.	Supreme Tilkangarh Orcha Annuity Pvt. Ltd.	Kotkapura Muktsar Tollways Pvt. Ltd.	Mohol Kurul Kamati Mandrup Tollways Pvt. Ltd.
1	Country of Incorporation	India	India	India	India	India	India	India	India	India	India	India	India	Oman	India	India	India	India
2	Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	OMR	INR	INR	INR	INR
3	Share Capital	1	10	1	10	1	5	1	449.89	1	2388.95	10	1	352.03	1	1	1	1
4	Reserves *	-7748.72	-965	17049	-689.75	-1130.97	-58.16	-147.51	28834.1	-2346.48	3951.78	-1.97	-0.84	-38.48	-81.30	-0.36	-0.84	-0.84
5	Share Application Money Pending Allotment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Total Assets	66910.24	74659.54	3767.33	54503.79	9026.33	19638.68	51267.67	29957.42	20382.30	28219.61	7686.83	3638.45	1770.94	22632.47	2023.33	2905.83	4508
7	Total Liabilities	66910.24	74659.54	3767.33	54503.79	9026.33	19638.68	51267.67	29957.42	20382.30	28219.61	7686.83	3638.45	1770.94	22632.47	2023.33	2905.83	4508
8	Investments (Except investments in Subsidiaries)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Turnover/ Total Income	313.76	-	1721.38	4893.72	1220.19	-	-	307.32	4427.09	26259.51	-	-	267.97	3166.56	-	-	-
10	Profit/ (Loss) Before Taxation	-3080.26	-4.28	141.23	-5380.03	-441.1	-42.52	-116.12	12.05	-874.32	910.15	-0.56	-0.56	45.42	-81.30	-0.36	-0.56	-0.56
11	Provision For Taxation	-	-	80.31	-	-	-	-	-5.84	-	300.23	-	-	-	-	-	-	-
12	Profit After Taxation	-3080.26	-4.28	60.92	-5380.03	-441.1	-42.52	-116.12	17.89	-874.32	609.91	-0.56	-0.56	45.42	-81.30	-0.36	-0.56	-0.56
13	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: The financial statements of subsidiary Co. - Supreme Infrastructure Overseas LLC is converted into Indian Rupees on the basis of exchange rate as at the closing day of the financial year.

* Includes Profit & Loss A/c Debit Balance

For and on behalf of the Board of Directors

B. H. Sharma
Chairman

Vikram Sharma
Managing Director

Vikas Sharma
Wholesale Director

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 30 May 2014

BALANCE SHEET ABSTRACT

and Company's General Business Profile as per Schedule VI Part-(IV) of the Companies Act, 1956

I Registration Details

Registration No.

L	7	4	9	9	9	M	H	1	9	8	3	P	L	C	0	2	9	7	5	2
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

 STATE CODE

1	1
---	---

Balance Sheet Date

3	1	0	3	1	4
d	d	m	m	y	y

II Capital Raised during the Year (Amounts in ₹)

Public Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

Right Issue

N	I	L
---	---	---

Private Placement (Preferential Issue)

	3	3	5	0	0	0	0	0
--	---	---	---	---	---	---	---	---

III Position of Mobilisation & Deployment of Funds

(Amounts in ₹)

Total Liabilities

2	2	6	3	8	3	5	6	7	0	0
---	---	---	---	---	---	---	---	---	---	---

Total Assets

2	2	6	3	8	3	5	6	7	0	0
---	---	---	---	---	---	---	---	---	---	---

Sources of Funds

Paid up Capital

2	2	5	9	2	0	8	7	0
---	---	---	---	---	---	---	---	---

Reserves & Surplus

6	0	2	6	7	1	9	7	0	4
---	---	---	---	---	---	---	---	---	---

Secured Loans

9	1	2	9	2	2	1	3	6	2
---	---	---	---	---	---	---	---	---	---

Unsecured Loans

N	I	L
---	---	---

Share Application Money

N	I	L
---	---	---

Application of Funds

Net Fixed Assets

2	8	8	3	6	7	7	1	0	0
---	---	---	---	---	---	---	---	---	---

Investments

2	9	5	2	5	1	1	0	0	5
---	---	---	---	---	---	---	---	---	---

Net Current Assets

2	1	2	2	2	9	6	3	4	9
---	---	---	---	---	---	---	---	---	---

Misc Expenditure

N	I	L
---	---	---

Accumulated Losses

N	I	L
---	---	---

IV Performance of Company (Amounts in ₹)

Turnover

2	1	6	4	6	9	9	0	7	9	6
---	---	---	---	---	---	---	---	---	---	---

Total Expenditure

2	0	1	8	8	9	5	7	4	7	6
---	---	---	---	---	---	---	---	---	---	---

Profit/(Loss) before tax

1	4	5	8	0	3	3	3	2	0
---	---	---	---	---	---	---	---	---	---

Profit/(Loss) after tax

9	0	0	2	5	8	5	5	1	
---	---	---	---	---	---	---	---	---	--

(Please tick appropriate box + for profit - for loss)

+ -

+	
---	--

Earning per share in ₹

	5	0	.	8	8
--	---	---	---	---	---

Dividend rate %

1	5	.	0	0
---	---	---	---	---

V Generic Names of Three Principal products/Services of Company (As per monetary terms)

Item Code No.
(ITC CODE)

N	A
---	---

Product Description

N	A
---	---

For and on behalf of the Board

Vikram B. Sharma
Managing Director

Vikas B. Sharma
Whole Time Director

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Supreme Infrastructure India Limited

1. We have audited the accompanying consolidated financial statements of Supreme Infrastructure India Limited, ("the Company") and its subsidiaries and associates (hereinafter collectively referred to as the "Group"), which comprise the consolidated Balance Sheet as at 31 March 2014, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. 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 the financial statements of the subsidiaries and associates as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2014;
 - ii) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
 - iii) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matter

7. We did not audit the financial statements of certain subsidiaries and associates included in the consolidated financial statements, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹6,951,283,274 as at 31 March 2014; total revenues (after eliminating intra-group transactions) of ₹ Nil and net cash flows aggregating to ₹ 175,395,278 for the year then ended. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our audit opinion on the consolidated financial statements of the Group for the year then ended to the extent they relate to the financial statements not audited by us as stated in this paragraph is based solely on the audit reports of the other auditors. Our opinion is not qualified in respect of this matter.

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

per **Amyn Jassani**
Partner
Membership No: F -46447

Place: Mumbai
Date: 30 May 2014

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

per **Ronak Dharnidharka**
Partner
Membership No: 141555

Place: Mumbai
Date: 30 May 2014

CONSOLIDATED BALANCE SHEET

as at 31 March 2014

	Notes	As at 31 March 2014	As at 31 March 2013
Amounts in ₹			
Equity and liabilities			
Shareholders' funds			
Share capital	2	254,469,610	221,919,610
Reserves and surplus	3	7,135,891,543	5,827,716,022
Convertible warrants [Refer note 2(h)]		92,500,000	-
		7,482,861,153	6,049,635,632
Minority interest		817,833,046	833,578,687
Non-current liabilities			
Long-term borrowings	4	20,067,285,843	14,235,206,249
Deferred tax liability (net)	5	9,586,223	111,435,923
Long-term provisions	6	141,753,378	42,293,667
		20,218,625,444	14,388,935,839
Current liabilities			
Short-term borrowings	7	8,429,534,781	7,264,224,958
Trade payables	8	2,979,318,286	3,419,142,524
Other current liabilities	9	6,107,388,719	4,815,116,722
Short-term provisions	6	459,419,690	130,970,525
		17,975,661,476	15,629,454,729
Total		46,494,981,119	36,901,604,887
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	3,103,774,954	3,274,890,233
Intangible Assets	11	9,782,965,399	7,661,293,010
Capital work-in-progress		-	31,306,922
Intangible assets under development		15,637,475,212	7,925,698,106
Non-current investments	12	861,309,336	863,679,798
Deferred tax assets (net)	13	14,812,251	-
Long-term loans and advances	14	203,572,974	190,929,132
Other non-current assets	15	1,554,457	19,767,885
		29,605,464,583	19,967,565,086
Current assets			
Current investments	16	19,034,743	118,839,339
Inventories	17	2,445,333,213	2,302,748,915
Trade receivables	18	9,250,681,650	8,396,002,606
Cash and bank balances	19	1,422,596,529	1,988,937,384
Short-term loans and advances	14	3,751,870,401	4,127,511,557
		16,889,516,536	16,934,039,801
Total		46,494,981,119	36,901,604,887

Notes 1 to 43 form an integral part of these financial statements

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

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

For Shah & Kathariya
Chartered Accountants

Amyr Jassani
Partner

Ronak Dharnidharka
Partner

Place : Mumbai
Date : 30 May 2014

Place : Mumbai
Date : 30 May 2014

For and on behalf of the Board of Directors

B. H. Sharma
Chairman

Vikram Sharma
Managing Director

Vikas Sharma
Wholtime Director

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 30 May 2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2014

	Notes	Year ended 31 March 2014	Amounts in ₹ Year ended 31 March 2013
Revenue			
Revenue from operations	20	25,822,572,373	23,328,761,868
Other income	21	82,169,140	54,181,915
Total		25,904,741,513	23,382,943,783
Expenses			
Material consumed and contractor costs	22	19,575,973,287	18,781,914,579
Changes in work-in-progress	23	(5,814,173)	(125,695,719)
Employee benefit expense	24	812,854,519	558,966,445
Finance costs	25	2,442,928,250	1,656,932,153
Depreciation and amortisation	26	767,110,467	532,805,016
Other expenses	27	941,420,473	469,192,503
Total		24,534,472,823	21,874,114,977
Profit before tax, minority interest and share of profit/(loss) of associate		1,370,268,690	1,508,828,806
Tax expense			
Current tax		(710,998,167)	(504,931,827)
Deferred tax credit/(charge)		116,661,951	(1,610,142)
Tax adjustment for earlier years		-	(24,363,970)
Profit before minority interest and share of profit/(loss) of associate		775,932,474	977,922,867
Share of profit/(loss) of associate		-	(54,667)
Less : Share of profit/(loss) of minority interest		15,745,641	23,769,514
Net profit for the year		791,678,115	1,001,637,714
Earnings per equity share (Face value of ₹ 10 each)	28		
Basic		44.74	59.81
Diluted		43.36	59.81

Notes 1 to 43 form an integral part of these financial statements

This is the statement of profit and loss referred to in our report of even date

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

Amy Jassani
Partner

Place : Mumbai
Date : 30 May 2014

For Shah & Kathariya
Chartered Accountants

Ronak Dharnidharka
Partner

Place : Mumbai
Date : 30 May 2014

For and on behalf of the Board of Directors

B. H. Sharma
Chairman

Vikas Sharma
Wholtime Director

Place : Mumbai
Date : 30 May 2014

Vikram Sharma
Managing Director

Vijay Joshi
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2014

	Year ended 31 March 2014	Year ended 31 March 2013
Amounts in ₹		
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	1,370,268,690	1,508,828,806
Adjustment for:		
Depreciation and amortisation	767,110,467	532,806,017
Provision for resurfacing expenses	63,316,196	17,406,844
Provision for doubtful advances	12,600,000	-
Provision for doubtful debts	270,300,000	30,150,000
Provision for diminution in value of investment	2,300,000	-
Profit on redemption of mutual funds	(3,309,967)	3,481,632
Interest income	(67,596,900)	(50,498,743)
Dividend income	(2,272,837)	(91,138)
Interest expenses	2,442,928,250	1,656,932,152
Operating profit before working capital changes	4,855,643,899	3,699,015,570
Adjustment for:		
Increase in trade and other payables	445,486,104	1,251,886,119
Increase in inventories	(142,584,298)	(335,649,921)
Increase in trade receivables	(1,124,979,044)	(2,418,261,715)
Decrease in non current assets	18,213,428	27,156,053
Decrease / (Increase) in loans and advances	430,216,441	(705,726,947)
Cash generated from operating activities	4,481,996,530	1,518,419,160
Income taxes paid	(380,962,264)	(591,742,346)
Net cash generated from operating activities	4,101,034,266	926,676,814
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of tangible assets (including capital work in progress and intangible assets under development)	(11,068,029,744)	(7,250,834,429)
Investments in shares/ debentures/ mutual funds	(40,046,510)	(869,967,208)
Sale of investment	109,031,535	37,081,632
Interest received	67,596,900	50,498,743
Dividends received	2,272,837	91,138
Net investments in bank deposits (having original maturity of more than three months)	31,852,601	(370,580,798)
Net cash used in investing activities	(10,897,322,381)	(8,403,710,922)

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 March 2014

	Year ended 31 March 2014	Amounts in ₹ Year ended 31 March 2013
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from issue of equity shares	618,800,000	1,033,293,700
Proceeds from issue of convertible warrants	92,500,000	-
Proceed from issue of preference shares	-	1,091,453,380
Proceeds from borrowings	9,126,847,604	8,543,188,930
Repayment of borrowings	(1,398,904,567)	(1,097,269,211)
Interest paid	(2,138,036,622)	(1,656,932,152)
Dividends paid (including dividend tax)	(39,406,553)	(23,882,210)
Net cash generated from financing activities	6,261,799,862	7,889,852,437
Net increase/(decrease) in cash and cash equivalents	(534,488,253)	412,818,329
Cash and cash equivalents as at the beginning of the year	822,917,927	410,099,598
Cash and cash equivalents as at the end of the year (Also refer note 19)	288,429,674	822,917,927

Notes :

- All figures in bracket are outflow
- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- Cash and cash equivalent is cash and bank balance as per balance sheet including fixed deposits as the original maturity of the same is within three months.
- The cash flow statement has been prepared under indirect method as per the Accounting Standard 3 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India.

