

**25<sup>th</sup>**  
**ANNUAL REPORT**  
**2006 - 2007**



**SUPREME HOLDINGS LIMITED**



**BOARD OF DIRECTORS**

Chairman & Managing Director

**VINOD JATIA**

Directors

**SHANKERNATH AWASTHY**

**ABHAY LODHA**

**PRATEEK JATIA**

Auditors

**SINGRODIA GOYAL & Co.**

*Chartered Accountants*

Bankers

**ORIENTAL BANK OF COMMERCE**

Registered Office :

**1, Pearl Mansion (N),**

**91, M. Karve Road,**

**Mumbai - 400 020.**

Registrar & Transfer Agents :

**Sharex Dynamic (India) P. Ltd.**

**17/B, Dena Bank Bldg.,**

**2nd Floor, Horniman Circle,**

**Fort, Mumbai - 400 001.**

<b>CONTENTS</b>	<b>Page No.</b>
Notice	01
Directors' Report	02
Corporate Governance	03
Auditors' Report	06
Balance Sheet	08
Profit and Loss Account	09
Cash Flow Statement	10
Schedules	11
Notes to Accounts	15
Balance Sheet Abstract	18
Subsidiary Company	20
Supreme Holdings Ltd. - Consolidated	26

Members are requested to avail the Facility of keeping their shares in Demat Form as the Company's equity shares have been admitted in the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN allotted to Company is INE822E01011

**NOTICE**

NOTICE is hereby given that Twenty Fifth Annual General Meeting of SUPREME HOLDINGS LIMITED will be held at the Registered Office of the Company at 1, Pearl Mansion (N), 91, M. Karve Road, Mumbai 400 020, on Friday, 28th September, 2007 at 03.00 p.m. to transact the following business:-

**ORDINARY BUSINESS :**

1. To consider, approve and adopt the audited Balance Sheet as at 31st March 2007, the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Abhay Lodha, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The information as required to be provided under the Listing Agreement entered into by the Company with Stock Exchange regarding the directors who are proposed to be appointed/ reappointed is annexed hereto.
3. The Register of Members and the Share Transfer Register of the Company shall remain closed from Thursday the 20th September, 2007 to Friday the 28th September, 2007 both days inclusive.
4. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the management to keep the information ready at the Meeting.
5. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31/3/2003 and for the year ended 31/3/2005 are requested to make their claims to the Company without any delay. Dividend amount remaining unpaid or unclaimed for a period of seven years from the dates they became due for payment shall be transferred to the Investor Education and Protection Fund set up by the Government of India in terms of Section 205C of the Companies Act, 1956 and no payments shall be made in respect of any such claims by the Fund.
6. Members are requested to intimate any change in their address to the Registrar of the Company.
7. Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
8. Members / Proxies are requested to bring their admission slips alongwith the copies of the Annual Report to the Meeting.

By order of the Board of Directors

Place: Mumbai  
Dated: 29-06-2007

**Vinod Jatia**  
(Chairman & Managing Director)

**Registered Office:**

1, Pearl Mansion (N),  
91, M.Karve Road,  
Mumbai 400 020.

**Details of the Directors seeking appointment/re-appointment at the 25th Annual General Meeting fixed for 28th September, 2007:**

Name of Director	Mr. Abhay Lodha
Date of Birth	01.06.1971
Date of Appointment	19.06.2006
Expertise in specific functional areas	Wide Business Experience
Qualifications	Commerce Graduate
List of outside Directorship held excluding Private Companies	Nil
Chairman/Member of Committee of the Board of Directors of the Companies	Audit Committee, Investor's Grievance Committee
Chairman/Member of Committee of the Board of Directors of other Companies in which he/she is a Director:	
Audit Committee	No
Share Transfer and Investor Grievances Committee	No
Remuneration Committee	No
No. of Equity Shares of the Company held on 31-3-2007	Nil



# SUPREME HOLDINGS LIMITED

## DIRECTORS' REPORT

The Members of **SUPREME HOLDINGS LIMITED**

Your Directors have pleasure in presenting Twenty-Fifth Annual Report and Audited Accounts of the Company for the year ended 31st March 2007.

### I. FINANCIAL RESULTS:

	(RS. IN LACS)	
	<u>2006-07</u>	<u>2005-06</u>
Total Income	202.62	227.99
Total Expenditure	165.09	117.82
Profit before depreciation	37.53	110.17
Depreciation	4.10	5.21
Profit before Tax	33.43	104.96
Less: Provision for Tax	16.00	47.04
Less: Deferred Tax (Credit)	(19.22)	(17.13)
Less: Fringe Benefit Tax	1.30	0.78
Less: Earlier Year Taxation	22.69	—
Net Profit for the year	12.66	74.27
Add: Amount brought forwarded	151.83	92.41
	<hr/>	<hr/>
Profit available for Appropriation	164.49	166.68
	<hr/>	<hr/>
<b>APPROPRIATIONS:</b>		
Transferred to Statutory Reserve	2.53	14.85
Profit & Loss Account	161.96	151.83
	<hr/>	<hr/>
	<u>164.49</u>	<u>166.68</u>

### II. DIVIDEND:

No dividend is recommended for the year under review as it is considered appropriate that the financial resources of the Company be strengthened.

### III. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

#### (a) NBFC Sector:

The overall economy has performed well in year 2006 -07 with a GDP growth of about 9.4%. However, no major improvement is seen in NBFC sector.

#### (b) Company's Performance:

The total income during the year 2006-07 was at Rs.202.62 Lacs as compared to Rs. 227.99 Lacs in the previous year.

The employees cost was reduced to Rs.7.29 Lacs as compared to Rs.7.35 Lacs in the previous year and the Administrative & General Expenses were increased to Rs.69.06 Lacs from Rs.46.12 Lacs in the previous year. During the year under review, the financial expenses reduced to Rs.9.24 Lacs as against Rs.64.35 Lacs in the previous year.

Due to writing off bad debts to the extent of Rs.79.50 Lacs and higher expenses, the profit before depreciation and taxation was at Rs.37.53 Lacs as against the profit of Rs.110.17 Lacs in the previous year. After providing for taxation, including deferred tax, fringe benefit tax the company has reported a Net Profit of Rs.12.66 Lacs as against a Net Profit of Rs.74.27 Lacs in the previous year.

#### (c) Segment –wise Performance:

Segment wise analysis of performance is not applicable to the company under Accounting Standard 17 as issued by ICAI.

#### (d) Outlook for the Company:

Despite overall improvement in the economic scenario, the NBFC sector has remained subdued due to adverse factors prevailing in this industry. Considering the vast opportunities

available in the hospitality industry the Company has proposed to enter in the new business of development and running of hotels & resorts and has also proposed to discontinue the existing business activities of Leasing, Finance and Investment in the phased manner and de-register the Company as NBFC with Reserve Bank of India. An Extra Ordinary General Meeting of the Members has been convened on 4th July 2007 to seek the approval of the Members in this regard and also to raise fund by issuing shares on preferential basis.

Considering the boom in Hospitality Industry and experience and expertise of the Management in the said line of business activities, the Company hope to do well in future.

#### (e) Opportunities and Threats:

In NBFC business, the Company has to totally rely on fund based activities and presently it is very difficult to raise funds on a large scale to compete in the market. Company is facing tight competition from big organizations having wide network and large-scale low interest funds. In view of fewer opportunities for the Company in NBFC sector, the Company has proposed to enter in Hospitality Industry.

#### (f) Risks & Concerns:

The Company is engaged in the business of finance and by its very nature, is exposed to credit and investment risk.

The performance of the company is affected by the general conditions of the industries in which it has deployed funds. The working of the company is also influenced by the credit, monetary and regulatory policies of the Government /RBI

#### (g) Internal Control Systems and their Adequacy:

The Company has proper and adequate systems of internal control looking to its size and business. The internal control systems of the company are designed to ensure the financial and other records are reliable for preparing the financial statements and other data and for accountability of assets.

The company has an Audit Committee of the Board of Directors, which meets regularly to review the adequacy of internal controls.

#### (h) Human Resources:

The Company is deriving maximum output from the existing employees through motivation. There has been no material development in the human resources during the year under review.

### IV FIXED DEPOSITS :

During the year under review the company has not invited any Fixed Deposit from the public.

### V SUBSIDIARY COMPANY :

The Annual Accounts of the company's subsidiary, Helmet Traders Limited, along with a statement pursuant to section 212 of the Companies Act 1956 are annexed to this Annual Report.

### VI LISTING STATUS :

The company's shares are presently listed in Bombay Stock Exchange Ltd.

### VII PARTICULARS OF EMPLOYEES:

During the year under review, there were no employees who were drawing remuneration requiring disclosure under section 217(2A) of the Companies Act 1956, read with the Companies (Particulars Of Employees) Rules 1975.

### VIII DIRECTORS:

During the year Mr. Abhay Lodha and Mr. Prateek Jatia were appointed as director on the Board of the Company with effect from 19th June, 2006 and 30th June, 2006 respectively. Mr. Kamal Parsurampurua and Mr. Sanjeev Sharma have resigned from the Board with effect from the conclusion of the Board Meeting held on 30th June, 2006. The Board places on record its sincere appreciation for the guidance received from them during their tenure as members of the Board.

In accordance with the provisions of the Companies Act 1956, Mr. Abhay Lodha retires by rotation and being eligible offers himself for re-appointment.

**IX DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217(2AA) of the Companies Act 1956, with respect to Director's responsibility statement it is hereby confirmed:

- i) That in the preparation of the accounts for the financial year ended 31st March 2007, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- ii) That the directors have adopted such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year under review;
- iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) That the directors have prepared the accounts for the financial year ended 31st March 2007 on a going concern basis.

**X AUDIT COMMITTEE:**

The present Audit committee comprises of Shri Abhay Lodha, Shri Shankernath Awasthy and Shri Vinod Jatia. Shri Abhay Lodha and Shri Shankernath Awasthy are independent directors.

Shri Abhay Lodha has been appointed as the Chairman of the Audit Committee w.e.f 30.06.2006.

**XI AUDITORS:**

M/s Singrodia Goyal & Co, Chartered Accountants, retire as the Auditors of the company at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received certificate from them certifying that their appointment if made, would be within the limit specified under section 224(1B) of the Companies Act 1956.