This is the consolidated cash flow statement referred to in our report of even date

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

Amyr Jassani
Partner

Place : Mumbai
Date : 30 May 2014

For Shah & Kathariya
Chartered Accountants

Ronak Dharnidharka
Partner

Place : Mumbai
Date : 30 May 2014

For and on behalf of the Board of Directors

B. H. Sharma
Chairman

Vikas Sharma
Wholetime Director

Place : Mumbai
Date : 30 May 2014

Vikram Sharma
Managing Director

Vijay Joshi
Company Secretary

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

1 Basis of Preparation

The financial statements have been prepared to comply in all material respects with the notified accounting standards by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements are prepared under the historical cost convention, on an accrual basis of accounting. The accounting policies applied are consistent with those used in the previous year.

All 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 as set out in the Revised Schedule VI to the Companies Act, 1956.

a. Principles of Consolidation

- (i) The consolidated financial statements of the group have been prepared in accordance with the Accounting Standard ('AS') 21, 'Consolidated Financial Statements' and AS 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' notified by the companies (Accounting Standards) Rules 2006 (as amended).
- (ii) The consolidated financial statements have been prepared using uniform accounting policies for the like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- (iii) The financial statement of the Company and its subsidiaries have been consolidated on a line to line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating all intra group transactions, balances and unrealised surpluses and deficit on transactions (also refer point no. iv below).
- (iv) The Build, Operate and Transfer (BOT) contracts are governed by service concession agreements with government authorities (grantor). Under these agreements, the operator does not own the road, but gets "toll collection rights" against the construction services rendered. Since the construction revenue earned by the operator is considered as exchanged with the grantor against toll collection rights, profit from such contracts is considered as realized. Accordingly, BOT contracts awarded to group companies (operator), where the work is subcontracted to holding company, the intra group transactions on BOT contracts and profits arising thereon are taken as realised and not eliminated.
- (v) The excess of the cost to the Company of its investment in a subsidiary companies over its share of the equity of the subsidiary companies at the dates on which the investment in the subsidiary companies are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and recognized separately as an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the Company, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.
- (vi) Goodwill arising out of acquisition of subsidiary company is not amortized and is tested for impairment.
- (vii) Minority interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and equity of the company's shareholders. Minority interest in the net assets of consolidated subsidiaries consists of:
 - (a) The amount of equity attributed to minority at the date on which investment in a subsidiary relationship came into existence.
 - (b) The minority share of movement in equity since the date parent subsidiary relationship came into existence.
 - (c) Minority interest share of net profit/(loss) of consolidated subsidiaries for the year is identified and adjusted against the profit after tax of the group.

b. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amount of revenue and expenses during the reporting year. Key estimates include estimate of useful life of fixed assets, unbilled revenue, income tax and future obligations under employee retirement benefit plans. Actual results could differ from those estimates. Any revision to accounting estimates will be recognized prospectively in the current and future periods.

c. Fixed assets

Fixed assets are stated at cost of acquisition, less accumulated depreciation. Cost includes inward freight, duties, taxes, and incidental expenses related to acquisition and installation up to the point the asset is ready for its intended use. Capital work in progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, construction cost, borrowing costs capitalized and other direct expenditure.

Intangible Assets

Toll Collection Rights :-Intangibles are stated at cost, less accumulated amortization and impairment losses, if any. Expenditure related to and incurred during implementation of project are included under "Intangible Assets under Development". The same

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

will be transferred to the respective intangible assets on completion of project. Intangible assets also includes software which are not integral part of the hardware are stated at cost less accumulated amortisation. Costs for toll collection rights awarded against construction service by the grantor on BOT basis include direct and indirect expenses on construction of roads, bridges, culverts etc. and infrastructure at the toll plazas.

d. Depreciation

Depreciation on assets, other than pantoon, shuttering materials and truss, is provided on written down value method, pro rata from the period of use of assets, at the rates stipulated in Schedule XIV of the Companies Act, 1956. Pantoon, shuttering material and truss are depreciated over the period of 5 years based on the management's estimate of useful life of the asset. Individual assets costing less than ₹ 5,000 are depreciated in full in the year they are put to use. The cost of leasehold land is not amortised as these are perpetual lease.

Amortisation

Toll Collection Rights are amortised over the period of concession, using revenue based amortisation as prescribed in the Schedule XIV to the Companies Act, 1956. Under this methodology, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the mangement. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

e. Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized in the statement of profit and loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use.

f. Borrowing 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. Costs incurred in raising funds are amortised equally over the period for which the funds are acquired. Other borrowing costs are charged to Statement of Profit and Loss in the year in which it is accrued.

g. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments. Current investments are carried at lower of cost and net realizable value determined on an individual investment basis.

h. Inventories

Inventory of construction materials is stated at lower of cost and net realizable value. Cost is determined on first-in-first-out basis.

i. Employee benefits

(i) Defined Contribution Plan

The Group makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Fund in accordance with Employees State Insurance Corporation Act, 1948 which are defined contribution plans and contribution paid or payable is recognised as an expense in the period in which services are rendered by the employee.

(ii) Defined Benefit Plan

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/ obligation at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/ obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the year to which such gains or losses relate.

(iii) Other employee benefits

The employees of the company are also entitled for Leave avilment and Encashment as per the company's policy. The liability for Leave Entitlement is provided on the basis of valuation, as at Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method. Termination benefits are recognised as an expense as and when incurred. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

j. Revenue recognition

(i) Revenue from construction contracts

The Group follows the percentage completion method, on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of the actual work done. Unbilled work-in-progress related to project works is valued at cost or estimated net realisable value, whichever is lower, till such time the outcome of the related project is ascertained realibly and at contract rates thereafter. Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented.

(ii) Revenue from joint venture contracts

- a. Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted in accordance with the accounting policy followed by the Group for an independent contract to the extent work is executed.
- b. In respect of contracts executed in Integrated Joint Ventures under profit sharing arrangement, the services rendered to the Joint Ventures are accounted as income on accrual basis. The profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the Joint Venture is reflected as investments, loans and advances or current liabilities.

(iii) Income from Toll Contracts

The net income from toll contracts on BOT basis are recognized on actual collection of toll revenue.

(iv) Dividend is recognized when the right to receive the payment is established.

(v) Interest and other income are accounted for on accrual basis except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

k. Leases

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease payments under operating lease are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

l. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities are translated at the year-end rate. Gains or losses arising out of remittance/translations at the year-end are credited / debited to the Statement of Profit and Loss except in cases of long term foreign currency monetary items where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

m. Cash and cash equivalents

Cash and cash equivalents for purpose of the cash flow statements comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

n. Resurfacing expenses

Resurfacing costs are recognised and measured in accordance with AS 29 "Provisions, Contingent Liabilities and Contingent Assets" i.e. at the best estimate of the expenditure required to settle the present obligation at each balance sheet date.

o. Segment reporting

Identification of segments

The Group's operating businesses are organised and managed separately taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

p. Taxation

Provision for current tax is recognized based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the financial statements' carrying amounts of existing assets and

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet dates. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in the future. Such assets are reviewed at each Balance Sheet date to reassess realization. Timing differences originating and reversing during the tax holiday period are not considered for the purposes of computing deferred tax assets and liabilities.

q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential equity shares.

r. Provisions and Contingent liabilities

A provision is recognized when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management's estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates. Provisions are recognized in the financial statements in respect of present probable obligations, for amounts which can be reliably estimated. Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group.

	As at		Amounts in ₹	
	Number	31 March 2014	Number	As at 31 March 2013
2 Share capital				
Authorised share capital				
Equity shares of ₹10 each	30,000,000	300,000,000	30,000,000	300,000,000
1% Non cumulative redeemable preference shares of ₹ 10 each	20,000,000	200,000,000	20,000,000	200,000,000
	50,000,000	500,000,000	50,000,000	500,000,000
Issued, subscribed and fully paid up				
Equity shares of ₹10 each	20,092,087	200,920,870	16,742,087	167,420,870
1% Non cumulative redeemable preference shares of ₹10 each [Also, refer note (d) below]	2,500,000	25,000,000	2,500,000	25,000,000
Preference shares issued by subsidiary companies				
0.001% Compulsorily Convertible Cumulative Participatory Preference shares of ₹ 10 each [Refer note (g) and (j) below]	2,854,874	28,548,740	2,949,874	29,498,740
Total	25,446,961	254,469,610	22,191,961	221,919,610

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Balance at the beginning of the year	16,742,087	167,420,870	16,742,087	167,420,870
Add : Issued during the year (Refer note below)	3,350,000	33,500,000	-	-
Balance at the end of the year	20,092,087	200,920,870	16,742,087	167,420,870

During the year, the Company has issued 3,350,000 Equity Shares of face value of ₹ 10 each at a premium of ₹ 175 per share, pursuant to the resolutions passed by the Shareholders during Extra Ordinary General Meetings held on 13 December 2013, the pricing of the issue has been determined as per the SEBI guidelines.

b) Reconciliation of preference shares outstanding at the beginning and at the end of the reporting period

Balance at the beginning of the year	2,500,000	25,000,000	2,500,000	25,000,000
Add : Issued during the year	-	-	-	-
Balance at the end of the year	2,500,000	25,000,000	2,500,000	25,000,000

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

c) 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 shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Rights, preferences, restrictions & conversion terms attached to preference shares

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 (allottee). 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 redeemable 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.

e) Shareholders holding more than 5% of the shares in the Company as at balance sheet date

	Number	% Shareholding	Number	% Shareholding
Equity shares of ₹10 each				
Bhawanishankar H Sharma	3,699,000	18%	3,699,000	22%
Vikram B Sharma	3,015,832	15%	2,927,000	17%
Vikas B Sharma	1,800,000	9%	1,800,000	11%
Kitara PIIN 1101	1,650,000	8%	1,650,000	10%
BHS Housing Private Limited	1,350,000	7%	-	-
Preference shares of ₹10 each				
BHS Housing Private Limited	2,500,000	100%	2,500,000	100%

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.

f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the date 31, March 2014.

The Company has not issued any bonus shares, shares issued for consideration other than cash and nor has there been any buy back of shares during five years immediately preceding 31 March 2014.

g) During the previous year ended 31 March 2013, Supreme Infrastructure BOT Holdings Private Limited, a subsidiary company had issued 2,949,874 0.001% Compulsorily Convertible Cumulative Participatory Preference shares of ₹10 each which shall be convertible into maximum of 2,949,874 Equity Shares at such times and such manner as specified in the investment agreement.

h) During the year, the Company has issued 2,000,000 Warrants to BHS Housing Private Limited with a right exercise by the Warrant Holder to subscribe for one equity share of ₹ 10 each per Warrant for cash at an exercise price of ₹ 185 each. An amount equivalent to 25% of the exercise price of the equity shares arising out of the Warrants i.e. ₹ 46.25 per Warrant is paid on the application for the Warrants will be kept by the Company as application money to be adjusted and appropriated against the price of the equity shares payable by the Warrant Holder at the time of exercising the option. The balance of 75% of the exercise price of the equity shares arising out of the Warrants i.e. ₹ 138.75 per Warrant shall be paid at the time of exercise of Warrant to acquire the equity shares. The option to acquire the equity shares shall be exercised by the Warrant Holder in one or more tranches within the period of 18 months from the date of allotment of Warrants i.e. 13 December 2013. In the event the Warrant Holder does not exercise the option under the Warrants on or before the expiry of 18 months from the date of allotment of the Warrants, the Warrants shall lapse and the application money of 25% received shall stand forfeited by the Company.

i) 4,800,000 Equity shares held by the promoters of the Company are pledged as security in respect of amount borrowed by the company.

j) During the year, the Company has acquired 95,000 0.001% Compulsorily Convertible Cumulative Participatory Preference Shares of ₹ 10 each of Supreme Infrastructure BOT Holdings Private Limited for an aggregate amount of ₹ 160,010,337.

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

		Amounts in ₹	
		As at 31 March 2014	As at 31 March 2013
3	Reserves and surplus		
	Securities premium account		
	Balance at the beginning of the year	1,970,576,141	908,621,501
	Add : Amount arising on equity shares issued [Also, refer note 2 (a)]	586,250,000	-
	Add : Premium received on issue of shares by the subsidiary company [Also, refer note 2 (g)]	-	1,061,954,640
	Less : Adjustment on account of purchase of CCPS by the parent company	(34,200,000)	-
	Balance at the end of the year	2,522,626,141	1,970,576,141
	General reserve		
	Balance at the beginning of the year	724,429,399	156,132,483
	Add : Transfer from statement of profit and loss	45,100,000	110,000,000
	Add : Increase due to dilution of stake in a subsidiary	-	458,296,916
	Balance at the end of the year	769,529,399	724,429,399
	Surplus in the statement of profit and loss		
	Balance at the beginning of the year	3,132,710,482	2,280,540,410
	Add : Transferred from statement of profit and loss	791,678,115	1,001,637,714
	Less : Proposed equity dividend	30,138,131	33,484,174
	Less : Proposed preference dividend	250,000	250,295
	Less : Tax on dividends	5,164,463	5,733,173
	Less : Transfer to general reserve	45,100,000	110,000,000
	Balance at the end of the year	3,843,736,003	3,132,710,482
	Total	7,135,891,543	5,827,716,022

		As at 31 March 2014		As at 31 March 2013	
		Long Term	Current Portion	Long Term	Current Portion
4	Long term borrowings				
	Secured				
	External commercial borrowings	167,678,442	81,735,728	225,715,597	73,969,448
	Term loans				
	From banks	15,469,518,785	1,770,260,711	10,471,677,604	1,038,195,261
	From financial institutions	4,430,088,616	553,813,098	3,537,813,048	563,091,208
	Total	20,067,285,843	2,405,809,537	14,235,206,249	1,675,255,917
	Amount disclosed under "Other current liabilities" (Also refer note 9)	-	(2,405,809,537)	-	(1,675,255,917)
		20,067,285,843	-	14,235,206,249	

External commercial borrowings

External commercial borrowings from Axis Bank carries interest @ 6 Months LIBOR plus 3.45 % per annum (quarterly rests). The loan is repayable within 7 years including moratorium of 27 months from the date of first disbursement in equal quarterly installments. The loan is 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.

Term loans from banks

- (i) Term loan obtained from consortium bankers carries interest rate of base rate plus 2.35 % to 3.50 % and are secured by hypothecation of assets which includes all movable fixed assets of the Company and fixed assets created out of these loans and personal guarantee of Company's promoter directors. These loans are repayable over the period of 3-4 years.

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

- (ii) Loan from other banks carries 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.
- (iii) Term loans from consortium of banks and financial institutions 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 concession agreement and personal guarantee of promoter directors. These Term loans carry interest in the range of Base Rate plus 1.50% to 2.75% and are repayable in 42 quarterly installments commencing from the quarter ending 31 December 2015.
- (iv) Term loan received from State Bank of India is secured by way of hypothecation of intangible assets and fixed assets of the Company. This loan carries interest rate of Prime Lending Rate plus 2.7% and is repayable in 66 monthly installments commenced from April 2012.

Term loans from financial institutions :

- (i) Loans from SREI Equipment Finance Limited carries interest @ base rate minus 2.19 % per annum and are repayable in 35 monthly installments 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.
- (ii) Loan from L&T Infrastructure Finance Company Limited carries interest @ L&T Infra PLR minus 3% per annum and is repayable in 5 years with a moratorium period of 12 months from the date of first disbursement. The loan is secured by first pari passu charge by way of hypothecation on the entire current assets and encumbered movable fixed assets of the Company, current and future. This loan is further secured by first charge by way of equitable mortgage on pari passu basis on the immovable properties together with all structure and appurtenances thereon, demand promissory notes and personal guarantee of the promoter directors.
- (iii) Term loan from L&T Infrastructure Finance Company Limited (L&T Infra) is secured by way of hypothecation of toll receipts (present and future), movable, tangible and intangible assets, receivables, cash, investment, rights, title, interest of the borrower under concession agreement and personal guarantee of promoters/directors. Further during the year, term loans were obtained from banks, secured against assets already hypothecated with L&T Infra. These term loans carry interest in the range of L&T Infra PLR minus 3% to 3.5% and is repayable in monthly installments for 12 years commencing after 1-3 year from the date of commencement of commercial operation.
- (iv) Loan from other Financial institution carries interest in the range of 12.75% to 13.75% per annum and are secured by hypothecation of the assets created out of these loans, personal guarantee of a director of the Company and demand promissory note issued by the Company.

	As at 31 March 2014	As at 31 March 2013
5 Deferred tax liability (Net)		
Deferred tax liability arising on account of :		
Timing difference between book depreciation and depreciation as per Income Tax Act, 1961	10,916,142	135,545,890
Total deferred tax liabilities (A)	10,916,142	135,545,890
Deferred tax asset arising on account of :		
Provision for bad and doubtful advances	-	6,910,784
Provision for bad and doubtful debts	-	9,782,168
Diallowance u/s 40(a) of the Income Tax Act, 1961	1,329,919	-
Provision for employee benefits	-	7,417,015
Total deferred tax assets (B)	1,329,919	24,109,967
Net deferred tax liability (A-B)	9,586,223	111,435,923

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

		Amounts in ₹	
		As at 31 March 2014	As at 31 March 2013
		Long term	Short term
		Long term	Short term
6	Provisions		
	Provision for employee benefits (Also refer note 35)	55,567,605	3,949,279
	Proposed dividend on equity shares	-	30,138,131
	Proposed dividend on preference shares	-	250,000
	Tax on proposed dividend	-	5,164,463
	Provision for resurfacing expenses (Also refer note 36)	86,185,773	-
	Provision for taxation (net of advance tax)	-	419,917,817
		141,753,378	459,419,690
		42,293,667	130,970,525

		Amounts in ₹	
		As at 31 March 2014	As at 31 March 2013
7 Short-term borrowings			
Secured		8,429,534,781	7,214,343,109
Cash credit facilities from banks [Also, refer note (i) below]			
Unsecured		-	10,850,266
Loans from related parties [Also, refer notes (ii) below and 31]		-	39,031,583
Loans from others		8,429,534,781	7,264,224,958

Notes :

- (i) Cash Credit facilities availed from bankers are secured by first pari passu charge on the current assets of the Company and equitable mortgage of Company's office premises and property of one of the directors, extension of hypothecation charge on pari passu basis on fixed assets of the Company and assets created out of equipment loans and personal guarantee of Company's directors. These facilities are repayable on demand.
- (ii) Represents interest free loan and was repayable on demand.

8 Trade payables		
Trade payables (Also refer note 31 and 37)	2,979,318,286	3,419,142,524
	2,979,318,286	3,419,142,524

9 Other current liabilities		
Current Portion of long term borrowings (Also, refer note 4)	2,405,809,537	1,675,255,917
Mobilisation advances from customers (Also, refer notes 30 and 31)	1,917,024,534	1,131,324,557
Advance toll collection	297,868	-
Interest accrued and due	128,981,331	6,589,868
Interest accrued but not due	182,500,164	-
Dues for capital expenditure	471,604,821	1,061,677,677
Retention payable	310,664,698	359,230,983
Unpaid dividends*	396,662	335,574
Unpaid share application money*	388,320	388,320
Book overdraft	75,570,904	208,211,882
Statutory dues	338,678,768	224,080,396
Employee related payables (Also, refer note 31)	174,183,393	44,567,800
Other liabilities (Also, refer note 31)	101,287,719	103,453,748
	6,107,388,719	4,815,116,722

* Not due for credit to Investor Education & Protection Fund

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

10 Tangible assets

									(Amounts in ₹)
Gross block	Freehold land	Leasehold land	Buildings *	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Balance as at 1 April 2012	701,143,575	5,470,000	531,733,483	2,715,683,407	14,649,367	127,754,363	10,819,078	10,305,849	4,117,559,122
Additions	1,150,000	-	64,861,585	469,658,198	41,450,818	2,522,912	2,698,507	2,088,075	584,430,095
Balance as at 31 March 2013	702,293,575	5,470,000	596,595,068	3,185,341,605	56,100,185	130,277,275	13,517,585	12,393,924	4,701,989,217
Additions	-	-	81,524,293	121,410,628	1,151,017	15,377,142	4,779,644	3,922,772	228,165,496
Balance as at 31 March 2014	702,293,575	5,470,000	678,119,361	3,306,752,233	57,251,202	145,654,417	18,297,229	16,316,696	4,930,154,713
Accumulated depreciation									
Balance as at 1 April 2012	-	-	32,135,819	915,238,792	7,289,541	91,234,313	4,205,726	5,964,024	1,056,068,215
Depreciation charge	-	-	26,047,614	324,294,024	7,200,427	10,069,418	1,229,981	2,189,305	371,030,769
Balance as at 31 March 2013	-	-	58,183,433	1,239,532,816	14,489,968	101,303,731	5,435,707	8,153,329	1,427,098,984
Depreciation charge	-	-	30,038,251	346,446,078	7,939,087	10,463,812	1,861,217	2,532,331	399,280,776
Balance as at 31 March 2014	-	-	88,221,684	1,585,978,894	22,429,055	111,767,543	7,296,924	10,685,660	1,826,379,760
Net block									
Balance as at 31 March 2013	702,293,575	5,470,000	538,411,635	1,945,808,789	41,610,217	28,973,544	8,081,878	4,240,595	3,274,890,233
Balance as at 31 March 2014	702,293,575	5,470,000	589,897,677	1,720,773,339	34,822,147	33,886,874	11,000,305	5,631,036	3,103,774,953

11 Intangible assets

Gross block	Toll Collection Rights	Goodwill	Computer Software	Total
Balance as at 1 April 2012	2,286,476,991	55,100,816	-	2,341,577,807
Additions	5,520,459,053	-	18,068,150	5,538,527,203
Balance as at 31 March 2013	7,806,936,044	55,100,816	18,068,150	7,880,105,010
Additions	2,364,641,743	124,860,337	-	2,489,502,080
Balance as at 31 March 2014	10,171,577,787	179,961,153	18,068,150	10,369,607,090
Accumulated amortisation				
Balance as at 1 April 2012	57,037,752	-	-	57,037,752
Amortisation charge	158,784,341	-	2,989,907	161,774,248
Balance as at 31 March 2013	215,822,093	-	2,989,907	218,812,000
Amortisation charge	361,702,974	-	6,126,717	367,829,691
Balance as at 31 March 2014	577,525,067	-	9,116,624	586,641,691
Net block				
Balance as at 31 March 2013	7,591,113,951	55,100,816	15,078,243	7,661,293,010
Balance as at 31 March 2014	9,594,052,720	179,961,153	8,951,526	9,782,965,399

* Title deeds of Kolkata office of ₹ 42,951,413 is yet to be executed in favour of the Company.

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

Amounts in ₹

	As at 31 March 2014		As at 31 March 2013	
	No. of Shares	Book Value	No. of Shares	Book Value
12 Non-current investments (Valued at cost, fully paid up, unless stated otherwise)				
Trade				
Investments in equity shares (unquoted) *				
Kalyan Sangam Infratech Limited (Face Value of ₹100 each)	390,625	39,062,500	390,625	39,062,500
Mohol Kurul Kamati Mandrup Tollways Private Limited (Became subsidiary effective from 1 April 2013)	-	-	4,900	49,000
Less : Share of loss	-	-	-	(13,764)
				35,236
Kotkapura Muksar Tollways Private Limited (Became subsidiary effective from 1 October 2013)	-	-	4,899	48,990
Less : Share of loss	-	-	-	(13,764)
				35,226
Sanjose Supreme Tollways Development Private Limited	4,000	40,000	4,000	40,000
Less : Share of loss		(40,000)		(40,000)
Investments in preference shares (unquoted)				
Kalyan Sangam Infratech Limited (Face Value of ₹100 each)	609,375	60,937,500	609,375	60,937,500
Investments in debentures*				
Sanjose Supreme Tollways Development Private Limited	76,000,000	760,000,000	76,000,000	760,000,000
Investment in unincorporated joint ventures				
Supreme Siddhi JV [50% share (31 March 2013 - 50%)]	-	2,300,000	-	2,300,000
Less: Provision for diminution in value of investment	-	(2,300,000)	-	-
		-		2,300,000
Non trade				
Investments in equity shares (unquoted)*				
The Saraswat Co-op Bank Limited	2,500	50,836	2,500	50,836
Deogiri Nagri Sahakari Bank Limited	20,350	203,500	20,350	203,500
Jankalyan Bank Limited	25,000	250,000	25,000	250,000
Janta Sahakari Bank Limited	5,000	50,000	5,000	50,000
Co-operative Society M.I.D.C.	500	5,000	500	5,000
Vaidyanath Bank	25,000	250,000	25,000	250,000
Solapur Janta Sahakari Bank Limited	50,000	500,000	50,000	500,000
		861,309,336		863,679,798
Aggregate amount of Investments				
Aggregate amount of unquoted investment at cost		863,609,336		863,679,798
Provision for diminution in value of investments		(2,300,000)		-
		861,309,336		863,679,798

* Face value of ₹ 10 each, unless otherwise stated

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

		Amounts in ₹	
		As at 31 March 2014	As at 31 March 2013
13	Deferred tax assets (Net)		
	Deferred tax asset arising on account of :		
	Provision for bad and doubtful advances	11,522,610	-
	Provision for bad and doubtful debts	102,122,955	-
	Provision for diminution in value of investment	781,770	-
	Disallowance u/s 40(a) of the Income Tax Act, 1961	3,399,000	-
	Provision for employee benefits	20,229,789	-
	Total deferred tax assets (A)	138,056,124	-
	Deferred tax liability arising on account of :		
	Timing difference between book depreciation and depreciation as per Income Tax Act, 1961	123,243,873	-
	Total deferred tax liabilities (B)	123,243,873	-
	Net deferred tax asset (A-B)	14,812,251	-

		Amounts in ₹	
		As at 31 March 2014	As at 31 March 2013
		Long term	Short term
		Long term	Short term
14	Loans and advances		
	(Unsecured, considered good unless otherwise stated)		
	Capital advances	150,040,304	-
	Security deposits	14,473,472	889,021,548
	Loans and advances to related parties (refer note 31)		
	Due from joint ventures	-	-
	Advances recoverable in cash or kind		
	- considered good	-	2,458,838,556
	- considered doubtful	-	33,900,000
	Other loans and advances		
	Subscription money pending allotment	-	-
	Mobilisation and material advances	-	356,056,639
	Advances to employees	-	21,880,435
	Advance income tax (net of provision)	36,235,448	-
	Balances with statutory / government authorities	2,823,750	26,073,223
		203,572,974	3,785,770,401
	Less : Provision for doubtful advances	-	(33,900,000)
		203,572,974	3,751,870,401
		190,929,132	4,148,811,557
		190,929,132	4,127,511,557