**XII CORPORATE GOVERNANCE:**

A separate report on Corporate Governance is furnished as a part of the Directors Report and a certificate from the Company's Auditors regarding the compliance of conditions of Corporate Governance is annexed to the said Report

**XIII CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:**

Information required to be given pursuant to section 217(1)(e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in report of Board Of Directors) Rules 1988 does not apply to your Company.

**XIV FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Earning : Nil  
Outgo : Rs. 4.53 lacs

**XV ACKNOWLEDGEMENTS:**

The Board of Directors wish to place on record their sincere appreciation and acknowledge with gratitude the support and co-operation extended by the bankers, shareholders, clients, staff and look forwards for their continued support.

For and on behalf of the Board

Place: Mumbai  
Date: 29th June 2007

Vinod Jatia  
Chairman & Managing Director

**REPORT ON CORPORATE GOVERNANCE**

**1. Company's Philosophy on code of Corporate Governance**

In the era of good Corporate Governance, your Company believes in attainment of highest levels of transparency in all facets of its operations. The Company is committed to maximize the shareholders value by adopting the principles of good corporate governance in line with provisions stipulated in the listing agreement.

**2. Board of Directors**

The details of directors including the details of their Board Directorship and Committee are given below: -

Name of the Director	Category of Directorships	Number of Directorships held in other Companies	Number of Board Committee memberships held in other Companies
Mr. Vinod Jatia (Chairman & Managing Director)	Non -Independent (Promoter)	13	NIL
Mr. Shankernath Awasthy	Independent	1	NIL
Mr. Abhay Lodha 1	Independent	11	NIL
Mr. Prateek Jatia 2	Non Independent	3	NIL
Mr. Kamal Parsurampururia 3	Independent	NIL	NIL
Mr. Sanjeev Kumar Sharma 3	Independent	NIL	NIL

- 1. Appointed as Director with effect from 19th June, 2006.
- 2. Appointed as Director with effect from 30th June, 2006.
- 3. Ceased to be a Director with effect from 30th June, 2006.

**Meetings and Attendance**

During the year ended 31st March, 2007, 7 Board Meeting were held on the following dates: (i) April 29, 2006 (ii) June 19, 2006 (iii) June 30, 2006 (iv) July 28, 2006 (v) September 29, 2006 (vi) October 28, 2006 (vii) January 22, 2007

**Attendance of Directors at Board Meeting and at the annual General Meeting (AGM) (September 29, 2006)**

Name of Director	No of Board Meetings	Whether attended
	Attended	AGM
Mr. Vinod Jatia	7	Yes
Mr. Shankernath Awasthy	7	Yes
Mr. Abhay Lodha (from 19.06.2006)	6	Yes
Mr. Prateek Jatia (from 30.06.2006)	2	No
Mr. Kamal Parsurampururia (Up to 30.06.2006)	Nil	NA
Mr. Sanjeev Kumar Sharma (Up to 30.06.2006)	1	NA

**3. COMMITTEES OF THE BOARD**

**A. Audit Committee**

- i) Terms of reference :  
The terms of reference and scope of Audit Committee are as laid down in clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.



## SUPREME HOLDINGS LIMITED

### ii) Composition of Audit Committee:

The Audit Committee was reconstituted on 30.06.2006 and the same comprises of the following Directors:

1. Mr. Kamal Parsurampururia- Independent Director (Chairman) ( up to 30/06/2006)
2. Mr. Abhay Lodha - Independent Director (Chairman) (appointed on 30/06/2006)
3. Mr. Shankernath Awasthy- Independent Director
4. Mr. Vinod Jatia – Managing Director (appointed on 30/06/2006)
5. Mr. Sanjeev Sharma- Independent Director (upto 30/06/2006)

The Audit Committee met five times during the year. The attendance of the members of the meeting were as follows:

Name of the member	Status	No of meetings attended
Mr. Kamal Parsurampururia (Chairman up to 30.06.2006)	Independent	Nil
Mr. Abhay Lodha (Chairman after 30.06.2006)	Independent	3
Mr. Shankernath Awasthy	Independent	5
Mr. Vinod Jatia	Managing Director	3
Mr. Sanjeev Sharma	Independent	2

### B. Remuneration Committee

The Company has not constituted the Remuneration Committee, as it is not paying any remuneration to any of the Director. During the year company has not paid sitting fees to any of the Director.

### C. Investor's Grievance Committee

#### (a) Terms of Reference:

The brief terms of reference of the Investor's Grievances Committee include redressing shareholders and investor's complaints like transfer and transmission of shares, non-receipt of balance sheet, non-receipt of dividends, approving issuance of duplicate shares certificate, splitting and consolidation of shares etc.

#### (b) Composition

The Investor's Grievance Committee was reconstituted on 30/06/2006. The Committee comprise of following Directors:

1. Mr. Abhay Lodha - Independent Director (Chairman)
2. Mr. Shankernath Awasthy- Independent Director
3. Mr. Vinod Jatia – Managing Director

#### (c) Investor's Complaints received and resolved during the year

The Company has not received any complaints during the year ended on 31.03.07.

### 4. Code of Conduct:

The Board of Director has laid down a code of conduct for all Board Members and senior management of the company. The Board Members and senior management personnel have affirmed their compliance with the code of conduct for the year under review. Declaration to this effect signed by the Managing Director is annexed to this report.

### 5. CEO Certification

In terms of Clause 49 of the Listing Agreement with the Stock Exchange, the certification by the CEO (Managing Director) on the financial Statements and internal controls relating to financial reporting for the financial year 2006-07 has been obtained.

### 6. General Body Meetings

- a. The last three Annual General Meetings of the Company were held as under:-

Financial Year	Date	Time	Location
2005-2006	29/09/2006	11.00 AM	Registered Office : 1 Pearl Mansion (N), 91, M. K. Road, Mumbai - 20
2004-2005	29/09/2005	11.00 AM	" "
2003-2004	25/09/2004	10.30 AM	" "

- b. Whether any special resolution was passed in the previous 3 AGMs: No
- c. Whether any special resolution passed last year through Postal Ballot: No
- d. Whether any special resolution is proposed to be conducted through postal Ballot: No

### 7. Disclosures:

#### i. Related Party Transactions

The Company has not entered into any transaction of material nature with the promoters, the directors or the management, their subsidiary or relative etc., that may have any potential conflict with the interests of the Company.

#### ii. Compliance by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years.

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities .

#### iii. Compliance with Corporate governance requirements:

The Company is complying with mandatory requirements of clause 49 of the listing agreement. Non-mandatory requirements have not been adopted by the company.

### 8. Means of Communication

- a. In compliance with the requirements of Listing Agreement, the Company regularly intimates unaudited as well as audited financial results to the Stock Exchange immediately after they are taken on record by the Board. These financial results are normally published in the Free Press Journal (English newspaper) and Navshakti (Marathi newspaper). The results are not sent individually to the shareholders.

The website of the Company is under construction. As and when the website is fully setup, the Company will display thereon quarterly/annual results as well as any official news release.

- b. Management Discussion and Analysis Report forms part of the Report of the Directors.

### 9. General Shareholder Information

#### (a) Annual General Meeting

Date : 28th September, 2007

Time : 03.00 p.m.

Venue : Registered Office of the Company  
1, Pearl Mansion (N), 91, M. K. Road,  
Mumbai – 400 020.

- (b) Book Closures : 20th September, 2007 to  
28th September, 2007.  
(both days inclusive)

**(c) Financial Calendar For 2007-2008 (Tentative)**

Financial Year Ending : 31st March  
 First Quarter Results : By July, 2007  
 Second Quarter Results : By October, 2007  
 Third Quarter Results : By January, 2008  
 Fourth Quarter Results : By June, 2008

**(d) Listing of Equity Shares**

The Company's shares are listed in the Bombay Stock Exchange Limited. The listing fees for the year 2007-08 have been paid to the aforesaid Stock Exchange.

**(e) Stock Code :**

Bombay Stock Exchange Limited (BSE) : 530677

Under depository system, the International Securities Identification Number (ISIN) allotted to the Company's share is INE 822E01011

**Stock Market Price for the Year**

Month	BSE		BSE SENSES CLOSING
	High (Rs.)	Low (Rs.)	
April-2006	8.39	6.70	12042
May-2006	9.00	6.22	10398
June-2006	7.99	6.00	10609
July-2006	7.80	5.16	10743
August-2006	5.67	4.76	11699
September-2006	5.90	4.27	12454
October-2006	5.99	4.67	12961
November-2006	5.59	4.55	13696
December-2006	7.41	5.10	13786
January-2007	8.98	6.90	14090
February-2007	9.06	7.25	12938
March-2007	16.73	7.25	13072

**(f) Registrar and Transfer Agents**

The Company has appointed M/s. Sharex Dynamic (India) Pvt. Ltd., as its Registrar and Transfer Agents, Correspondence Address : M/s. Sharex Dynamic (India) Pvt. Ltd., 17/B Dena Bank Building, 2nd floor, Horniman Circle, Fort, Mumbai-400 001.

**(g) Share Transfer System**

Presently the share transfers which are received in physical form are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Demat requests are processed and completed within an average period of 15 days from the date of receipt, provided they are otherwise in order.

**(h) Dematerialization of Shares**

The Company's Shares are traded in the Stock Exchange in Demat mode. As on 31.03.2007: 20,06,840 Equity Shares of the Company forming 31.88% of the total shares of the company, stand dematerialized. It is advised to those Shareholders, who still hold the shares in physical form, to get their shares converted to DEMAT, to avail various advantages such as quick delivery on transfers, minimizing the risk of loss in transit, bad deliveries etc.