		Amounts in ₹	
		As at 31 March 2014	As at 31 March 2013
15	Other non current assets		
	Non-current bank balances (Also, refer note 19)	1,554,457	19,767,885
		1,554,457	19,767,885

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

		Amounts in ₹	
		As at	As at
	No. of Units	31 March 2014	No. of Units 31 March 2013
16 Current investments			
Investments in mutual funds*			
(Non-trade, unquoted, at lower of cost and fair value)			
Reliance Money Manager Fund - Institutional option	177	188,333	177 188,333
(Face value of ₹ 1,000 each)			
S.B.I. Capital Protection Oriental Fund Series - I	-	-	50,000 500,000
S.B.I. Gold Fund - I-Growth plan	250,000	2,500,000	250,000 2,500,000
Axis Hybrid Fund-Series 1 - Growth plan	500,000	5,000,000	500,000 5,000,000
Axis Mid Cap Fund	-	-	250,000 2,500,000
Axis Triple Advantage Fund	-	-	264,869 2,651,006
Axis Bank Long Term Equity Fund	225,509	2,255,090	200,000 2,000,000
Axis Capital Protection Oriented Fund - Series 5 - Growth Plan	250,000	2,500,000	100,000 1,000,000
Axis Capital Protection Oriented Fund - Series 3 - Growth Plan	99,990	999,900	99,990 1,000,000
Axis Hybrid Fund - Series 8 Dividend	309,142	3,091,420	- -
Axis Hybrid Fund - Series 8 Growth	50,000	500,000	- -
SBI Mutual Fund	-	-	10,000,000 100,000,000
Union KBC Capital Protection Fund	50,000	500,000	- -
Axis Capital Protection Oriented Fund (Face value of ₹ 100 each)	150,000	1,500,000	1,500 1,500,000
		19,034,743	118,839,339
Aggregate market value of current investments		22,477,905	123,577,819

* Face value of ₹ 10 each, unless otherwise stated

		Amounts in ₹	
		As at	As at
		31 March 2014	31 March 2013
17 Inventories			
(as valued and certified by management)			
Construction materials		1,234,492,946	1,097,722,821
Unbilled work-in-progress		1,210,840,267	1,205,026,094
		2,445,333,213	2,302,748,915
18 Trade receivables			
(unsecured, considered good)			
Outstanding for a period exceeding six months from the date they are due for payment			
- Considered good [Refer note (i) below]		3,195,554,207	1,799,150,063
- Considered doubtful		300,450,000	30,150,000
		3,496,004,207	1,829,300,063
Less: Provision for doubtful debts		(300,450,000)	(30,150,000)
		3,195,554,207	1,799,150,063
Other debts [Refer note (ii) below]		6,055,127,443	6,596,852,543
		9,250,681,650	8,396,002,606
Notes :			
i Includes retention money		251,101,211	64,715,372
ii Includes retention money		1,477,526,084	975,943,728

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

	As at 31 March 2014		As at 31 March 2013	
	Non-current	Current	Non-current	Current
19 Cash and bank balances				
Cash and cash equivalents				
Cash on hand	-	62,665,618	-	60,237,889
Balances with banks in current accounts*	-	225,764,056	-	762,680,038
	-	288,429,674	-	822,917,927
Other bank balances				
Earmarked bank balances				
- Unpaid dividend account	-	396,662	-	335,574
- IPO escrow account	-	388,320	-	388,320
Margin money **	-	971,004,103	-	928,005,829
Bank deposits with maturity of more than 3 months but less than 12 months	-	162,377,770	-	237,289,734
Bank deposits with maturity of more than 12 months ***	1,554,457	-	19,767,885	-
	1,554,457	1,422,596,529	19,767,885	1,988,937,384
Less : Amounts disclosed as Other non-current assets (Also, refer note 15)	(1,554,457)	-	(19,767,885)	-
Total	-	1,422,596,529	-	1,988,937,384

* Includes : ₹ Nil [31 March 2013 : ₹ 104,963] being unutilised money out of the public issue

** Pledged against guarantees issued by bank on behalf of the Company aggregating ₹7,299,210,147 (31 March 2013 : ₹ 6,138,527,331)

*** Includes ₹ Nil [31 March 2013 : ₹14,999,540] pledged against loans from banks

	Amounts in ₹	
	Year ended 31 March 2014	Year ended 31 March 2013
20 Revenue from operations		
Sales and contract revenue	24,454,440,723	22,876,050,068
Toll Collection	1,368,131,650	452,711,800
	25,822,572,373	23,328,761,868
21 Other income		
Interest income	67,596,900	50,498,743
Dividend income	2,272,837	91,138
Profit on redemption of mutual funds	3,309,967	3,481,632
Rental income	4,840,506	-
Other non-operating income	4,148,930	110,402
	82,169,140	54,181,915
22 Material consumed and contractor costs		
Construction materials and components		
Opening stock	1,097,722,821	887,768,619
Add : Purchases during the year	8,859,940,909	7,272,326,182
Less: Closing stock	1,234,492,946	1,097,722,821
Construction materials and components consumed	8,723,170,784	7,062,371,980
Labour and Sub contract costs	9,619,972,778	10,827,749,424
Power and Fuel	409,089,818	223,102,800
Repairs to Plant and Equipment	25,271,471	37,704,590
Rent and Hire charges	475,640,426	362,794,783
Transportation charges	210,301,479	157,939,106
Other	112,526,531	110,251,896
	19,575,973,287	18,781,914,579

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

	Amounts in ₹	
	Year ended 31 March 2014	Year ended 31 March 2013
23 Changes in work-in-progress		
Opening work in progress	1,205,026,094	1,079,330,375
Less: Closing work in progress	1,210,840,267	1,205,026,094
	(5,814,173)	(125,695,719)
24 Employee benefit expense		
Salaries, wages and bonus (Also, refer note 35C)	731,050,724	499,552,597
Contribution to gratuity (Also, refer note 35B)	18,841,895	6,263,668
Contribution to provident and other defined contribution funds (Also, refer note 35.A)	15,649,357	14,861,836
Staff welfare expenses	47,312,543	38,288,344
	812,854,519	558,966,445
25 Finance costs (net)		
Interest expenses		
- External commercial borrowings	12,355,680	19,690,631
- Term loans	1,719,312,457	1,045,981,879
- Cash credit facilities	784,488,483	665,961,268
- Interest on mobilisation advance	64,430,061	910,055
- Others	21,773,500	1,479,754
Bank charges	160,735,076	94,997,682
	2,763,095,257	1,829,021,269
Less : Interest capitalised and included in capital work in progress and intangible asset under development (Also refer note 41)	(320,167,007)	(172,089,116)
	2,442,928,250	1,656,932,153
26 Depreciation and amortisation expense		
Depreciation of tangible assets (Also, refer note 10)	399,280,776	371,030,768
Amortisation of intangible assets (Also refer note 11)	367,829,691	161,774,248
	767,110,467	532,805,016
27 Other expenses		
Power and fuel	37,557,040	30,083,662
Rent	24,405,621	12,079,874
Operation and Maintenance expense	85,715,194	27,275,109
Repairs and maintenance	44,246,020	2,963,475
Insurance	48,759,431	38,749,454
Rates and taxes	1,787,167	2,417,111
Resurfacing expenses (Also refer note 36)	63,316,196	17,406,844
Payments to auditors (Also, refer note 32)	8,053,523	6,233,885
Legal and professional	62,740,196	132,935,938
Provision for doubtful debts	270,300,000	30,150,000
Provision for doubtful advance	12,600,000	-
Travelling and conveyance	31,890,685	24,760,456
Printing and stationery	12,145,703	11,609,425
Communication expenses	22,177,841	13,395,941
Advertisement	16,895,116	14,263,689
Non executive directors' commission	6,250,000	6,250,000
Provision for diminution in value of investment	2,300,000	-
Directors sitting fees	1,286,000	1,150,000
Miscellaneous expenses	188,994,740	97,467,640
	941,420,473	469,192,503

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

	Year ended 31 March 2014	Amounts in ₹ Year ended 31 March 2013
28 Earnings per share (EPS)		
Weighted average number of equity shares outstanding during the year	17,687,429	16,742,087
Add:- Dilutive effect	564,384	-
Weighted average number of equity shares used to compute diluted EPS	18,251,813	16,742,087
Net Profit after tax	775,932,474	977,922,867
Less: Dividend on preference shares (including tax)	(292,488)	(290,556)
Less: Share of loss of associate	-	(54,667)
Less: Minority Interest	15,745,641	23,769,514
Net Profit after tax attributable to equity shareholders	791,385,628	1,001,347,158
Earning per share :		
Basic	44.74	59.81
Diluted	43.36	59.81

29 Commitments and Contingent Liabilities

(a) Commitments

(i) Capital commitment

Contracts remaining to be executed on capital account not provided for ₹ 820,000,000 (31 March 2013 - ₹ 12,071,495,553)

(ii) Other commitment

The Company has entered into agreements with various government authorities and semi government corporations to develop road and water supply facilities on Build-operate-transfer (BOT) and Public Private Partnership (PPP) basis through its certain subsidiary 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.

(b) Corporate Guarantee given to bank on behalf of subsidiary companies amounting of ₹ 600,000,000 (31 March 2013 : Nil)

30 Mobilisation advances include amounts taken from customers for project related expenses. These advances are subsequently adjusted at pre-determined rates against the bills raised on the customers.

31 Related Party Disclosures :

a) Names of related parties and description of relationship

A Associates

Sanjose Supreme Tollways Development Private Limited
Kotkapura Muktsar Tollways Private Limited (became subsidiary w.e.f 1 October 2013)
Mohol Kurul Kamati Mandrup Tollways Private Limited (became subsidiary w.e.f 1 April 2013)

B Joint ventures

Supreme - MBL JV
Petron - Supreme JV
Supreme - Siddhi JV
Supreme Zanders JV
Supreme Brahmaputra JV
HGCL -Niraj-Supreme Infrastructure Private Limited

C Key management personnel (KMP)

Mr. Bhawanishankar Sharma - Chairman
Mr. Vikram Sharma - Managing Director
Mr. Vikas Sharma - Wholetime Director
Mr. Vijay Joshi - Company Secretary
Mr. Rajesh Devendra Upadhyaya - Director of Subsidiary

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

D Relatives of key management personnel:

Ms. Rita Sharma
Ms. Barkha Sharma

E Companies in which key management personnel or their relatives have significant influence (Other related parties)

Supreme Housing and Hospitality Private Limited
BHS Housing Private Limited

b) The transactions with related parties for the year are as follows:

(Amount in ₹)						
Transaction during the year	Subsidiaries	Associate	Joint ventures	Key Management Personnel	Relatives of Key Management Personnel	Other related parties
Contract Revenue						
Supreme Manor Wada Bhiwandi Infrastructure Private Limited	568,850,000	-	-	-	-	-
	(1,536,142,590)	(-)	(-)	(-)	(-)	(-)
Supreme Panvel Indapur Tollways Private Limited	1,303,800,000	-	-	-	-	-
	(1,819,824,602)	(-)	(-)	(-)	(-)	(-)
Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited	989,171,569	-	-	-	-	-
	(2,086,230,115)	(-)	(-)	(-)	(-)	(-)
Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited	777,370,961	-	-	-	-	-
	(344,900,348)	(-)	(-)	(-)	(-)	(-)
Sanjose Supreme Tollways Development Private Limited	-	289,977,967	-	-	-	-
	(-)	(1,086,107,547)	(-)	(-)	(-)	(-)
Supreme Suyog Funicular Ropeways Private Limited	232,134,478	-	-	-	-	-
	(307,300,000)	(-)	(-)	(-)	(-)	(-)
HGCL Niraj Supreme Infrastructure Private Limited	-	-	438,805,348	-	-	-
	(-)	(-)	(356,500,000)	(-)	(-)	(-)
Supreme Housing and Hospitality Private Limited	-	-	-	-	-	141,027,131
	(-)	(-)	(-)	(-)	(-)	(84,400,000)
Supreme Vasai Bhiwandi Tollways Private Limited	435,600,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Kotkapura Muksar Tollways Private Limited	285,831,385	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Kopargaon Ahmednagar Tollways (Phase I) Private Limited	40,600,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Purchases						
Supreme Siddhi JV	-	-	-	-	-	-
	(-)	(-)	(224,557,048)	(-)	(-)	(-)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