**(i) Distribution of Shareholding as on 31.03.2007.**

No. of Equity Shares Held	No. of Shareholders	Percentage of Shareholders	No. of Shares Held	Percentage of Share holding
Upto 500	1531	79.32	392497	6.23
501 to 1000	176	9.12	146206	2.32
1001 to 5000	147	7.62	269946	4.29
5001 to 10000	21	1.09	169640	2.70
10001 to 100000	40	2.07	1363061	21.66
100001 & Above	15	0.78	3952950	62.80
	<b>1930</b>	<b>100%</b>	<b>6294300</b>	<b>100%</b>

**(j) Shareholding Pattern as on March 31, 2007.**

Category	No. of Shares Held	Percentage of Shareholding
1. Promoters	4319700	68.63
2. Mutual Funds	125000	1.99
3. Venture Capital Funds	9400	0.15
4. Private Corporate Bodies	264349	4.20
5. Indian Public	1494049	23.73
6. NRIs/OCBs	67002	1.06
7. Clearing Members	14800	0.24
<b>GRAND TOTAL</b>	<b>6294300</b>	<b>100%</b>

**10. Address for Correspondence**

Registered Office : 1, Pearl Mansion (N),  
 91, M. K. Road, Marine Lines,  
 Mumbai – 400 020.  
 Registrar & Share Transfer Agent : **Sharex Dynamic (India) Pvt. Ltd.**  
 17/B, Dena Building, 2nd Floor,  
 Horniman Circle, Fort,  
 Mumbai – 400 001.  
 Tel : 22702485, 22641376  
 Fax : 22641349  
 Email : sharexindia@vsnl.com

**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

As provided under clause 49 of the listing Agreement with the Stock Exchange, the Board has laid down a code of conduct for all Board Members and Senior Management of the company. The Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2007.

For & On Behalf of the Board of Directors

Place: Mumbai  
 Dated: 29.06.2007  
**Vinod Jatia**  
 Chairman & Managing Director

**Auditors' Certificate of Corporate Governance**

**To the Members of Supreme Holdings Limited,**

We have examined the compliance of the conditions of corporate governance procedures implemented by Supreme Holding Limited, for the year ended on March 31, 2007, as stipulated in clause 49 of the Listing agreement of the said Company with the Stock Exchange in India.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statement of the company.

In our opinion and to the best of our information and according to the explanation given to us, and the representations made by the directors and the management, we certify that the company has complied with the conditions of corporate Governance as stipulated in Clause 49 of the above-mentioned listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that based on the report given by the registrar of the Company to the Investors' Grievance Committee, as on March 31, 2007 there were no valid investor grievance matters against the Company remaining unattended/pending for more than 30 days.

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

**For Singrodia Goyal & Co.**  
 Chartered Accountants

Place : Mumbai  
 Date : 29th June, 2007.  
**Manoj Singrodia**  
 Partner



## SUPREME HOLDINGS LIMITED

### Auditors' Report

To,

The Members,

**M/s. Supreme Holdings Limited.**

Mumbai

1. We have audited the attached Balance Sheet of Supreme Holdings Limited, as at 31st March 2007 and the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of materials misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, 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 as it appears from our examination of such books.
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
  - d) In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the requirement of the Accounting Standards referred to in sub section (3C) of Section 211 of the Act.
  - e) On the basis of written representations received from all the Directors of the Company as on 31st March 2007 and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on 31st March 2007, from being appointed as a director in terms of Clause (g) of sub section (1) to Section 274 of the Act.

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2007.
  - ii) In the case of Profit and Loss Account, of the Profit of the Company for the year ended on that date.
  - iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **Singrodia Goyal & Co.**  
Chartered Accountants

**Manoj Singrodia**

Partner

**M. No. : 45466**

Place : Mumbai

Date : 29th June, 2007.

### Annexure to Auditors Report

Annexure referred to in paragraph 3 of the Auditors Report for the year ended 31st March 2007.

As required by the Companies (Auditors Report) Order, 2003 (as amended) and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) All the assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
- c) The Company has not disposed off any assets during the year.
- (ii) a) The inventories have been physically verified at regular intervals by the management during the year.
- b) The procedures of physical verification of the inventories 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 discrepancy was noticed on physical verification.
- (iii) a) The company has granted unsecured loans to five parties (including Subsidiary Company) covered in the register maintained under Section 301 of the Companies Act, 1956 on **call basis**. The Maximum amount outstanding during the year was Rs. 2108.00 Lacs and the year-end balance was Rs 829.09 Lacs.



- b) The other terms and conditions on which the loan have been granted are prima facie, not prejudicial to the interest of the company; loan granted to the subsidiary company is interest free.
- c) In view of our comments in Para (iii) (a) and (b) above, clauses (iii) (c) and (d) of the said Order are not applicable to the company
- d) The company has taken unsecured loans from four parties, covered in the register maintained under Section 301 of the Act on call basis. The maximum amount outstanding during the year was Rs. 1485.65 lacs and the year-end balance was NIL.
- e) The other terms and conditions on which the loans have been taken is prima facie, not prejudicial to the interest of the company;
- f) In view of our comments in Para (iii) (d) and (e) above, clause (iii) (g) of the said Order is not applicable to the company
- (iv) There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and for the sale of goods and services.
- (v) a) Based on the audit procedures performed by us, we are of the opinion that particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained in that section.
- b) the transactions made in pursuance of such contracts or arrangements 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 the sections 58A, 58AA or any other relevant provisions of the Act and the rules framed there under and directives issued by the Reserve Bank of India. No order in relation thereto has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) The Company has an adequate internal audit system commensurate with its size and nature of its business.
- (viii) The Central Government has not prescribed for maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the Company.
- (ix) a) The company is regular in depositing undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, wealth tax, custom duty, excise duty, cess and other statutory dues with appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they become payable .
- b) As per the records of the Company, disputed dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have

not been deposited on account of disputes with the related authorities are as under

Sr. No.	Name of Statute	Nature of Demand	Amount (Rs.)	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax for the A.Y 1996-97	37.93 Lacs	Assistant Commissioner of Income Tax
2.	Income Tax Act, 1961	Income Tax for the A.Y 1998-99	10.43 Lacs	Commissioner of Income Tax (Appeal)

- (x) The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in such financial year and in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of its dues to banks and Financial Institutions.
- (xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the company.
- (xiv) In respect of dealing in shares, securities and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities and other investments have been held by the company in its own name.
- (xv) The company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) The Company has not obtained any term loans during the year.
- (xvii) On an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long term investments.
- (xviii) The company has not made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act. Therefore this clause is not applicable here.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year.

**For Singrodia Goyal & Co.**  
Chartered Accountants

Place : Mumbai  
Date : 29th June, 2007.

**Manoj Singrodia**  
Partner

**M. No. : 45466**

**SUPREME HOLDINGS LIMITED****BALANCE SHEET  
AS AT 31st MARCH, 2007**

	SCHEDULE	As at 31.03.2007 Rupees	As at 31.03.2006 Rupees
<b>Sources of Funds</b>			
<b>Shareholder's Funds</b>			
Share Capital	1	62,943,000	62,943,000
Reserves & Surplus	2	63,421,925	62,155,958
<b>Loan Funds</b>			
Secured Loans	3	258,834	577,515
Unsecured Loans	4	17,536,336	90,739,611
<b>Total</b>		<b>144,160,095</b>	<b>216,416,084</b>
<b>Application of Funds</b>			
<b>Fixed Assets</b>			
<b>Gross Block</b>	5	<b>8,251,640</b>	<b>8,167,440</b>
Less : Depreciation		6,669,270	6,258,993
<b>Net Block</b>		<b>1,582,370</b>	<b>1,908,447</b>
<b>Deffered Tax Assets</b>		<b>4,768,241</b>	<b>2,845,919</b>
<b>Investments</b>	6	<b>14,306,546</b>	<b>16,122,746</b>
<b>Current Assets, Loans &amp; Advances</b>			
Inventories		851,418	3,908,976
Sundry Debtors		4,723,406	340,032
Cash & Bank Balances		1,107,199	635,168
Loans & Advances		124,363,041	198,055,699
		<b>131,045,064</b>	<b>202,939,875</b>
<b>Less : Current Liabilities &amp; Provisions</b>	8	<b>7,542,126</b>	<b>7,400,903</b>
<b>Net Current Assets</b>		<b>123,502,938</b>	<b>195,538,972</b>
<b>Total</b>		<b>144,160,095</b>	<b>216,416,084</b>
Significant Accounting Policies & Notes to Accounts	12		

As per our Report of even date  
**For SINGRODIA GOYAL & CO.**  
Chartered Accountants

**MANOJ SINGRODIA**  
Partner  
Mem. No. 045466

Place : Mumbai.  
Date : 29th June 2007

For and on behalf of the Board

**VINOD JATIA**

Chairman & Managing Director

**ABHAY LODHA**

Director

**PRATEEK JATIA**

Director

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31st MARCH, 2007**

	Schedule	Year Ended 31.03.2007 Rupees	Year Ended 31.03.2006 Rupees
<b>Income</b>			
Operating Income	9	20,261,697	22,798,639
<b>Total</b>		<b>20,261,697</b>	<b>22,798,639</b>
<b>Expenditure</b>			
Employee Costs	10	729,070	735,132
Administrative & Other Expenses	11	14,855,571	4,611,589
Interest Expenses		924,484	6,435,197
Depreciation		410,277	520,758
<b>Total</b>		<b>16,919,402</b>	<b>12,302,676</b>
<b>Profit before Tax</b>		<b>3,342,295</b>	<b>10,495,963</b>
Less : Provision for Tax			
—Current Tax		1,600,000	4,703,546
—Deffered Tax assets		(1,922,322)	(1,713,227)
—Fringe Benefit Tax		130,000	78,226
—Tax of Earlier Years		2,268,650	(207)
<b>Net Profit for the year</b>		<b>1,265,967</b>	<b>7,427,625</b>
Add: Balance brought forward from previous year		15,182,906	9,240,765
<b>Profit available for Appropriations</b>	<b>Total</b>	<b>16,448,873</b>	<b>16,668,390</b>
<b>Appropriations:</b>			
Transferred to Statutory Reserve		253,193	1,485,484
Profit and Loss Account		16,195,680	15,182,906
	<b>Total</b>	<b>16,448,873</b>	<b>16,668,390</b>
Earning Per Share (Basic/Diluted)		<b>0.20</b>	1.18
Significant Accounting Policies & Notes to Accounts	12		

As per our Report of even date  
**For SINGRODIA GOYAL & CO.**

Chartered Accountants

**MANOJ SINGRODIA**

Partner

Mem. No. 045466

Place : Mumbai.