Transaction during the year	Subsidiaries	Associate	Joint ventures	Key Management Personnel	(Amount in ₹)	
					Relatives of Key Management Personnel	Other related parties
Receipt of unsecured loan						
Mr. Bhawanishankar Sharma	-	-	-	-	-	-
	(-)	(-)	(-)	(1,646,300)	(-)	(-)
Mr. Vikram Sharma	-	-	-	-	-	-
	(-)	(-)	(-)	(2,962,200)	(-)	(-)
Repayment of unsecured loan						
Mr. Bhawanishankar Sharma	-	-	-	4,688,066	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Vikram Sharma	-	-	-	2,962,200	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Ms. Rita Sharma	-	-	-	-	3,200,000	-
	(-)	(-)	(-)	(-)	(2,600,000)	(-)
Receipt of mobilisation advance						
Sanjose Supreme Tollways Development Private Limited	-	725,000,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Housing and Hospitality Private Limited	-	-	-	-	-	8,728,597
	(-)	(-)	(-)	(-)	(-)	(-)
Issue of preference shares (including securities premium)						
BHS Housing Private Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(250,000,000)
Issue of convertible warrants						
BHS Housing Private Limited	-	-	-	-	-	92,500,000
	(-)	(-)	(-)	(-)	(-)	(-)
Issue of equity shares (including securities premium)						
BHS Housing Private Limited	-	-	-	-	-	249,750,000
	(-)	(-)	(-)	(-)	(-)	(-)
Directors remuneration						
Mr. Bhawanishankar Sharma	-	-	-	9,600,000	-	-
	(-)	(-)	(-)	(9,600,000)	(-)	(-)
Mr. Vikram Sharma	-	-	-	9,600,000	-	-
	(-)	(-)	(-)	(9,600,000)	(-)	(-)
Mr. Vikas Sharma	-	-	-	9,600,000	-	-
	(-)	(-)	(-)	(9,600,000)	(-)	(-)
Mr. Vijay Joshi	-	-	-	1,640,640	-	-
	(-)	(-)	(-)	(15,24,480)	(-)	(-)
Mr. Rajesh Devendra Upadhyaya	-	-	-	7,862,533	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Repayment of loan given						
Sanjose Supreme Tollways Development Private Limited	-	-	-	-	-	-
	(-)	(40,430,179)	(-)	(-)	(-)	(-)
Supreme MBL JV	-	-	249,657,753	-	-	-
	(-)	(-)	(203,505,603)	(-)	(-)	(-)
HGCL Niraj Supreme Infrastructure Private Limited	-	-	126,538,982	-	-	-
	(-)	(-)	(25,506,612)	(-)	(-)	(-)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

c) Balances at the year end :

(Amount in ₹)						
Particulars	Subsidiaries	Associate	Joint ventures	Key Management Personnel	Relatives of Key Management Personnel	Other related parties
Short term borrowings						
Mr. Bhawanishankar Sharma	-	-	-	-	-	-
	(-)	(-)	(-)	(4,688,066)	(-)	(-)
Ms. Rita Sharma	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(3,200,000)	(-)
Mr. Vikram Sharma	-	-	-	-	-	-
	(-)	(-)	(-)	(2,962,200)	(-)	(-)
Trade payable						
Sanjose Supreme Tollways Development Limited	-	232,452,495	-	-	-	-
	(-)	(49,582,020)	(-)	(-)	(-)	(-)
Other current liabilities						
Mr. Bhawanishankar Sharma	-	-	-	3,200,000	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Vikram Sharma	-	-	-	3,200,000	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Vikas Sharma	-	-	-	3,200,000	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Vijay Joshi	-	-	-	546,880	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Mr. Rajesh Devendra Upadhyaya	-	-	-	6,665,157	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Mobilisation advance						
Sanjose Supreme Tollways Development Private Limited	-	985,448,700	-	-	-	-
	(-)	(365,275,340)	(-)	(-)	(-)	(-)
Supreme Housing & Hospitality Private Limited	-	-	-	-	-	8,728,597
	(-)	(-)	(-)	(-)	(-)	(-)
Trade receivable						
Sanjose Supreme Tollways Development Private Limited	-	685,636,087	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
HGCL - Niraj - Supreme Infrastructure Private Limited	-	-	120,453,305	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Supreme Housing and Hospitality Private Limited	-	-	-	-	-	122,200,008
	(-)	(-)	(-)	(-)	(-)	(-)
BHS Housing Private Limited	-	-	-	-	-	87,022,000
	(-)	(-)	(-)	(-)	(-)	(-)
Loan and advances						
Supreme MBL JV	-	-	-	-	-	-
	(-)	(-)	(249,657,753)	(-)	(-)	(-)
HGCL Niraj Supreme Infrastructure Private Limited	-	-	-	-	-	-
	(-)	(-)	(126,538,982)	(-)	(-)	(-)

(Figures in bracket represents previous year numbers)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements for the year ended 31 March 2014

	Year ended 31 March 2014	Amounts in ₹ Year ended 31 March 2013
32 Auditor Remuneration (excluding service tax)		
Audit fees	7,735,433	6,104,335
Tax audit fees	25,000	25,000
Out of pocket expenses	124,550	104,550
Total	7,884,983	6,233,885

33 Disclosures pursuant to Accounting Standard 7 (AS - 7) "Construction Contracts"

Particulars	As at 31 March 2014	Amounts in ₹ As at 31 March 2013
A. Amount of contract revenue recognized as revenue during the year	24,454,440,723	22,876,050,068
B. Aggregate amount of cost incurred and recognized profits less recognized losses upto the reporting date on Contract under progress	30,921,812,680	19,988,475,961
Balances as at year end		
C. Amount of customer advances outstanding as on reporting date	1,917,024,534	1,131,324,557
D. Amount of retentions	1,728,627,295	1,040,659,100
E. Gross amount due from customers for contract work	1,210,840,267	1,205,026,094

34 Intra-group Turnover and Profits on BOT Construction Contracts

The BOT contract are governed by service concession agreement with government (grantor). Under these agreement, the operator does not own the road, but gets "toll collection rights" against the cost incurred for construction services. Since the construction cost incurred by the operator is considered as exchanged with the grantor against toll collection rights, profit from such contracts is considered as realized.

Accordingly, BOT contract awarded to group companies (operator), where work is subcontracted to fellow subsidiaries, the intra group transactions on BOT contracts and the profits arising thereon are taken as realized and not eliminated for consolidation under Accounting Standard 21.

The revenue and profit in respect of these transaction during the year is ₹ 4,637,500,000 (31 March 2013: ₹ 6,094,397,655) and ₹ 329,300,000 (31 March 2013: ₹ 700,800,350) respectively.

35 Employee benefits (Unfunded)

A. Defined contribution plan

The amount of contribution to provident fund and employee State insurance scheme recognised as expenses during the year is ₹ 15,649,357 (31 March 2013 ₹ 14,861,836)

B. Defined benefit plan

The Company has gratuity as defined benefit retirement plan for its employees. Disclosures as required by Accounting Standard - 15 (Revised) for the year ended 31 March 2014 are as under :

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements for the year ended 31 March 2014

	As at 31 March 2014	As at 31 March 2013
1. Changes in the present value of defined benefit obligation		
Defined benefit obligation as at the beginning of the year	21,045,059	15,108,459
Service Cost	10,915,290	7,199,558
Interest Cost	2,620,749	1,270,319
Actuarial Losses/(Gains)	5,305,856	(2,206,209)
Benefits Paid	-	(327,068)
Defined benefit obligation as at the end of the year	39,886,954	21,045,059
2. The amount recognised in the Statement of Profit and Loss are as follows :		
Service Cost	10,915,290	7,199,558
Interest Cost	2,620,749	1,270,319
Net actuarial losses/(gain) recognised during the year	5,305,856	(2,206,209)
Expense recognised in Statement of Profit and Loss	18,841,895	6,263,668
3. The amount recognised in the balance sheet are as follows :		
Present Value of the obligation as at the end of the year	39,886,954	21,045,059
Fair Value of Plan assets as at the end of the year	-	-
Net Liability recognised in the balance sheet	39,886,954	21,045,059
4. Experience Adjustments:		
Experience (Gains)/Loss Adjustments on Plan Liabilities	5,305,856	(2,206,209)
Experience Gain/(Loss) Adjustments on Plan Assets	-	-
Assumptions used		
Discount rate	9.20%	8.20%
Future salary increase	8.50%	8.50%
Retirement Age (in years)	58	58

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.

The gratuity liabilities of the company are unfunded and hence there are no assets held to meet the liabilities.

Amounts for the current and previous annual periods are as follows:

	31 March 2012	31 March 2011	31 March 2010
Present value of the obligation as at the end of the year	15,108,459	10,498,398	6,178,358
Fair value of plan assets as at the end of the year	-	-	-
Net liability recognised in the balance sheet	15,108,459	10,498,398	6,178,358
Experience (gains)/loss adjustments on plan liabilities	(181,384)	-	-
Experience gain/(loss) adjustments on plan assets	-	-	-

C. Other Long Term Employee Benefits

The liability for leave entitlement and compensated absences is recognized in the same manner as gratuity and amounts as at year end is ₹ 19,629,930 (31 March 2013 : NIL)

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

36 Resurfacing expenses

The Group has a contractual obligation to maintain, replace or restore infrastructure at the end of each concession period. The Group has recognised the provision in accordance with Accounting Standard (AS) – 29, Provision, 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 to be paid out at the end of the concession period.

Amounts in ₹

Particulars	As at 31 March 2014	As at 31 March 2013
Opening Balance	22,869,577	5,462,733
Obligation on new toll projects	63,316,196	17,406,844
Utilised/Reversed during the year	-	-
Unused amount reversed during the year	-	-
Closing balance	86,185,773	22,869,577

37 Micro, small and medium enterprises

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 March 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the statutory auditors.

38 Details of subsidiaries and associate whose financial statements have been consolidated as at 31 March 2014 are given below

		Proportion of ownership interest either directly or indirectly	
Sr. No.	Name of the Company	As at 31 March 2014	As at 31 March 2013
Subsidiaries and sub - subsidiaries*			
1	Supreme Infrastructure BOT Private Limited ('SIBPL')	100%	100%
2	Supreme Manor Wada Bhiwandi Infrastructure Private Limited (Subsidiary of SIBPL) (Subsidiary due to control over composition of Board of Directors)	49%	49%
3	Supreme Infra Projects Private Limited (Subsidiary of SIBPL)	100%	100%
4	Supreme Suyog Funicular Ropeways Private Limited (Subsidiary of SIBPL)	98%	98%
5	Supreme Infrastructure BOT Holdings Private Limited ('SIBHPL')	51%	51%
6	Supreme Best Value Kolhapur (Shiroli) Sangli Tollways Private Limited (Subsidiary of SIBHPL)	90%	90%
7	Supreme Ahmednagar Karmala Tembhurni Tollways Private Limited (Subsidiary of SIBHPL)	100%	100%
8	Supreme Kopargaon Ahmednagar Tollways Private Limited (Subsidiary of SIBHPL)	100%	100%
9	Supreme Mega Structures Private Limited	60%	60%
10	Supreme Panvel Indapur Tollways Private Limited	64% (38% held through subsidiary)	64% (38% held through subsidiary)
11	Rudranee Infrastructure Limited	51%	51%
12	Supreme Infrastructure Overseas LLC, incorporated in Oman	60%	60%
13	Kopargaon Ahmednagar Tollways (Phase I) Private Limited (Subsidiary of SIBPL)	100%	100%
14	Kotkapura Muktsar Tollways Private Limited	74% (48% held through subsidiary)	-
15	Supreme Vasai Bhiwandi Tollways Private Limited (Subsidiary of SIBPL)	100%	-
16	Supreme Tikamgarh Orcha Annuity Private Limited (Subsidiary of SIBPL)	100%	-
17	Mohol Kurul Kamati Mandrup Tollways Private Limited (Subsidiary due to control over composition of Board of Directors)	49%	
Associate			
1	Sanjose Supreme Tollways Development Private Limited	40%	40%
2	Kotkapura Muktsar Tollways Private Limited	-	49%
3	Mohol Kurul Kamati Mandrup Tollways Private Limited	-	49%

* Entities incorporated in India, unless otherwise stated

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

39 Joint venture disclosure

Contracts executed by following joint ventures are accounted in accordance with accounting policy no. 1(j)(ii)(a) and (b).

Name of the Company	Description of interest	Company's share
Supreme - MBL JV	Lead JV partner	60%
Petron - Supreme JV	Minority JV partner	45%
Supreme Siddhi JV (India)	Equal JV partner	50%
Supreme Zanders JV	Lead JV partner	51%
HGCL -Niraj-Supreme Infrastructure Private Limited	Equal JV partner	50%
Supreme - Bramhputra JV (India)	Equal JV partner	50%

40 Foreign currency transactions of the Company that are not hedged by derivative instruments or otherwise.

	Currency	As at 31 March 2014	Currency	Amount As at 31 March 2013
External Commercial borrowings	USD	4,150,000	USD	5,510,000
	INR	249,414,170	INR	299,685,045

41 Capitalization of interest and upfront fees on loan taken by the Parent Company to intangible asset under development

The Company in the current year has taken loan from SREI Infrastructure Finance Limited which were utilised by the Company for investment in the equity shares and optionally convertible debentures of certain subsidiaries. To the extent that the amounts were utilised by the Company for construction of qualifying assets, the related interest and upfront fees incurred represents 'Borrowing cost' within the meaning of borrowing costs as given under AS 16 'Borrowing costs' in the Companies (Accounting Standard) Rules, 2006.

Accordingly in the Consolidated Balance Sheet of the Group such expenditure amounting to ₹ 320,167,007 (31 March 2013 : ₹ 172,089,116) has been added to intangible asset under development.

42 Segment Information

- The Company has disclosed business segment as primary segment. Segments have been identified taking in to account the nature of the services, the differing risks and returns, the organisational structure and internal reporting system.
- The Company's operations predominantly relate to Engineering, Procurement and Construction ('EPC') segment and Road Infrastructure Projects. Road Infrastructure segment is related to BOT projects.
- The accounting policies of the segments are the same as those described in the summary of significant accounting policies as referred to in Note 1.
- For the purpose of reporting, business segment is the primary segment and the geographical segment is the secondary segment.
- Segment revenue, segment results, segment assets, Segment liabilities include the respective amount identifiable to each of the segments as also amount allocated on reasonable basis.
- The net expenses, which are not directly attributable to the business segment, are shown as unallocated corporate expenses.
- Assets and Liabilities that can not be allocated between the segments are shown as a part of unallocated Corporate Assets and Liabilities respectively.