Date : 29th June 2007

For and on behalf of the Board

**VINOD JATIA**

Chairman & Managing Director

**ABHAY LODHA**

Director

**PRATEEK JATIA**

Director

**SUPREME HOLDINGS LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2007**

	2006-07 Rupees	2005-06 Rupees
<b>(A) Cash Flow from Operating Activities</b>		
Net Profit before Tax and extra-ordinary items	3,342,295	10,495,963
<b>Adjustment for:</b>		
Depreciation	410,277	520,758
Interest Paid	924,484	6,435,197
Dividend	(135,194)	(263,095)
Profit on Sale of Investments	(4,935,434)	(1,817,827)
Loss on Investment W/off	217,500	-
Loss on Shares Valuation	674,746	33,591
<b>Operating Profit Before Working Capital Changes</b>	<b>498,674</b>	<b>15,404,587</b>
<b>Adjustment for :</b>		
Trade and Other Receivables	69,406,564	(45,984,124)
Inventories	2,382,811	-
Trade Payables	(785,551)	485,218
Cash Generated from Operations	<b>71,502,498</b>	<b>(30,094,319)</b>
Interest paid	(924,484)	(6,435,197)
Direct Taxes Paid (Net)	(3,169,155)	(1,174,630)
<b>Net Cash from operating activities</b>	<b>(A) 67,408,859</b>	<b>(37,704,146)</b>
<b>(B) Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(84,200)	(14,500)
Sale of Investments	17,659,367	9,680,632
Purchase of Investment	(11,125,233)	(7,756,496)
Sale of Fixed Assets	-	-
Dividend Received	135,194	263,095
<b>Net Cash used in investing activities</b>	<b>(B) 6,585,128</b>	<b>2,172,731</b>
<b>(C) Cash Flow from Financing Activities</b>		
Proceeds from Long Term Borrowings	(73,521,956)	26,515,226
Dividend Paid	-	(3,811,780)
Dividend Tax	-	(529,665)
<b>Net Cash used in financing activities</b>	<b>(C) (73,521,956)</b>	<b>22,173,781</b>
<b>Net increase (decrease) in Cash &amp; Cash Equivalents (A)+(B)+(C)</b>	<b>472,031</b>	<b>(13,357,634)</b>
<b>Cash and Cash Equivalents:</b>		
Opening Balance at the beginning of the year	635,168	13,992,802
Closing Balance at the end of the year	<b>1,107,199</b>	<b>635,168</b>
<b>Net increase/(decrease) in cash and equivalent</b>	<b>472,031</b>	<b>(13,357,634)</b>
Note: Figures in brackets represent Cash Outflow		
<b>Note:</b>		
1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standards -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India		
2 Cash and Cash Equivalents at the end of the year consists of Cash in Hand and Balances with Banks and are net of Short Terms Loans and Advances from Banks as follows		
<b>Particulars</b>	<b>As at 31.3.2007 Amount (Rs.)</b>	<b>As at 31.3.2006 Amount (Rs.)</b>
Cash in Hand	177,437	152,615
Balances with Banks	929,762	482,553
	<b>1,107,199</b>	<b>635,168</b>

As per our Report of even date

**For SINGRODIA GOYAL & CO.**

Chartered Accountants

**MANOJ SINGRODIA**

Partner

Mem. No. 045466

Place : Mumbai.

Date : 29th June 2007

For and on behalf of the Board

**VINOD JATIA**

Chairman &amp; Managing Director

**ABHAY LODHA**

Director

**PRATEEK JATIA**

Director

**SCHEDULES  
TO BALANCE SHEET AS AT 31ST MARCH, 2007**

	As at 31.03.2007 Rupees	As at 31.03.2006 Rupees
<b>Schedule "1" :- Share Capital</b>		
<u>Authorised</u>		
70,00,000 Equity Shares of Rs. 10/-each	70,000,000	70,000,000
	<b>70,000,000</b>	<b>70,000,000</b>
<u>Issued, Subscribed and Paid-up</u>		
6294300 Equity Shares of Rs.10/- each fully paid up	62,943,000	62,943,000
	<b>62,943,000</b>	<b>62,943,000</b>
<b>Schedule "2" :- Reserves &amp; Surplus</b>		
Capital Reserve -Opening Balance	277,150	277,150
General Reserve -Opening Balance	1,000,000	1,000,000
Share Premium Account -Opening Balance	37,943,000	37,943,000
Reserve Fund in terms of Section-45-IC (1) of Reserve Bank of India Act, 1934		
Opening Balance	7,752,902	6,267,418
Additions during the year	253,193	1,485,484
	<b>8,006,095</b>	<b>7,752,902</b>
Surplus as per Profit & Loss Account	16,195,680	15,182,906
	<b>63,421,925</b>	<b>62,155,958</b>
<b>Schedule "3" :- Secured Loans</b>		
ICICI Bank Ltd (Secured against specific Asset)	285,834	577,515
	<b>258,834</b>	<b>577,515</b>
<b>Schedule "4" :- Unsecured Loans</b>		
Intercorporate Deposits	17,536,336	90,739,611
	<b>17,536,336</b>	<b>90,739,611</b>

**SCHEDULE : "5" Fixed Assets :**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Cost as at 1.04.06	Additions during the year	Cost as at 31.03.07	Up to 31.03.06	Provided for the Year	Upto 31.03.2007	As on 31.03.2007	As on 31.03.2006
Furniture & Fittings	2,536,989	-	2,536,989	2,042,574	89,489	2,132,063	404,926	494,415
Motor Cars	1,045,061	-	1,045,061	339,236	182,738	521,974	523,087	705,825
Air Conditioners	1,016,037	-	1,016,037	742,114	38,103	780,217	235,820	273,923
Office Equipments	1,020,591	-	1,020,591	696,946	45,019	741,965	278,626	323,645
Computers	2,548,762	84,200	2,632,962	2,438,123	54,928	2,493,051	139,911	110,639
<b>Total</b>	8,167,440	84,200	8,251,640	6,258,993	410,277	6,669,270	1,582,370	1,908,447
<b>Previous Year</b>	8,152,940	14,500	8,167,440	5,738,235	520,758	6,258,993	1,908,447	2,414,706

**SUPREME HOLDINGS LIMITED****SCHEDULES - Cont'd.****Schedule 6 : Investments (At cost)**

	Face Value per share Rs.	As at 31.03.2007		As at 31.03.2006	
		Nos.	Rs.	Nos.	Rs.
<b>LONG TERM :</b>					
<b>Fully Paid-up Equity Shares</b>					
<b>A) Quoted</b>					
Andhra Cement Ltd.	10	250	8,076	250	8,076
Apple Credit Corporation Ltd.	10	100	3,633	100	3,633
Aravali Securities And Finance Ltd.	10	5450	31,662	5450	31,662
Ashapura Minechem Ltd.	2	-	-	13745	227,264
Bell Ceramics Ltd.	10	30300	293,179	55900	540,881
Chokani International Ltd.	10	50	500	50	500
Chokhani Global Express Ltd.	10	200	2,000	200	2,000
Cinevista Communications Ltd.	10	1200	581,883	1200	581,883
Cogent Ventures (I) Ltd.	10	8700	52,907	8700	52,907
Essar Steels Ltd.	10	6120	293,810	6120	293,810
Global Boards Ltd.	10	15000	60,459	15000	60,459
Hind Oil Expl. Co. Ltd.	10	500	11,614	500	11,614
Indian Petrochemicals Limited	10	573	172,251	433	23,560
Indo Count Fin. & Lease Ltd.	10	200	1,514	200	1,514
Jayaswals Neco Ltd.	10	2500	75,391	2500	75,391
Link Pharma Chem. Ltd.	10	3900	20,190	3900	20,190
Lloyd Steel Industries Ltd.	10	144556	1,697,579	200556	2,355,579
Lloyd Metal & Engineers Ltd	10	25000	980,323	25000	980,323
Lynx India Ltd.	10	-	-	15000	217,500
Maars Software Ltd.	10	5000	456,207	5000	456,207
Mewar Marble Ltd.	10	200	2,000	200	2,000
Monnet Industries Ltd.	10	-	-	7500	300,000
Monnet Sugar Ltd	10	4500	180,000	-	-
Mount Everest Trading and Investment Ltd	10	750	30,000	-	-
N.E.P.C. India Ltd.	10	635	3,810	635	3,810
Nahar Industrial Enterprises Ltd.	10	25	6,000	25	6,000
Nagarjuna Fertilisers & Chemicals Ltd.	10	50	897	50	897
Oswal Chemical And Fert. Ltd	10	2700	16,200	2700	16,200
Recron Synthetics Ltd.	10	-	-	19500	172,406
Reliance Petroleum Ltd	10	45000	4,009,236	-	-
S. M. Dyechem Ltd.	10	12	424	12	424
Saurashtra Chemicals Limited	10	40	2,367	40	2,367
Shikhar Consultant Ltd.	10	6500	-	6500	-
Sterlite Optical Tech. Ltd.	5	1300	317,883	1300	317,883
Steel Authority of India Limited	10	-	-	35000	2,390,722
VLS Finance Ltd.	10	30600	368,201	30600	368,201
Wires & Fabriks Ltd.	10	-	-	30428	1,970,533
Washington Software Ltd.	10	14730	438,476	14730	438,476
<b>Fully Paid-up Preference Shares</b>					
Essar Steels Ltd.	10	4080	195,874	4080	195,874
<b>Sub Total (A)</b>			<b>10,314,546</b>		<b>12,130,746</b>
<b>Market value as on 31.03.2007</b>			<b>7,207,444</b>		<b>15,151,020</b>
<b>B) Unquoted</b>					
Helmet Traders Ltd. (Subsidiary)	10	149200	1,492,000	149200	1,492,000
Udit Steels Ltd.	10	250000	2,500,000	250000	2,500,000
<b>Sub Total (B)</b>			<b>3,992,000</b>		<b>3,922,000</b>
<b>Total [(A+B)]</b>			<b>14,306,546</b>		<b>16,122,746</b>