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

Information about Primary Business Segments

Particulars	EPC		Road Infrastructure		Total	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Revenue						
Total external revenue	19,769,885,830	16,781,652,413	1,419,328,150	452,711,800	21,189,213,980	17,234,364,213
Inter segment revenue	4,633,358,394	6,094,397,655	-	-	4,633,358,394	6,094,397,655
Total revenue	24,403,244,223	22,876,050,068	1,419,328,150	452,711,800	25,822,572,373	23,328,761,868
Results						
Segment results	3,009,947,090	2,957,382,731	721,080,710	154,196,312	3,731,027,800	3,111,579,043
Unallocated corporate expenses	-	-	-	-	-	-
Operating profit	-	-	-	-	3,731,027,800	3,111,579,043
Other income	-	-	-	-	82,169,140	54,181,915
Financial expenses	-	-	-	-	2,442,928,249	1,656,932,152
Profit before tax	-	-	-	-	1,370,268,691	1,508,828,806
Current tax	-	-	-	-	(710,998,167)	(504,931,827)
Deferred tax	-	-	-	-	116,661,951	(1,610,142)
Tax adjustment for earlier years	-	-	-	-	-	(24,363,970)
Net profit after tax but before minority interest	-	-	-	-	775,932,475	977,922,867
Less: Share of loss of associate	-	-	-	-	-	(54,667)
Less : Share of profit/(loss) of minority interest	-	-	-	-	15,745,641	23,769,514
Net profit	-	-	-	-	791,678,116	1,001,637,714
Other information						
Segment assets	15,079,066,949	18,583,604,814	31,364,866,471	18,318,000,073	46,443,933,421	36,901,604,887
Unallocated corporate assets	-	-	-	-	51,047,699	-
Total assets	15,079,066,949	18,583,604,814	31,364,866,471	18,318,000,073	46,494,981,120	36,901,604,887
Segment Liabilities	5,037,377,630	6,034,372,588	1,824,775,094	2,320,577,932	6,862,152,724	8,354,950,519
Unallocated corporate liabilities	-	-	-	-	32,149,967,246	22,497,018,735
Total liabilities	5,037,377,630	6,034,372,588	1,824,775,094	2,320,577,932	39,012,119,970	30,851,969,255
Capital expenditure	397,313,711	(320,758,140)	10,000,824,050	8,414,266,897	10,398,137,761	8,093,508,758
Depreciation and amortisation	401,394,731	369,902,395	365,715,737	162,903,621	767,110,468	532,806,016
Non- cash expenses other than depreciation and amortisation	-	-	-	-	-	-

SUMMARY OF SIGNIFICANT ACCOUNTING

Policies and other Explanatory Information to the Consolidated Financial Statements
for the year ended 31 March 2014

Information about Secondary Segments

Particulars	31 March 2014	31 March 2013
1 Segment Revenue		
In India	25,798,251,086	23,328,761,868
Outside India	24,321,287	-
Total	25,822,572,373	23,328,761,868
2 Segment Assets		
In India	46,266,839,129	36,874,735,725
Outside India	177,094,292	26,869,162
Total	46,443,933,421	36,901,604,887
Unallocated	51,047,699	-
Total	46,494,981,120	36,901,604,887
3 Capital expenditure		
In India	10,396,767,764	8,093,508,758
Outside India	1,369,997	-
Total	10,398,137,761	8,093,508,758
Unallocated	-	-
Total	10,398,137,761	8,093,508,758

43 Previous year's figures have been regrouped or reclassified, to confirm to the current year's presentation wherever considered necessary.

For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants

Amyr Jassani
Partner

Place : Mumbai
Date : 30 May 2014

For Shah & Kathariya
Chartered Accountants

Ronak Dharnidharka
Partner

Place : Mumbai
Date : 30 May 2014

For and on behalf of the Board of Directors

B. H. Sharma
Chairman

Vikas Sharma
Wholtime Director

Place : Mumbai
Date : 30 May 2014

Vikram Sharma
Managing Director

Vijay Joshi
Company Secretary

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, Relating to Company's Interest in Subsidiary Companies.

Sr. No.	Name of the Subsidiary Company	(Amounts in ₹)													Mohol Kurul Mandrup Tollways Pvt. Ltd.
		Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Supreme Infra-structure BOT Pvt. Ltd.	Kotka-pura Muktasr Tollways Pvt. Ltd.	
1.	Financial Year ended on	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014	31/03/2014
2.	Number of Shares and face value of the Subsidiary held by the Company as on the above date	9999 Equity Shares of ₹10/- each.	49000 Equity Shares of ₹10/- each.	49000 Equity Shares of ₹10/- each.	9999 Equity Shares of ₹10/- each.	9999 Equity Shares of ₹10/- each.	9999 Equity Shares of ₹10/- each.	9999 Equity Shares of ₹10/- each.	9999 Equity Shares of ₹10/- each.	9999 Equity Shares of ₹10/- each.	9999 Equity Shares of ₹10/- each.	9999 Equity Shares of ₹10/- each.	9999 Equity Shares of ₹10/- each.	9999 Equity Shares of ₹10/- each.	4900 Equity Shares of ₹10/- each.
3.	Extent of Holding	26% (38% held through SIBPL)	100%	49%	60%	100%	100%	100%	100%	100%	100%	100%	100%	26% (48% held through SIBPL)	49%
4.	The net aggregate amount of Profit/Loss of the Subsidiary so far as it concerns the members of the Holding Company and is dealt with in account of Holding Company.														
1.	For financial year ended on March 31, 2014	(308,026,450)	(2,739,797)	(3,655,137)	(26,363,686)	(44,109,618)	(9,827,007)	(11,612,179)	(91,238)	(87,432,315)	31,105,642	(55,056)	(55,056)	(56,180)	(2,725,269)
2.	For previous financial year of the Subsidiary since it became a Subsidiary Company	(322,453,304)	(1,438,221)	1,187,900	(7,342,768)	(41,818,074)	(1,112,450)	(2,810,816)	718,207	(60,806,360)	29,466,365	(55,056)	(55,056)	(28,090)	(5,033,941)
5.	Changes in the Holding Company's interest in the Subsidiary between the end of the financial year of the Subsidiary and the end of the Holding Company's financial year.	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
6.	Material Changes which have occurred between the end of the aforesaid financial year of the Subsidiary and the end of the Holding Company's financial year in respect of														
(a)	the Subsidiaries fixed assets	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
(b)	its investments	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
(c)	moneys lent by the Subsidiary Company	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
(d)	the money borrowed by it for any purpose other than that of meeting current liabilities	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Note: The financial statements of subsidiary Co. - Supreme Infrastructure Overseas LLC is converted into Indian Rupees on the basis of exchange rate as at the closing day of the financial year.

For and on behalf of the Board of Directors

B. H. Sharma
Chairman

Vikram Sharma
Managing Director

Vikas Sharma
Wholtime Director

Vijay Joshi
Company Secretary

Place : Mumbai
Date : 30 May 2014



Disclaimer

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

We cannot guarantee that these forwarding-looking statements will be realized we believe we have been prudent in our assumptions. The achievement of results is subjects to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, 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 forwarding-looking statements, whether as a result of new information, future events or otherwise.



www.supremeinfra.com



SUPREME INFRASTRUCTURE INDIA LIMITED

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

CIN No. L74999 MH1983 PLC 029752

NOTICE

Notice is hereby given that the Thirty First Annual General Meeting of the Members of SUPREME INFRASTRUCTURE INDIA LIMITED will be held on Friday, 12th September, 2014 at 3.30 P.M. at The Sai Palace Hotels, Mahakali Caves Road, Chakala, Andheri (East), Mumbai-400093 to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt, the Audited Statement of Profit and Loss Account for the year ended 31st March, 2014 and Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare dividend on Preference Shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Mr. Bhawanishankar Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Vikas Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint M/s. WalkerChandiok & Co., Chartered Accountants and M/s. Shah & Kathariya, Chartered Accountants as Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

7. Appointment of Mr. V. P. Singh, as an Independent Director

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 Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. V. P. Singh (DIN 00015784), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation and to hold office for a term up to March 31, 2019."

8. Appointment of Mr. Vinod Agarwala, as an Independent Director

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 Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Vinod Agarwala (DIN 01725158), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation and to hold office for a term up to March 31, 2019."

9. Appointment of Mr. Mukul Agrawal, as an Independent Director

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 Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Mukul Agrawal (DIN 00336450), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation and to hold office for a term up to March 31, 2019."

10. Appointment of Mr. Pramod Kasat, as an Independent Director

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 Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Pramod Kasat (DIN 00819790), Director of the Company whose period of office is liable to retirement by rotation as per the Companies Act, 1956 and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, whose term shall not be subject to retirement by rotation and to hold office for a term up to March 31, 2019.”

11. Approval for payment of commission to Non-Executive Directors

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

“RESOLVED THAT in supersession of the resolution previously passed by the members at their meeting held on 20th September, 2010 approving payment of remuneration by way of commission to non-executive directors and pursuant to the provisions of Section 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the non-Executive Directors of the Company, in addition to sitting fees being paid / payable to them for attending the meetings of the Board of Directors of the Company (hereinafter referred to as the 'Board') and its Committee thereof, commission of an amount not exceeding one percent of the net profits of the Company in any financial year calculated in accordance with the provisions of section 198 of the Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be directed/ determined by the Board of Directors from time to time.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including Board Governance, Nomination and Compensation Committee) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

12. Issuance of Equity Shares/ Eligible Securities by way of Private Placement of Equity Shares to Qualified Institutional Buyers (“Qualified Institutional Placement” or “QIP”):

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

“RESOLVED THAT pursuant to the provisions of Section 62(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) including any amendments thereto or re-enactment thereof to the extent applicable and all other applicable laws and regulations for the time being in force and the regulations/ guidelines, if any, issued by the Government of India (“GOI”), the Reserve Bank of India (“RBI”), the Securities and Exchange Board of India (“SEBI”) and subject to obtaining the requisite approvals and in terms of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”) and such other statutes, notifications, clarifications, circulars, rules and regulations as may be applicable and relevant, as amended from time to time and issued by the GOI, RBI, SEBI, Stock Exchanges on which the equity shares of the Company are to be listed and any other appropriate authorities, institutions or bodies, as may be applicable and the enabling provisions of the listing agreements entered into by the Company with the Stock Exchanges on which the equity shares of the Company are listed (the “Listing Agreements”) and the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, RBI, SEBI, Stock Exchanges on which the equity shares of the Company are listed, any other appropriate authorities, institutions or bodies, as may be necessary and subject to such other conditions as may be prescribed/stipulated by any of them while granting such approvals, consents, permissions and sanctions which may be agreed to/accepted by the Board of Directors of the Company (hereinafter referred to as the “Board”) which shall be deemed to include any Committee duly constituted by the Board in exercise of Board to raise an amount of upto Rs. 150 Crores (Rupees One Hundred and Fifty Crores) by offer, issue and allotment of such number of Equity Shares of the Company/ “Eligible Securities” in terms of SEBI ICDR Regulations, as may be necessary including premium, (hereinafter referred to as “Equity Shares”), in one or more tranches, by way of Qualified Institutional Placement (“QIP”) to Qualified Institutional Buyers (“QIBs”), whether or not such investors are existing shareholders of the Company and such Equity Shares shall be fully paid up and the allotment of such Equity Shares shall be completed within a period of 12 (twelve) months from the date of passing of this resolution by the shareholders approving the proposed QIP or such other time as may be allowed by the SEBI ICDR Regulations from time to time and at a price / discounted price not less than the price as determined in accordance with relevant provisions of SEBI ICDR Regulations and on such terms and conditions as may be deemed appropriate by the Board at its absolute discretion and wherever necessary, in consultation with the lead manager(s) and/or merchant banker(s) and / or advisor(s) and/or such other person(s) in accordance with applicable laws, rules, regulations and guidelines prevailing in this regard”.

"RESOLVED FURTHER THAT the Equity Shares allotted pursuant to the proposed QIP shall rank *pari passu* in all respects including entitlement to dividend with the existing equity shares of the Company".

"RESOLVED FURTHER THAT pursuant to the aforesaid resolutions

- a. the Equity Shares to be so created, offered, issued and allotted pursuant to the proposed QIP shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- b. the relevant date for the purpose of determining the floor price of the Equity Shares in accordance with the SEBI ICDR Regulations shall be the date on which the Board or a Committee duly constituted by the Board in exercise of its powers and authorised in this behalf, decides to open the proposed QIP issue, subsequent to the receipt of shareholders' approval in terms of Section 62(1)(c) and other applicable provisions, if any, of the Act and determined in accordance with Chapter VIII of the SEBI ICDR Regulations and other applicable laws, regulations and guidelines in relation to the proposed QIP issue".

"RESOLVED FURTHER THAT the pricing of the Equity Shares shall be made subject to, and in compliance with the applicable rules and regulations and such price shall be subject to appropriate adjustments in compliance with the applicable rules/guidelines/ statutory provisions".

"RESOLVED FURTHER THAT without prejudice to the generality of the above, subject to applicable laws and subject to approvals, consents, permissions and sanctions, if any, from any governmental body, authority or regulatory institution including any conditions as may be prescribed/stipulated by any of them in granting such approvals, consents, permissions or sanctions by such governmental bodies, authorities or regulatory institutions, the Equity Shares may have such features and attributes or terms or combinations of such features and attributes or terms that provide for tradability thereof in accordance with prevalent market practice including but not limited to terms and conditions relating to payment of interest, dividend, at the option of the Company and/or holders of such Equity Shares, including terms for issue of additional equity shares or variations of the price of equity shares or terms pertaining to voting rights or option(s) of such additional equity shares, as applicable".