**SCHEDULES - Cont'd.**

	As at 31.03.2007 Rupees	As at 31.03.2006 Rupees
<b>Schedule "7" :- Current Assets, Loans &amp; Advances</b>		
<b>(A) Inventories</b>		
Stock of Shares & Securities (Refer Annexure I) (As taken valued and certified by Directors)	851,418	3,908,976
	<u>851,418</u>	<u>3,908,976</u>
<b>(B) Sundry Debtors: (Unsecured and considered good)</b>		
Debtors outstanding for a period exceeding six months.	-	-
Others	4,723,406	340,032
	<u>4,723,406</u>	<u>340,032</u>
<b>(C) Cash &amp; Bank Balances</b>		
Cash balance on hand	177,437	152,615
<u>Bank Balance with Scheduled Banks</u>		
- On Current Account	924,762	477,553
- On Deposit Account	5,000	5,000
	<u>1,107,199</u>	<u>635,168</u>
<b>(D) Loans &amp; Advances</b>		
<u>Unsecured and Considered Good</u>		
Finance Lease Receivables	14,814,660	27,332,689
Advances / Loans to Subsidiary	9,694,300	10,504,300
Loans	89,776,605	150,316,607
Advances recoverable in cash or kind or for value to be received	138,343	60,250
Advance Tax & TDS	9,939,133	9,841,853
	<u>124,363,041</u>	<u>198,055,699</u>
<b>Schedule "8" :- Current Liabilities &amp; Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors	-	9,494
Unclaimed Dividend	35,100	37,100
Other Liabilities	1,073,480	1,847,537
<b>Provisions</b>		
Provision for Taxation	6,303,546	5,428,546
Fringe Benefit Tax	130,000	78,226
	<u>7,542,126</u>	<u>7,400,903</u>



## SUPREME HOLDINGS LIMITED

### SCHEDULES - Cont'd.

Schedules to Profit & Loss Account for the year ended 31st March,2007

	Year Ended 31.03.2007 Rupees	Year Ended 31.03.2006 Rupees
<b>Schedule "9" :- Operating Income</b>		
Interest [TDS Rs.25,32,890 (P.Y Rs. 29,95,379 )]	11,363,026	13,430,766
Finance Lease Charges	3,809,723	5,900,105
Bill Discounting Charges	-	348,196
Dividends	135,194	263,095
Profit on Sale of Investments	4,935,434	1,817,827
Profit \ (Loss) on dealing\ Valuation in shares	-	1,033,534
Miscellaneous Income	18,320	5,116
	<b>20,261,697</b>	<b>22,798,639</b>
<b>Schedule "10" :- Employee Costs</b>		
Salaries and Bonus	574,670	686,807
Gratuity	154,400	48,325
	<b>729,070</b>	<b>735,132</b>
<b>Schedule "11" :- Administrative &amp; Other Expenditure</b>		
Rent, Rates & Taxes	122,500	125,000
Communication Costs	239,491	145,701
Travelling & Conveyance	1,490,098	373,120
Legal & Professional Charges	237,909	327,750
Loss on dealing\ Valuation in shares	1,087,465	-
Motor Car Expenses	147,668	220,369
Office Expenses	226,870	221,612
Audit Fees	28,090	28,060
Repairs & Maintenance-Others	110,848	131,876
Bank & Depository Charges	89,439	96,158
Investment written off	217,500	-
Loan written off	7,950,000	-
Insurance Premium (Keyman)	2,741,450	2,741,450
Security Transaction Tax	62,310	72,577
Miscellaneous Expenses	103,933	127,916
	<b>14,855,571</b>	<b>4,611,589</b>



**Schedules forming part of Accounts as on 31st March, 2007.**

**Schedule "12" :- Significant Accounting Policies & Notes forming parts of Accounts :**

**A. Significant Accounting Policies :**

**1 Basis of preparation of Financial Statements**

The Financial Statements are prepared under the historical cost convention and on an accrual basis and are in consonance with the generally accepted accounting principles as per requirements of the Companies Act, 1956.

**2 Revenue Recognition**

- i As per Accounting Standard 19 'Leases' issued by Institute of Chartered Accountants of India, in respect of lease transaction entered in to on or after 1.4.2001, the assets given under finance leases are recognised as receivables at an amount equal to the Net Investment in the lease.
- ii Lease Management Fees and other service charges have been considered as income wherever the agreements have been signed.
- iii In respect of other income (except dividend and debenture interest, which are accounted on cash basis), the Company follows the system of accounting on accrual basis.

**3 Fixed Assets**

All owned Fixed Assets are accounted for at cost inclusive of incidental expenses less accumulated depreciation.

**4 Depreciation**

- i Depreciation on Owned Fixed Assets is charged on the Written Down Value Method at rates specified under Schedule XIV to the Companies Act, 1956.
- ii In respect of additions to and deletions from Fixed Assets, Depreciation is charged on prorata basis with reference to completed number of months.

**5 Investments**

- i The securities acquired with the intention of short term holding & trading positions, if any are considered as stock in trade. Other Securities acquired with the intension of Long Term holding are considered as Long Term Investments.
- ii Long Term Investments are stated at cost inclusive of incidental expenses. Provision in the value of Long Term Investments is made only if such a decline is other than temporary in the opinion of management.

**6 Inventory**

Stock of shares and securities are valued at Lower of cost or market value

**7 Contingent Liabilities**

Contingent liabilities if any are disclosed by way of notes forming part of accounts.

**8 Retirement Benefits**

The liability of gratuity is ascertained and provided on the basis and method as prescribed under the Payment of Gratuity Act.

**9 Taxes on Income**

Current year tax is determined in accordance with the Income Tax Act 1961 at the current tax rates based on assessable income. Deferred Tax is calculated at the tax rate and laws that have been enacted or substantially enacted as of the balance sheet date.

**10 Prudential Norms**

The Company has complied with the guidelines issued by the Reserve Bank of India with respect to Accounting Standards, Income Recognition and Provision for Non-Performing Assets in the books of accounts.

**B. Notes to Accounts**

- 1 a Loans and Advances includes Rs.96,94,300/- (P.Y. Rs.1,05,04,300/-) amount due from Helmet Traders Limited a subsidiary of the Company.
- b Loans and Advances includes Rs.7,32,15,131/- (P.Y. Rs.10,05,98,381/-) amount due from private companies in which directors are interested as members.

- 2 Deferred Tax Assets for the current year amounting to Rs.19,22,322/- (Previous Year Rs. 17,13,227) has been recognised in the Profit & Loss Account.

Net Deferred Tax Assets balance as on 31.03.2007 comprises of:

Deferred Tax Assets/(Liabilities)	Deferred Tax assets\ (Liability) as at 1-4-2006	Current year charge assets\ (Liability)	Deferred Tax assets\ (Liability) as at 31-3-2007
	Rs.	Rs.	Rs.
Timing Difference on account of Depreciation on Owned Fixed Assets	1,224,800	(138,692)	1,086,108
Provision of gratuity	56,843	26,928	83,771
Finance Lease Income	1,564,276	2,034,086	3,598,362
<b>Total Defered Tax Assets/(Liability)</b>	<b>2,845,919</b>	<b>1,922,322</b>	<b>4,768,241</b>

In absence of virtual certainty of sufficient future taxable income, deferred tax assets on Long Term Capital Loss has not been recognised by way of prudence in accordance with AS 22 'Accounting for Taxes on Income' issued by ICAI.



## SUPREME HOLDINGS LIMITED

### 3 Segment

The company is engaged in financing business, which as per accounting standard-17, "Segment Reporting" issued by ICAI, is considered only reportable business segment of the company.

### 4 Payment to Auditors

#### Particulars

	Current Year Rs.	Previous Year Rs.
Audit Fees	20,000	20,000
Tax Audit Fees	5,000	5,000
Service Tax	3,090	3,060
Total	28,090	28,060

5 In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated as realisable in the ordinary course of business and the provisions of all known liabilities are adequate.

6 Previous year figures are regrouped and rearranged, wherever necessary, to make them comparable with those of the current year's figures.

7 Finance Lease: The Company had purchased and given on lease Plant & Machinery. Disclosure regarding the same as required under the "Accounting Standard 19" Leases is as under:

Particulars	As on 31st March 2007 Amount (Rs.)	Not later than one year Amount (Rs.)	Later than one year and not later than five years Amount (Rs.)
Total Gross Investment	16202155	16202155	0
Total Net Investment	14814661	14814661	0
Total Unearned Finance Income Rs.:	1387494		

#### General Description of Leasing arrangements:

- Assets are generally given on lease for a period of three years.
- Lease rentals are charged on agreed rate of interest.

### 8 Earning per Share

#### Particulars

	Year ended 31.3.2007	Year ended 31.3.2006
Profit attributable to the equity shareholders (Rs.)	1265967	7427625
Basic no. of equity shares o/s. during the year (No.)	6294300	6294300
Basic/Diluted earning per share of Rs.10/-	0.20	1.18

### 9 Contingent Liabilities

Contingent Liability not provided for in books in respect of disputed income tax amounting to Rs. 48,35,816/- (P.Y. Rs. 4695989). The company has applied for rectification and /or has filed an appeal with the CIT (appeal) in respect of the above demand

10 The Balance of Sundry Debtors and Sundry Creditors are subject to confirmation and reconciliation if any.

11 The quantitative information of opening stock, purchases, sales and closing stock of shares & securities is given below. Details regarding Closing Stock are annexed in "I" hereto.

Particulars	Opening Stock		Purchases		Sales		Closing Stock	
	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Shares & Securities	34501 (NIL)	3,908,976 (NIL)	117,454 (3,72,971)	16,177,828 (3,43,03,629)	111,962 (3,38,470)	18,147,922 (3,14,19,538)	39,993 (34,501)	851,418 (39,08,976)

12 Expenditure in foreign currency (Amount Rs.)

	Year ended 31.3.2007	Year ended 31.3.2006
Travelling Expenses	452719	Nil

### 13 Related Party Disclosure

List of related parties with whom transaction have taken place and relationship:

Sr. No.	Name of Related Party	Relationship
1	Helmet Traders Limited	Subsidiary Company
2	Vinod Kumar Jatia	Key Management Personneel
3	Ramesh Jatia	Relative of Key Management Personnel
4	Bell Ceramics Ltd.	Entities controlled by directors or their relatives
5	Dilshad Trading Co. Pvt. Ltd.	
6	Subhakaran & Sons	

Transactions with the related parties during the year:

Nature of Transaction	Subsidiary	Key Management Personnel	Entities controlled by Directors or their relatives	Total
<b>A. Loans granted(taken)</b>				
Balance as on 1.4.2006	10504300 (8774300)		6290522 (66062185)	16794822 (74836485)
Granted	NIL (2870000)		97961151 (62473000)	97961151 (65343000)
Recovered	810000 (1140000)		61905137 (102235185)	62715137 (103375185)
Taken	NIL (NIL)		111830580 (27664815)	111830580 (27664815)
Re paid	NIL (NIL)		132078464 (1800000)	132078464 (1800000)
Balance as on 31.3.2007	9694300 (10504300)		62594420 (6290522)	72288720 (16794822)
<b>B. Investments</b>				
Balance as on 1.4.2006	1492000 (1492000)		540881 (2291939)	2032881 (3783939)
Purchases during the year	NIL (NIL)		NIL (816290)	NIL (816290)
Sales during the year	NIL (NIL)		247702 (2630381)	247702 (2630381)
Balance as on 31.3.2007	1492000 (1492000)		293179 (540881)	1785179 (2032881)
<b>C. Sundry Debtors as on 31.3.2007</b>				
Opening Balance as on 1.4.2006	NIL (2870000)		NIL (NIL)	NIL (2870000)
Sales during the year	NIL (NIL)		345600 (NIL)	345600 (NIL)
Realised	NIL (2870000)		NIL (NIL)	NIL (2870000)
Closing Balance as on 31.3.2007	NIL (NIL)		345600 (NIL)	345600 (NIL)
<b>D. Income</b>				
Lease Rent/Lease	NIL (NIL)		NIL (498040)	NIL (498040)
Profit on sale of shares	NIL (NIL)		97898 (51198)	97898 (51198)
Interest	NIL (NIL)		3274386 (10224464)	3274386 (10224464)
Profit on dealing in shares	NIL (NIL)		NIL (11835)	NIL (11835)
<b>E. Expenses</b>				
Office Rent	NIL (NIL)		120000 (120000)	120000 (120000)
Interest	NIL (NIL)		730206 (NIL)	730206 (NIL)

Disclosure of Loans/Advances and Investments in its own shares by the listed companies, their Subsidiaries, Associates etc, pursuant to Circular CRD/GEN/2003/1 dated February 6, 2003 of The Stock Exchange, Mumbai.

S. N.	Particulars	Balance as at 31.03.07 Rs. In Lacs	Maximum Bal. During the year Rs. In Lacs
a	Loans and advances in the nature of loans to Subsidiary Company -Helmet Traders Ltd	96.94	105.04
b	Loans and advances in the nature of Loans to Associates	Nil	Nil
c	Loans and advances in the nature of loans where there is		
	i) No repayment schedule or repayment beyond seven years	Nil	Nil
	ii) No interest or interest below Section 372 A of the Companies Act, 1956 -	Nil	Nil
d	Loans and Advances in the nature of loans to Firm/Companies in which Directors are interested	732.15	2002.95
e	Investments by loanee in the shares of Parent Company and Subsidiary Company, when the company has made a loan or advance in the nature of loan	Nil	Nil

**Notes**

In respect of Loans and Advances to Subsidiary there is no repayment schedule and no interest is charged on above loan.



# SUPREME HOLDINGS LIMITED

14. Additional information as required under Part IV of Schedule VI to the Companies Act, 1956.  
Balance Sheet Abstract and Company's General Business Profile.

## I. REGISTRATION DETAILS

Registration No.	State Code	Balance Sheet Date
11-26924	11	31st March 2007

## II CAPITAL RAISED DURING THE YEAR (Rs. in Thousand)

Public Issue	Rights Issue	Bonus Issue	Private Placement/Promoter's Contribution	Call Unpaid Received
NIL	NIL	NIL	NIL	NIL

## III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Rs. in Thousand)

Total Liabilities	Total Assets
144160	144160

### SOURCES OF FUNDS

Paid-up-Capital	Reserves & Surplus	Secured Loans	Unsecured Loan
62943	63422	259	17536

### APPLICATION OF FUNDS

Net Fixed Assets	Investment	Net Current Assets	Misc. Expenditure	Accumulated Losses	Deferred Tax Assets
1582	14307	123503	NIL	NIL	4768

## IV. PERFORMANCE OF COMPANY (Rs. in Thousand)

Turnover&Income	Total Expenditure	Profit/Loss before Tax	Profit / (Loss) after tax	Earnings per Share(Rs.)	Dividend Rate (%)
20262	17330	3342	1266	0.20	NIL

## V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS /SERVICES OF COMPANY (As per monetary terms)

Item Code No. (ITC Code)  
Product Description

- (1) Finance
- (2) Leasing
- (3) Trading in Shares and Securities

Signatories to Schedule "1" to "12"

As per our Report of even date  
**For SINGRODIA GOYAL & CO.**  
Chartered Accountants

For and on behalf of the Board

**MANOJ SINGRODIA**  
Partner  
Mem. No. 045466  
Place : Mumbai.  
Date : 29th June 2007

**VINOD JATIA** Chairman & Managing Director  
**ABHAY LODHA** Director  
**PRATEEK JATIA** Director

### Annexure 'I'

#### Details of Closing Stock of Shares and Securities

Particulars	As at 31.03.2007		As As 31.03.2006	
	Qty.	Amount (Rs.)	Qty.	Amount (Rs.)
Indian Hotels	0	0	2,000	2,713,800
Sakuma Export (PI)	4993	237,168	2,500	140,750
Sakuma Export (Eq)	35000	614,250	30,001	1,054,426
	39993	851,418	34,501	3,908,976

## STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956. RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANIES

- |   |  |   |
|---|--|---|
| 1 | Name of the Subsidiary Company   | : <b>Helmet Traders Limited</b>                         |
| 2 | Financial year of the Subsidiary ended on  | : 31st March, 2007                                      |
| 3 | Date from which it became the subsidiary   | : 28th September, 1994                                  |
| 4 | (a) Number of Shares held by Supreme Holdings Ltd. with its nominees in the subsidiary at the end of the financial year of the subsidiary. | : 1,49,200 Equity shares of Rs. 10/- each fully Paid-up |
|   | (b) Extent of interest of holdings Company at the end of financial year of the subsidiary  | : 100%  |
| 5 | Net aggregate amount of subsidiary Company's Profit/(Loss) so far as it concerns the members of the holdings Company                       | :   |
|   | (a) Dealt with in the holdings Company's accounts  | :   |
|   | (i) For the financial year ended 31st March, 2007  | : NIL   |
|   | (ii) For the previous financial years of the subsidiary company since it became the holding Company's subsidiary                           | : NIL   |
|   | (b) Not dealt with in the holding Company's Accounts   | :   |
|   | (i) For the financial year ended 31st March, 2007  | : 798139  |
|   | (ii) For the previous financial years of the subsidiary company to since it became the holding Company's subsidiary                        | : 4168394   |

For and on behalf of the Board

**VINOD JATIA** Chairman & Managing Director  
**ABHAY LODHA** Director  
**PRATEEK JATIA** Director

Place : Mumbai  
Date :29th June, 2007

Schedule to the  
Balance Sheet of a Non-Banking Financial Company  
(as required in terms of Paragraph 9BB of Non-Banking Financial Companies  
Prudential Norms (Reserve Bank) Directions, 1998

(Rs. in lakhs)

Particulars	Amount Outstanding	Amount Overdue
<b>Liabilities side :</b>		
(1) <b>Loans and advance availed by the NBFCs inclusive of interest accrued thereon but not paid :</b>		
(a) Debentures : Secured	-	-
: Unsecured	-	-
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	175.36	-
(e) Commercial Paper	-	-
(f) Public Deposits	-	-
(g) Other Loans (specify nature) Loan from ICICI BANK	2.59	-
* Please see Note 1 below		
(2) <b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :</b>		
(a) In the form of Unsecured debentures	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c) Other public deposits	-	-
* Please see Note 1 below		
<b>Assets side :</b>		
	<b>Amount Outstanding</b>	
(3) <b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
(a) Secured	-	
(b) Unsecured	994.71	
(4) <b>Break up of leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities</b>		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	148.15	
(b) Operating lease	-	
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire	-	
(b) Repossessed Assets	-	
(iii) Hypothecation loans counting towards EL/HP activities		
(a) Loans where assets have been repossessed	-	
(b) Loans other than (a) above	-	
(5) <b>Break-up of Investment</b>		
<b>Current Investments</b>		
1. <b>Quoted :</b>		
(i) Shares : (a) Equity	-	
: (b) Preference	-	
(ii) Debentures and Books	-	
(iii) Units of mutual funds	-	
(iv) Government Securities	-	
(v) Others (please specify)	-	

2. **Unquoted :**

(i) Shares : (a) Equity	-
: (b) Preference	-
(ii) Debentures and Books	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-

**Long Term investments :**

1. **Quoted :-**

(i) Shares : (a) Equity	101.19
: (b) Preference	1.96
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-

2. **Unquoted :**

(i) Shares : (a) Equity	39.92
: (b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-

(6) **Borrower group-wise classifications of all leased assets, stock-on-hire and loans and advances :**

Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	-	96.94	96.94
(b) Companies in the same group	-	625.94	625.94
(c) Other related parties	-	106.21	106.21
2. Other than related parties	-	313.76	313.76
<b>Total</b>	-	<b>1142.86</b>	<b>1142.86</b>

(7) **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**

Please see note 3 below

Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	14.92	14.92
(b) Companies in the same group	-	-
(c) Other related parties	3.45	2.93
2. Other than related parties	93.63	125.21
<b>Total</b>	<b>111.99</b>	<b>143.07</b>

\*\* As per Accounting Standard of ICAI

(8) **Other Information**

Particulars	Amount
(i) Gross Non-Performing Assets	-
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non Performing Assets	-
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

As per our Report of even date

For SINGRODIA GOYAL & CO.  
Chartered Accountants

MANOJ SINGRODIA  
Partner

Mem. No. 045466

Place : Mumbai.

Date : 29th June 2007

For and on behalf of the Board

VINOD JATIA

Chairman & Managing Director

ABHAY LODHA

Director

PRATEEK JATIA

Director



# HELMET TRADERS LIMITED

## DIRECTORS' REPORT

To the Members of **HELMET TRADERS LIMITED**

Your Directors have pleasure in presenting the Thirteenth Annual Report and Audited Accounts of the Company for the year ended 31st March, 2007.

### FINANCIAL RESULTS:

	(RS.)	
	<u>2006-07</u>	<u>2005-06</u>
Total Income	818300	1145620
Total Expenditure	20161	11603
Profit before Tax	798139	1134017
Less: Provision for Tax	—	—
Profit after Tax	<u>798139</u>	<u>1134017</u>
Add: Amount brought forward	<u>4168397</u>	<u>3034377</u>
Profit available for appropriation	<u>4966533</u>	<u>4168397</u>
<b>Appropriations:</b>		
Balance carried to Balance Sheet	<u>4966533</u>	<u>4168397</u>

### DIVIDEND:

No dividend is recommended for the year under review as it is considered appropriate that the financial resources of the Company be strengthened.

### PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposits from the public.

### PARTICULARS OF EMPLOYEES:

There are no employees whose particulars are required to be given under section 217(2A) of Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

### DIRECTORS:

During the year Mr. Radheshyam Sharma resigned as Director of the Company w.e.f. 14.09.2006 and Mr. Prateek Jatia was appointed in his place to fill casual vacancy.

Mrs. Nita Jatia retires by rotation and, being eligible, offers herself for re-appointment.

### DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- That in the preparation of the accounts for the financial year ended 31st March, 2007 the applicable accounting standards have been followed along with proper explanations relating to material departures;
- That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year under review;
- That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- That the directors have prepared the account for the financial year ended 31st March, 2007 on a "going concern" basis.

### COMPLIANCE CERTIFICATE :

In accordance with Section 383 of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a Certificate from a Secretary in the whole time practice confirming that the Company has complied with all the provisions of the Companies Act, 1956 and a copy of such Certificate is annexed to this Report.

### AUDITORS:

M/s Anil Kedia & Co., Chartered Accountants retire as Auditor of the Company at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received certificate from them certifying that their appointment, if made would be within the limit specified under section 224 (1B) of the Companies Act, 1956.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

As Company has not carried out any manufacturing activities, we have nothing to report on the matters.

### FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earning : Nil  
 Outgo : Nil

For and on behalf of the Board

Place: Mumbai **VINOD JATIA** **PRATEEK JATIA**  
 Date: 29th June, 2007 Director Director

CIN No. : L00776MH1994PLC081224

Nominal Capital : Rs.15,00,000/-

Paid-Up Capital : Rs.14,92,000/-

### COMPLIANCE CERTIFICATE UNDER PROVISIO TO SUB SECTION (1) OF SECTION 383A OF THE COMPANIES ACT 1956

To,

The MEMBERS

**HELMET TRADERS LIMITED**

**MUMBAI**

We have examined the registers, records, books and papers of **HELMET TRADERS LIMITED** as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on **31st March, 2007**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

- the Company has kept and maintained all registers as stated in Annexure "A" to this Certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
- the Company has duly filed the Forms and Returns as stated in Annexure "B" to this Certificate, with the Registrar of Companies within the time prescribed / with additional filing fees under the Act, and the rules made there under.
- The company being the public limited company the restrictions as provided in section 3(1)(iii) of the Act are not applicable and has the minimum prescribed paid up capital.
- The Board of Directors duly met Seven times on 09-05-2006, 06-06-2006, 09-08-2006, 14-09-2006, 17-10-2006, 26-12-2006 and 14-03-2007 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
- The Company has not closed the Register of Members during the financial year.
- The Annual General Meeting for the Financial year ended on 31st March, 2006 was held on 29th September, 2006 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- No Extra Ordinary General Meeting was held during the said financial year.
- The Company has not advanced any loan to its director and/or persons or firms or companies referred in the section 295 of the Act.
- The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
- The Company has made required entries in the Register of Contracts maintained under Section 301 of the Act.
- As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or the Central Government.
- The Company has not issued any duplicate share certificates during the year under review
- The Company has :
  - neither allotted** any securities **nor received** any share certificates during the year under reference for transfer/ transmission or any other purpose during the said financial year.
  - (iii) & (iv) **not declared** any dividend including interim dividend during the year under review. There is no unpaid dividend in respect of earlier years. Therefore the particulars required under sub paras (ii) (iii) & (iv) are not applicable.
  - duly complied** with the requirements of Section 217 of the Act.

14. The Board of Directors of the Company is **duly constituted** and the appointment of a director to fill casual vacancy has been duly made during the financial year under review.
15. The Company has not appointed any Managing Director / Whole-time Director/ Manager during the year under review.
16. The Company has not appointed any **sole-selling agents** during the financial year under review.
17. There were **no instances** requiring to obtain any approval by the Company from the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the said financial year.
18. The directors **have disclosed** their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares / debentures / other securities during the said financial year.
20. The Company has **not bought back** any shares during the financial year ending on 31st March, 2007.
21. The Company has neither any preference Share Capital nor it has issued any debentures and hence the question of redemption of the same does not arise.
22. There were no instances necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has **not invited or accepted** any deposits falling within the purview of Section 58A and 58 AA read with Companies (Acceptance of Deposit) Rules 1975.
24. the Company has not borrowed any money during the financial year under review.
25. During the year under review the company has given corporate guarantees and complied with the provisions of the Act.
26. The Company has **not altered** the provisions of the memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The Company has **not altered** the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has **not altered** the provisions of the memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has **not altered** the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has **not altered** its articles of association during the year under scrutiny.
31. As per the information and according to the explanations furnished to us by the company, there were **no prosecutions** initiated against or show cause notices received by the Company, for alleged offences under the Act and also no fines and penalties or any other punishment imposed on the company.
32. The Company has not received any amount as security from its employees during the year under certification.
33. According to the information and explanations given to us the Employees Provident Fund and Miscellaneous Provisions Act 1952 is **not applicable** to the company.

For K.C. NEVATIA & ASSOCIATES,  
COMPANY SECRETARIES

PLACE: MUMBAI  
DATE: 28th June, 2007

K. C. NEVATIA  
Proprietor  
C.P. No. 2348

**HELMET TRADERS LIMITED**

**ANNEXURE – A**

**Registers as maintained by the Company**

- |  |                    |
|--|--------------------|
| 1. Register of Members   | U/s. 150 (1)       |
| 2. Minutes of General Meeting & Board Meeting                              | U/s. 193 (1)       |
| 3. Register of Directors   | U/s. 303 (1)       |
| 4. Register of Directors' shareholding                                     | U/s. 307 (1)       |
| 5. Register of Charges   | U/s. 143 (1)       |
| 6. Register of particulars of contracts in which Directors are interested. | U/s. 301 (1) & (3) |
| 7. Books of Accounts   | U/s. 209           |
| 8. Register of Share Transfer  |                    |

**ANNEXURE –B**

**Forms and Returns as filed by the Company with the Registrar of Companies during the financial year ended 31st March, 2007.**

Sr. No	Form No./ Return	Filed Under Section	For	Date of Filing	Whether filed within Prescribed Time Yes / No	If delay in filing whether requisite additional fees paid Yes/ No
1.	Form No. 66	383 A(1)	Compliance Certificate (Year ended 31-3-2006)	30/09/2006	Yes	—
2.	Form No. 23AC & 23 ACA	220	Balance Sheet (Year ended 31/3/2006)	26/12/2006	No	Yes
3.	Form No. 20B	159	Annual Return (as on 29/9/2006)	25/11/2006	Yes	—
4.	Form No. 23	192	Resolutions passed at E.O.G.M. held on 30/01/2006	21/09/2006	No	Yes
5.	Form No. 32	303(2)	Appointment & Cessation of Director	07/11/2006	No	Yes

For K.C. NEVATIA & ASSOCIATES,  
COMPANY SECRETARIES

PLACE: MUMBAI  
DATE: 28th June, 2007

K. C. NEVATIA  
Proprietor  
C.P. No. 2348



# HELMET TRADERS LIMITED

## AUDITORS' REPORT

To,  
The Members,  
HELMET TRADERS LIMITED

1. We have audited the attached Balance Sheet of HELMET TRADERS LIMITED, as on 31st MARCH 2007, the annexed Profit and Loss Account for the year ended on that date and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of materials misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together the 'order') issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate, and according to the information and explanation given to us, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 to the extent applicable of the said Order.
4. Further to our comments in the Annexure referred to above, 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 as it appears from our examination of such books.
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
  - d) In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the requirement of the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act 1956.
  - e) On the basis of written representations received from all the Directors of the Company as on 31st March 2007 and taken on record by the Board of Directors, we report that none of the Directors of the Company as on 31st March 2007, prima facie have any disqualification as referred to in Clause (g) of sub section (1) to Section 274 of the Act.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act 1956, in the manner so required and gives a true and fair view:
    - i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2007.
    - ii) in the case of Profit and Loss Account, of the Profit of the Company for the year ended on that date.
    - iii) in the case of Cash Flow Statement for the cash flow for the year ended on that date.

For ANIL KEDIA & CO.  
CHARTERED ACCOUNTANTS

**ANIL KEDIA**  
(PROPRIETOR)  
M.NO. 43617

PLACE: MUMBAI  
DATE : 29.06.2007

## ANNEXURE TO THE AUDITORS' REPORT

**ANNEXURE** referred to in Paragraph 3 of our report of even date on the accounts of **HELMET TRADERS LIMITED** for the year ended 31st March 2007.

- (i) The company do not own any fixed asset and therefore clause 4(i) is not applicable to the company.
- (ii) In our opinion and according to the explanation and information given to us, during the year the company was not having any inventory and hence the clause 4(ii) is not applicable for the year under consideration.
- (iii) (a) The company had not granted loans to company, Firm or other parties covered in the registered maintained under section 301 of the Companies Act, 1956.
- (b) The company had taken loan from its holding company covered in the registered maintained under section 301 of the Companies Act, 1956. The aggregate maximum amount involved during the year was Rs. 1,05,04,300/- and the year-end balance of loan taken from such party was Rs. 96,94,300/-.