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorised to do all such acts, deeds, matters and things including, but not limited to, finalisation and approval for the preliminary as well as final placement document(s),

appointment of advisors, merchant bankers, intermediaries, bankers, lawyers, depositories, registrars, professionals and other agencies, as may be required and to remunerate them by way of commission, brokerage, fees or the like and to enter into and execute any contracts, agreements, arrangements, MOUs, other documents with such agencies as may be necessary or required or desirable in connection with the proposed QIP and listing of the Equity Shares on any stock exchanges, determining the form and manner of the proposed QIP, including the class of investor to whom the Equity Shares are to be issued and allotted, issue price, face value, premium thereon or discount amount on issue price, if any, in respect of the Equity Shares as the Board may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Equity Shares and utilisation of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution".

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers to any Director(s)/ Committee duly authorised by the Board or Chief Financial Officer or Company Secretary or such other persons duly authorised by the Board, to give effect to the aforesaid resolution and is hereby authorised to take all such steps and do such acts, deeds and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and to take such action and give such directions as they may consider as necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable to settle any question or difficulty which may arise in regard to issue and allotment of the Equity Shares."

13. Increase in the Borrowing Powers of the Company

To consider and if thought fit, to pass the following resolution as Special Resolution:

"RESOLVED THAT in supersession of the previous resolution passed through Postal Ballot by members of the Company on 7th March, 2012 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013, and Rules made thereunder as may be amended, from time to time and Articles of Association of the Company, subject to approval, if any, required, the consent of the Company be and is hereby given to the Board of Directors to borrow moneys, from time to time, whether as rupee loans, foreign currency loans, debentures, bonds and /or other instruments or non fund based facilities or in any other form (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) from the Banks, Financial Institutions, other Bodies Corporate or from any other source, located in India or abroad, whether unsecured or secured,

on such terms and conditions as may be considered suitable by the Board of Directors up to an amount, the aggregate outstanding of which should not exceed, at any given time, Rs.3000 Crores (Rupees Three Thousand Crores) over and above the aggregate of the paid share capital and free reserves of the Company.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.”

14. Creation of Security on the Properties of the Company in favour of the Lenders

To consider and if thought fit, to pass the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the relevant Rules thereof (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to other approvals, if applicable or required under any statute(s)/rule(s)/regulation(s) or any law for the time being in force or required from any other concerned authorities and in supersession of all earlier Resolutions passed in this regard under the Companies Act (earlier in force), the consent of the Company be and is hereby accorded to the Board of Directors to create mortgages/charges/hypothecation and/or other encumbrances on all or any part of the immovable and /or movable properties, current and/or fixed assets, tangible or intangible assets, book debts and/or claims of the Company wheresoever situate, present and future and such charge to rank either first, pari-passu with or second, subsequent, subservient and subordinate to all mortgages, charges, hypothecation and other encumbrances created/ to be created by the Company in favour of Indian or Foreign Financial Institutions, Banks or other Lending Institution(s), and/or to such other persons, if any, from whom the Company has or proposed/proposes to borrow money/sums of moneys by way of Term Loans, Cash Credits, Overdrafts, discounting of bills, inter corporate deposits, commercial papers or such other financial instruments permitted to be used by the appropriate authorities from time to time together with interest, cost, charges and other incidental expenses in terms

of agreement(s) entered/to be entered into by the Board of Directors of the Company within the overall borrowing limits fixed pursuant to Section 180(1)(c) of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.”

By Order of the Board of Directors
FOR SUPREME INFRASTRUCTURE INDIA LIMITED

VIJAY JOSHI
 COMPANY SECRETARY

Place: Mumbai
 Date: 14th August, 2014

Registered Office:
 Supreme House, Plot.No.94/C,
 Opp. I.I.T. Main Gate, Pratap Gad, Powai,
 Mumbai- 400 076

NOTES:

1. The relative Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business to be transacted at the meeting as mentioned at Item Nos. 7 to 14 of the Notice, is annexed herewith and forms part of this Notice.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE COMMENCEMENT OF THE MEETING.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN (10) PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

3. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Brief details of the directors, who are being appointed / re-appointed, are annexed hereto as Annexure I as per requirements of clause 49 of the Listing Agreement.
5. Members are requested to bring the Attendance Slip along with the copy of Annual Report at the time of attending the Annual General Meeting. Members are requested to write their Client ID and DP ID/ Folio No. in the attendance slip for attending the meeting.
6. Pursuant to the provisions of Section 91 of the Companies Act, 2013 (corresponding to 154 of the Companies Act, 1956), the Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 5, 2014 to Friday, September 12, 2014 (both days inclusive) for determining the names of the members eligible for dividend on Equity Shares, if declared at the Annual General Meeting.
7. Dividend, for the year ended March 31, 2014, as recommended by the Directors, if declared at the Annual General Meeting, will be paid / dispatched on or after

September 13, 2014 to those Members, whose names appear on the Register of Members of the Company at the close of business hours on September 4, 2014; and in case of shares held in dematerialized form, to those Members whose names appear as beneficial owners as at the close of business hours on September 4, 2014 as per details to be furnished by the Depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited.

8. Members are requested to notify immediately any change in their address/bank mandate to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at Bigshare Services Private Limited, at E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East) Mumbai – 400 076, Maharashtra in respect of their physical share folios, if any.
9. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Registrar & Share Transfer Agent for assistance in this regard.
10. Members must quote their Folio No. / Client ID and DP ID and contact details such as e-mail address, contact no., etc. in all their correspondence with the Company / Registrar & Share Transfer Agent.
11. Members holding shares in dematerialized form are requested to provide their latest bank account details (Core Banking Solutions Enabled account number, 9 digit MICR and 11 digit IFS Code) to their respective DP. Members holding shares in physical form are requested to provide their latest bank account details (Core Banking Solutions Enabled account number, 9 digit MICR and 11 digit IFS Code) alongwith their Folio No. to the Company's Registrar & Transfer Agent.
12. Members are informed that Securities and Exchange Board of India (SEBI), has mandated to quote Permanent Account Number (PAN) in all the transactions in the securities market, which includes transfer / transmission of securities. Therefore, for any transfer / transmission of shares, the transferee(s) / legal heirs(s) are required to furnish a copy of their PAN to the DP, if shares are held in dematerialized form or to the Registrar & Share Transfer Agent of the Company, if shares are held in physical form.
13. All documents referred to in this Notice and Explanatory Statement annexed herewith are open for inspection by the Members at the Registered Office of the Company on all working days between 11.00 a.m. to 1.00 p.m., upto the date of the Meeting and during the time of the Meeting.

14. The Register/ records under the Companies Act, 2013, which are required to be made available for inspection at the Annual General Meeting will be made available accordingly.
15. Members seeking any further information about the accounts are requested to write to the Company at least ten days before the date of the Annual General Meeting so as to enable the management to keep the information ready at the meeting.
16. Members are requested to visit the website of the Company www.supremeinfra.com for viewing the quarterly and annual financial results and other information on the Company. For investor-related queries, communication may be sent by an e-mail to cs@supremeinfra.com
17. In case of joint holder(s) attending the Meeting, only the joint holder higher in the order of names will be entitled to vote.
18. For the convenience of the Members, attendance slip and proxy form are enclosed to this Notice. Members / Proxy holders / Authorized Representatives are requested to fill in details and affix their signatures at the space provided therein and surrender the same at the venue of the meeting. Proxy / Authorized Representatives of Members should state on their attendance slip as 'Proxy' or 'Authorized Representative' as the case may be.
19. A brief profile of the Directors proposed to be appointed/ reappointed is given below:

Mr. Bhawanishankar H. Sharma, Executive Chairman:

He is Graduate in Science from Rajasthan University. He was one of the few Quarry Owners in Mumbai when he started quarrying activities few decades ago. After successfully establishing and running of quarrying activities, he started activities of manufacturing of Silica Sand and commenced the activities of quarrying and asphaltting. He then slowly moved into the construction activities and in 1988, he took over the management and ownership of the Company and transformed Supreme into an infrastructure company from an ailing unit which was inherited from its predecessors.

Mr. Vikas B. Sharma, Whole Time Director:

He is a Commerce Graduate from Bombay University and Masters in Management Studies (MMS) with specialization in Finance. After finishing his academics in 2003, he joined the organization as a Whole-time Director, efficiently managing Accounts, Administration and Finance Department. Mr. Vikas B. Sharma has truly been a strong pillar that shoulders significant amount of responsibility.

Mr. V.P. Singh Independent Director:

He is a Master of Commerce, Bachelor of Laws and Certified Associate of Indian Institute of Bankers. He has over three decades of experience in finance and is specialized in Corporate Restructuring, Corporate finance and Investment

Banking. He is a former CMD of IFCI. He also has been the independent director of ONGC. He also holds position of director in other companies.

Mr. Vinod Agarwala, Independent Director:

He is a Science and Law Graduate, Solicitor & Advocate High Court, Bombay, Solicitor, Supreme Courts of England & Wales. He is practicing Solicitor, Supreme Court of India. He is the Founder partner of VIGIL JURIS, a leading firm of Advocates and Solicitors in Mumbai. He also holds position of director in other public companies.

Mr. Mukul M. Agrawal, Independent Director:

He is a Commerce Graduate from Bombay University. He is actively associated with capital market and is a Promoter Director of Namah Capital Resources Ltd (Member of NSE) and Param Capital Research Pvt. Ltd. (Member of BSE).

Mr. Pramod Kasat, Independent Director:

He holds an Engineering Degree from BITS, Pilani and a Master's in Finance from Sydenham Institute of Management Studies, Mumbai University. With over two decades of experience in Investment Banking and Corporate Finance, he has been part of many notable M&A advisory transactions, as well as equity and debt financing of listed and unlisted entities. He is currently heading Aten's Mumbai office.

20. Voting through electronic means

- A. As per Clause 35B of the Listing Agreement read with provisions of Section 108 of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Members, the facility to exercise their right to vote, for the business to be transacted, as mentioned in this Notice of the Thirty First Annual General Meeting, by electronic means. In this regard, the Company has appointed Central Depository Services Limited (CDSL) for providing e-voting facility. Accordingly, the Members (holding shares both in physical and dematerialized form as on the cut-off date mentioned herein below) are requested to exercise their vote for the business to be transacted in this Notice of the Annual General Meeting by electronic means through the e-voting facility. It is hereby clarified that it is not mandatory for a Member to vote using the e-voting facility. A Member may avail of the facility at his/her/its discretion as per the instructions provided herein

The instructions for e-voting are as under:

- (i) Open your web browser, during the voting period from September 6, 2014 at 9.30 a.m. to September 8, 2014 till 6.00 p.m., and log on to the e-voting website www.evotingindia.com.

- (ii) Click on "Shareholders" tab.
- (iii) Select the "SUPREME INFRASTRUCTURE INDIA LIMITED" from the drop down menu and click on submit.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in dematerialised form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in dematerialised Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of their Demat account/ Folio number in the PAN field.
	<ul style="list-style-type: none"> In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN of <SUPREME INFRASTRUCTURE INDIA LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and signature of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user who would be able to link the account(s) for which they wish to vote on
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

B. The e-voting period commences on September 6, 2014 at 9.30 a.m. to September 8, 2014 till 6.00 p.m. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date: August 14, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

C. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date of August 14 2014.

D. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

E. Mr. Hitesh Kothari of Kothari H. Associates, Practising Company Secretary (Membership No. 6038) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

F. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

G. The Results shall be declared on or after the Meeting of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.supremeinfra.com and on the website of CDSL within two (2) days of passing of the Resolution(s) at the Meeting of the Company and communicated to the Stock Exchanges.

21. In order to communicate speedily and effectively the important and relevant information and events, the members are hereby requested to register their e-mail address(es) and change therein from time to time, through any of the following manner:

- i. **Email Intimation:** By sending an email to cs@supremeinfra.com and mentioning the Name(s) and Folio Number / Client ID and DP ID
- ii. **To the Company:** By a written communication addressed to the Company Secretary at the Registered Office of the Company.

Upon registration of the e-mail address(es) by the Member(s), the Company will send them Notices, Annual Report and other documents and communications meant for Members via electronic mode / e-mail.

Further, the communications / documents will also be made available on the Company's website www.supremeinfra.com for download by the Members.

By Order of the Board of Directors
FOR SUPREME INFRASTRUCTURE INDIA LIMITED

VIJAY JOSHI
 COMPANY SECRETARY

Place : Mumbai
 Date : 14th August, 2014

Registered Office:
 Supreme House, Plot.No.94/C,
 Opp. I.I.T. Main Gate, Pratap Gad, Powai,
 Mumbai- 400 076

EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 (the Act), setting out all material facts relating to the business mentioned at Item Nos. 7 to 14 of the accompanying Notice dated August 14, 2014.

Item Nos. 7 to 10:

The Company had, pursuant to Clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. V. P. Singh, Mr. Vinod Agarwala, Mr. Mukul Agrawal and Mr. Pramod Kasat, as Independent Directors at various times, in compliance with the Listing Agreement requirements referred above.

Pursuant to the provisions of Section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nomination and Remuneration Committee has recommended the appointment of these directors as Independent Directors up to March 31, 2019.

Mr. V. P. Singh, Mr. Vinod Agarwala, Mr. Mukul Agrawal and Mr. Pramod Kasat, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Directors and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Other details of the Independent Directors whose appointment is proposed at Item Nos. 7 to 10 of the accompanying Notice, have been given in the annexure attached.

Mr. V. P. Singh, Mr. Vinod Agarwala, Mr. Mukul Agrawal and Mr. Pramod Kasat, respectively, are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment. None of the other Directors of the Company and key managerial persons of the Company and their relatives may be deemed to be interested or concerned in the proposal contained in the resolutions.

Item No. 11:

At the Annual General Meeting of the Company held on 20th September, 2010, the Members had approved of the payment of commission to Non Executive Directors of the Company not exceeding one percent per annum of the net profits of the Company. It is proposed to take the fresh approval of the members in accordance with the new provisions of the Act. Accordingly, it is proposed that in terms of section 197 of the Act, the Directors (apart from the Managing Director and Whole-time Directors) be paid, for each of the five consecutive financial years commencing April 1, 2014, remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of the Act. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

Mr. V. P. Singh, Mr. Vinod Agarwala, Mr. Mukul Agrawal and Mr. Pramod Kasat, the Directors of the Company are concerned or interested in the Resolutions to the extent of the remuneration that may be received by each of them. None of the other Directors of the Company and key managerial persons of the Company and their relatives may be deemed to be interested or concerned in the proposal contained in the resolutions.

Item No. 12:

Issue of Equity Shares/ eligible securities by way of Private Placement of Equity Shares to Qualified Institutional Buyers ("Qualified Institutional Placement" or "QIP"):

The Company proposes to augment its current capital through a qualified institutional placement and proposes to raise an amount of upto Rs. 150 Crores (Rupees One Hundred and Fifty Crores) by offer, issue and allotment of such number of Equity Shares of the Company / eligible securities by way of private placement to Qualified Institutional Buyers as defined in the Securities and Exchange Board of India Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations") to augment the resources of the Company, accelerate growth, investment in subsidiaries/ associate companies, long term working capital requirements and for other general corporate purposes.

Section 62(1) of the Act provides, inter alia, that whenever a Public Company proposes to increase its subscribed capital by further issue/ offer and allotment of its shares, such shares shall be offered to the existing shareholders of the Company in the manner laid down in the said section, unless otherwise approved by the shareholders by a special resolution passed under Section 62(1)(c) of the Act. Accordingly, the consent of the shareholders is being sought pursuant to the provision of Section 62(1)(c) and all other applicable provisions of the Act, SEBI ICDR Regulations and in terms of the provisions of the listing agreements to issue and allot Equity Shares as stated in the special resolution, which would result in issuance of equity shares of the Company to persons other than the existing shareholders of the Company. The proposed special

resolution seeks to empower the Board to undertake a QIP in terms of Chapter VIII of the SEBI ICDR Regulations.

The proposed Resolution also confers authority to the Board to place equity share capital with Qualified Institutional Buyers in accordance with SEBI ICDR Regulations, as amended from time to time. The Board will fix the detailed terms of the final size of the issue, exact timing, and other related aspects after careful analysis and discussions with lead managers and other advisors, considering prevailing market conditions and in line with the extant guidelines issued by SEBI, RBI or any other statutory and regulatory authorities in this regard.

The proposed QIP is in the interest of the Company and the shareholders and the Board of Directors recommends the passing of the resolutions as mentioned under Item No. 12 as special resolution.

None of the Directors of the Company and key managerial persons of the Company and their relatives may be deemed to be interested or concerned in the proposal contained in the resolutions.

Item No: 13:

The Board had been authorised under Section 293(1)(d) and all other applicable provisions of the Companies Act, 1956, passed through Postal Ballot by members of the Company on 7th March, 2012, to borrow monies upto Rupees One Thousand Eight Hundred Crores only which was in excess of the aggregate of paid-up capital and free reserves of the Company. Keeping in view of the Company's business requirements, working capital requirements and its growth plans, it is considered appropriate to increase the aforesaid limit of borrowings. Your consent is therefore sought under section 180 (1)(c) of the Companies Act, 2013 to authorise the Board to borrow upto Rupees Three Thousand Crores Only (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) as outstanding, at any time as set out in the resolution over and above the aggregate of the paid share capital and free reserves of the Company.

The Board of Directors of the Company recommends the resolution as set out in Item No. 13 above as Special resolution.

None of the Directors of the Company and key managerial persons of the Company and their relatives may be deemed to be interested or concerned in the proposal contained in the resolutions.

Item No: 14:

The borrowings by a Company, in general, is required to be secured by mortgage or charge on all or any of the movable or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lenders.

Section 180(1)(a) of the Companies Act, 2013, provides inter-alia that the Board of Directors shall not except with the consent of the members in general meeting, sell, lease, or otherwise dispose of the whole, or substantially the whole, or each such undertaking, where the Company has more than one undertaking. Since the mortgage and/or charge to be created in respect of the aforesaid borrowing may be considered as disposal of the Company's undertaking, it is advisable, the proposal of creation of the mortgage in favour of various Banks, Institutions, Investors, Mutual Funds, Companies, Other Corporate Bodies, Resident/ Non-resident Indians, Foreign Nationals, be approved by the shareholders by way of special resolution, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013.

Your Directors recommends the resolution as set out in Item No. 14 above as special resolution for your approval.

None of the Directors of the Company and key managerial persons of the Company and their relatives may be deemed to be interested or concerned in the proposal contained in the resolutions.

By Order of the Board of Directors

FOR **SUPREME INFRASTRUCTURE INDIA LIMITED**

VIJAY JOSHI

COMPANY SECRETARY

Place : Mumbai

Date : 14th August, 2014

Registered Office:

Supreme House, Plot.No.94/C,
Opp. I.I.T. Main Gate, Pratap Gad, Powai,
Mumbai- 400 076

ANNEXURE I

Details of the Directors seeking Appointment/ Re-appointment at the Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Particulars	Mr. Bhawanishankar Sharma	Mr. Vikas Sharma
Date of Birth	20.10.1947	16.02.1978
Date of Appointment	08/04/1983	21/08/1998
Qualification	Graduate in Science (B.Sc.) from Rajasthan University	B.Com. Masters in Management Studies (MMS)
Expertise in specific functional areas	Chief Promoter and founder Director of the Company. He has over 25 years of rich and varied experience in construction and infrastructure industry.	He is the promoter and Whole Time Director of the Company. He has been the director of the Company since 1998 and involved in the day to day affairs of the Company since 2003. He has been looking after the commercial functions , accounting, banking and finance functions of the Company. He has introduced several systems and policies which improved cost effectiveness, departmental efficiency and improved inventory management.
Directorships in other Public Limited Companies	Nil	Nil
Membership of the Committees in other Public Limited Companies (includes only Audit & Shareholders/ Investors Grievance Committee)	Nil	Nil
No. of Shares held in the Company	39,49,000	1,800,000
Particulars	Mr. V. P. Singh	Mr. Vinod Agarwala
Date of Birth	25.01.1944	30.10.1949
Date of Appointment	20/01/2010	20/01/2010
Qualification	M. Com. LLB. Certified Associate of Indian Institute of Bankers	B.SC. LLB. Solicitor, High Court, Bombay, Solicitor,(England & Wales).
Expertise in specific functional areas	He is a Master of Commerce, Bachelor of Laws and Certified Associate of Indian Institute of Bankers. He has over three decades of experience in finance and is specialized in Corporate Restructuring, Corporate finance and Investment Banking. He is a former CMD of IFCI. He also has been the independent director of ONGC. He also holds position of director in other companies.	He is a Science and Law Graduate, Solicitor & Advocate High Court, Bombay, Solicitor, Supreme Courts of England & Wales. He is practicing Solicitor, Supreme Court of India. He is the Founder partner of VIGIL JURIS, a leading firm of Advocates and Solicitors in Mumbai. He also holds position of director in other public companies
Directorships in other Public Limited Companies	<ul style="list-style-type: none"> JM Financial Asset Management Limited Bandhan Financial Services Limited 	<ul style="list-style-type: none"> Chennai Network Infrastructure Limited GTL Infrastructure Limited
Membership of the Committees in other Public Limited Companies (includes only Audit & Shareholders/ Investors Grievance Committee)	Nil	GTL Infrastructure Limited – Audit Committee
No. of Shares held in the Company	Nil	Nil

Particulars	Mr. Mukul Agrawal	Mr. Pramod Kasat
Date of Birth	13/07/1971	06/08/1969
Date of Appointment	15/11/2005	14/05/2010
Qualification	Commerce Graduate (B.Com) from Mumbai University	BE, MBA
Expertise in specific functional areas	He is a Commerce Graduate from Bombay University. He is actively associated with capital market and is a Promoter Director of Namah Capital Resources Ltd (Member of NSE) and Param Capital Research Pvt. Ltd. (Member of BSE).	He holds an Engineering Degree from BITS, Pilani and a Master's in Finance from Sydenham Institute of Management Studies, Mumbai University. With over two decades of experience in Investment Banking and Corporate Finance, he has been part of many notable M&A advisory transactions, as well as equity and debt financing of listed and unlisted entities. He is currently heading Aten's Mumbai office.
Directorships in other Public Limited Companies	Namah Capital Resources Limited	Shilpa Medicare Limited
Membership of the Committees in other Public Limited Companies (includes only Audit & Shareholders/ Investors Grievance Committee)	Nil	Nil
No. of Shares held in the Company	Nil	Nil



SUPREME INFRASTRUCTURE INDIA LIMITED

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

CIN No. L74999 MH1983 PLC 029752

ATTENDANCE SLIP

31st ANNUAL GENERAL MEETING, FRIDAY, SEPTEMBER 12, 2014

I hereby record my presence at the 31st Annual General Meeting of Supreme Infrastructure India Limited to be held on Friday, 12th September, 2014, at 3.30 P.M. at The Sai Palace Hotels, Mahakali Caves Road, Chakala, Andheri (East), Mumbai-400093.

Folio No.: _____ **DP ID*** _____ **Client ID*** _____

Name: _____

Address: _____

I/We hereby certify that I am/we are a Member / Proxy for the Member of the Company.

I hereby record my presence at the Thirty First Annual General Meeting of Supreme Infrastructure India Limited to be held on Friday, 12th September, 2014, at 3.30 P.M. at The Sai Palace Hotels, Mahakali Caves Road, Chakala, Andheri (East), Mumbai-400093.

Full name of the Shareholder/ Proxy holder (IN BLOCK LETTERS)

Signature of Member / Proxy

NOTES:

- Please fill in this Attendance Slip and hand it over at the entrance of the meeting hall.
- No additional/duplicate Attendance Slip will be issued at the meeting hall.
- Member/Proxy are requested to bring their copies of the Annual Report to the Meeting.

* Applicable for investor holding shares in electronic form.

SUPREME INFRASTRUCTURE INDIA LIMITED

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

CIN No. L74999 MH1983 PLC 029752

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): Registered address:		e-mail Id: Folio No/ *Client Id: *DP Id:	
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I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

- 1) Name _____ Address _____
e-mail id _____ Signature _____ or failing him
- 2) Name _____ Address _____
e-mail id _____ Signature _____ or failing him
- 3) Name _____ Address _____
e-mail id _____ Signature _____ or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty First Annual General Meeting of the Company, to be held on the 12th day of September 2014 at 3.30 p.m. at The Sai Palace Hotels, Mahakali Caves Road, Chakala, Andheri (East), Mumbai -400093 and at any adjournment thereof in respect of such resolutions as are indicated below:

		Vote Optional see Note	
Sr. No.	Resolutions	For	Against
ORDINARY BUSINESS			
1	Ordinary Resolution to consider and adopt, the Audited Statement of Profit and Loss Account for the year ended 31st March, 2014 and Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.		
2	Ordinary Resolution to declare dividend on Preference Shares for the year ended 31st March, 2014.		
3	Ordinary Resolution to declare dividend on Equity Shares for the year ended 31st March, 2014.		
4	Ordinary Resolution to appoint a Director in place of Mr. Bhawanishankar Sharma, who retires by rotation and being eligible, offers himself for re-appointment.		
5	Ordinary Resolution to appoint a Director in place of Mr. Vikas Sharma, who retires by rotation and being eligible, offers himself for re-appointment.		
6	Ordinary Resolution to appoint M/s. Walker Chandok & Co., Chartered Accountants and M/s. Shah & Kathariya ,Chartered Accountants as Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration.		
SPECIAL BUSINESS			
7	Ordinary Resolution to Appoint of Mr. V. P. Singh, as an Independent Director.		
8	Ordinary Resolution to Appoint of Mr. Vinod Agarwala, as an Independent Director.		
9	Ordinary Resolution to Appoint of Mr. Mukul Agrawal, as an Independent Director.		
10	Ordinary Resolution to Appoint of Mr. Pramod Kasat, as an Independent Director.		
11	Special Resolution to Approve payment of commission to non-executive directors.		
12	Special Resolution to Issuance Equity Shares/ eligible securities by way of Private Placement of Equity Shares to Qualified Institutional Buyers ("Qualified Institutional Placement" or "QIP")		
13	Special Resolution to Increase in the Borrowing Powers of the Company.		
14	Special Resolution to Creation of Security on the Properties of the Company in favour of the Lenders.		

Signed this _____ day of _____, 2014

Signature of Shareholder

Signature of Proxy holder(s)

**Affix a
15 paise
Revenue
Stamp**

Notes:

- 1) This form of proxy in order to be effective, should be duly stamped, completed, signed and deposited, at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- 2) A Proxy need not to be a Member of the Company.
- 3) For the Resolutions and Explanatory Statement, please refer to the Notice of the Thirty First Annual General Meeting.
- 4) It is optional to indicate your preference. Please put 'X' in the appropriate column against the Resolution indicated in the Box. If leave you the 'For' or 'Against' column blank against any or all of the Resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.

*Applicable for Members holding shares in electronic form.