- (c) In our opinion, terms and conditions on which loans have been taken from company listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (d) There is no stipulation as regard to the repayment of principal amount being a holding company.
- (e) There is no overdue amount of loans taken from a holding company listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and leasing and financing operations. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that there are no contract or agreement referred to under section 301 of the Act that need to be entered into the register maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 exceeding the value of rupees five lakhs in respect of any party during the year.
- (vi) The company has not accepted any deposits from the public within the meaning of section 58A & 58AA or any relevant provision of the Act and the rules framed there under.
- (vii) The Company has adequate internal audit system in place commensurate with its size and the nature of its business.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date those become payable.
- (b) According to the information and explanation given to us, as on 31st March 2006, there are no income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess or other statutory dues, which have not been deposited on account of any dispute.
- (x) The Company does not have accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or banks.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares and other securities.
- (xiii) In our opinion, the company is not a chit fund or nidhi mutual benefit fund/society. Therefore, the provisions of clauses 4(xiii) of the Companies (Auditor's Reports) Order, 2003 are not applicable to company.
- (xiv) Based on the records examined by us and according to the explanation and information given to us, we are of the opinion that the company is maintaining proper records of the transactions and contracts and timely entries have been made in respect of dealing in shares, securities, debenture and other investment have been held by the company, in its own name except to the exemption granted u/s. 49 of the Act.
- (xv) On the basis of information and explanation given to us, the Company has given corporate guarantee for credit facilities of Rs. 100.00 Crores availed by associate concern Shrilekha Trading Pvt. Ltd. from banks.
- (xvi) The Company has not taken any term loan during the year under Audit.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that the no short-term funds have been used for long-term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- (xix) The company has not issued any debentures.
- (xx) The Company has not raised money by public issues during the year.
- (xxi) Based on our audit procedures and according to the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For ANIL KEDIA & CO.  
CHARTERED ACCOUNTANTS

**ANIL KEDIA**  
(PROPRIETOR)  
M.NO. 43617

PLACE: MUMBAI  
DATE : 29.06.2007







# HELMET TRADERS LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31/03/2007

	As at 31.03.2007 Rupees	As at 31.03.2006 Rupees
<b>SCHEDULE : 'A'</b>		
<b>SHARE CAPITAL</b>		
AUTHORISED		
1,50,000 Equity Shares of Rs.10/- each	1500000	1500000
	1500000	1500000
ISSUED, SUBSCRIBED AND PAID-UP		
1,49,200 (Previous Year 1,49,200) Equity Shares of Rs.10/- each Fully Paid-up. (Entire Share Capital is held by Holding Company — SUPREME HOLDINGS LTD.)	1492000	1492000
	1492000	1492000
<b>SCHEDULE : 'B'</b>		
<b>RESERVES &amp; SURPLUS</b>		
General Reserve	22500	22500
PROFIT & LOSS ACCOUNT	4966533	4168394
	4989033	4190894
<b>SCHEDULE : 'C'</b>		
<b>UNSECURED LOANS</b>		
Inter Corporate Deposits		
Supreme Holdings Ltd.	9694300	10504300
	9694300	10504300
<b>SCHEDULE : 'D'</b>		
<b>INVESTMENTS (At Cost)</b>		
QUOTED SHARES NO.		
Asian Hotels Ltd. 81830	16159060	16159060
	16159060	16159060
Market Value as on 31.03.2007 Rs.5,89,83,064/= (Previous Year Rs.5,03,70,456/-)		
<b>SCHEDULE : 'E'</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES:</b>		
<b>CURRENT ASSETS</b>		
Cash in Hand	14252	20101
Balance with Scheduled Bank		
Oriental Bank of Commerce Current A/c	12021	10839
	26273	30940
<b>SCHEDULE : 'F'</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
Sundry Creditors		
(i) Expenses		
Audit Fees payable	10000	2806
	10000	2806
<b>SCHEDULE : 'G'</b>		
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>		
Bank Charges & Interest	67	254
Audit Fees	10000	2806
Filing Fees	4200	2400
General Expenses	-	143
Profession Fees	5894	6000
	20161	11603

## SCHEDULE : 'H'

### NOTES TO ACCOUNTS

#### A SIGNIFICANT ACCOUNTING POLICIES

##### 1. General

The Financial statements are prepared under the historical cost convention, on the basis of a going concern and as per applicable accounting standards. The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

##### 2. Investments

Long-term investments are stated at cost. In case, there is a permanent diminution in the value of any investments, a provision for the same is made in the accounts.

##### 3. Taxes on Income

Current year tax is determined in accordance with the Income Tax Act 1961 at the current tax rates based on assessable income. Deferred tax is calculated at the tax rate and laws that have been enacted or substantially enacted as of the balance sheet date

##### 4. Miscellaneous Expenditure

Preliminary Expenses are written off, at the amount admissible under the Companies Act, 1956.

##### 5. Contingent Liabilities

Contingent liabilities if any are disclosed by way of notes forming part of accounts.

#### B. NOTES TO ACCOUNTS

1. In the opinion of the Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated.

2. Remuneration paid to Auditors :

	Current Year	Previous Year
Audit Fees	10,000	2,806

3. Previous year figures are regrouped and rearranged, wherever necessary, to make them comparable with those of the current year's figures.

4. Corporate Guarantee given to Punjab National Bank for credit facilities of Rs. 100.00 Crores extended to associates concern M/s. Shriekha Trading Pvt. Ltd

5. As per Accounting Standard 18 issued by the Institute of Chartered Accountants of India, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties with whom transactions have taken place and relationship:

Sr.No.	Name of the Related Party	Relationship
1	Supreme Holdings Limited	Holding Company
2	Asian Hotels Limited	Entities controlled by Director or their relatives

(ii) Transactions during the year with related parties:

Sr. No.	Nature of Transaction	Holding Company	Entities controlled by Directors or their relatives	Total
A	<b>Loans Taken</b>			
	Balance as at 1st April 2006	10504300	-	10504300
	Taken during the year	-	-	-
		(2870000)	-	(2870000)
	Repaid during the year	810000	-	810000
		(1140000)	-	(1140000)
	Balance as at 31st March 2007	9694300	-	9694300
	<b>Investments</b>			
B	Balance as at 1st April 2006	-	16159060	16159060
	Purchased during the year	-	-	-
	Sold during the year	-	-	-
		-	-	-
	Balance as at 31st March 2007	-	16159060	16159060
	<b>Income</b>			
C	Dividend	-	818300	818300
		-	(1145620)	(1145620)

SIGNATURE TO SCHEDULE 'A' TO 'H'

In terms of our attached Report of even date

For Anil Kedia & Co.  
Chartered Accountants

For and on behalf of the Board

Anil Kedia  
Proprietor  
Membership No. 43617

VINOD JATIA  
Director

PRATEEK JATTA  
Director

Place : Mumbai.  
Date : 29.06.2007

**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.	:	81224
State Code	:	11
Balance Sheet Date	:	31.03.2007

**II. CAPITAL RAISED DURING THE YEAR**  
(Amount in Rs. Thousands)

Public Issue	:	NIL
Rights Issue	:	NIL
Bonus Issue	:	NIL
Private Placement	:	NIL

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUND**  
(Amount in Rs. Thousands)

Total Liabilities	:	16175.33
Total Assets	:	16175.33

**SOURCES OF FUNDS**

Paid-up Capital	:	1492.00
Reserve & Surplus	:	4989.03
Secured Loans	:	Nil
Unsecured Loan	:	9694.30

**APPLICATION OF FUNDS**

Net Fixed Assets	:	NIL
Investment	:	16159.06
Net Current Assets	:	16.27
Miscellaneous Expenditure	:	NIL
Accumulated Losses	:	NIL

**IV. PERFORMANCE OF THE COMPANY**  
(Amount in Rs. Thousands)

Total Income	:	818.30
Total Expenditure	:	20.16
Profit before Tax	:	798.14
Profit after Tax	:	798.14
Earning per share (Rs.)	:	5.35
Dividend Rate (%)	:	-

**V. GENERIC NAMES OF PRINCIPAL PRODUCTS/ SERVICES OF THE COMPANY (AS PER MONETARY TERMS)**

Item Code No.	:	N.A.
Product Description	:	(1) Finance (2) Investment

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2007**

	2006-07 Rupees	2005-06 Rupees
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra-ordinary items	798139	1134017
<b>Adjustment for:</b>		
Dividend	(818300)	(1145620)
Preliminary Exp. W/Off.	-	-
<b>Operating Profit Before Working Capital Changes</b>	(20161)	(11603)
<b>Adjustment for :</b>		
Trade and Other receivables	-	-
Trade Payables	7194	(2,869,949)
	<hr/>	<hr/>
Cash Generated from Operations	(12967)	(2881552)
Direct Taxes paid	-	-
<b>Net Cash from operating activities (A)</b>	(12967)	(2881552)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Dividend Received	818300	1145620
<b>Net cash generated in investing activities (B)</b>	818300	1145620
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	(810000)	1730,000
<b>Net cash used in financing activities (C)</b>	(810000)	1730000
<b>Net increase (decrease) in cash &amp; cash equivalents</b>	<hr/>	<hr/>
<b>(A)+(B)+(C)</b>	(4667)	(5932)
	<hr/>	<hr/>
<b>Cash and Cash Equivalents :</b>		
Opening Balance at the beginning of the year	30940	36872
Closing Balance at the end of the year	26273	30940
<b>Net increase/(decrease) in cash and equivalent</b>	<hr/>	<hr/>
	(4,667)	(5932)

Note: Figures in brackets represent cash outflow

As per our Report of even date

**For Anil Kedia & Co.**  
Chartered Accountants

**For and on behalf of the Board**

**Anil Kedia**  
Proprietor  
Membership No. 43617

**VINOD JATIA**  
Director

**PRATEEK JATIA**  
Director

Place : Mumbai.  
Date : 29.06.2007



## **SUPREME HOLDINGS LTD.-CONSOLIDATED**

### **Auditor's Report to the Board of Directors of Supreme Holdings Limited on the Consolidated Financial Statements of Supreme Holdings Limited and its Subsidiary.**

We have examined the attached Consolidated Balance Sheet of **Supreme Holdings Limited** (hereinafter referred as "the Company"), the holding company and its subsidiary (hereinafter collectively referred to as "the Group" as at 31st March, 2007, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date prepared in accordance with the accounting principles generally accepted in India

1. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our Audit. We conducted our Audit in accordance with generally accepted auditing standards in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An Audit includes, examining on a test basis, evidence supporting the amounts and disclosures in financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements" and other applicable Accounting Standards issued by the Institute of Chartered Accountants of India and on basis of the separate audited financial statements of the company and its subsidiary included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate Audit Reports on individual audited financial statements of the company and its subsidiary, we are of the opinion that the consolidated financial statements give a true and fair view:

- (a) In case of the consolidated Balance Sheet, of the consolidated state of affairs of the group as at 31st March, 2007 ;
- (b) In case of the consolidated Profit and Loss Account, of the consolidated results of operation of the group for the year then ended; and
- (c) In case of the consolidated Cash Flow Statement, of the consolidated cash flows of the group for the year ended on that date.

**For Singrodia Goyal & Co.**  
Chartered Accountants

**Manoj Singrodia**  
Partner  
**Mem. No. 45466**

Place : Mumbai  
Date : 29th June, 2007.

## 25th Annual Report 2006-2007

BALANCE SHEET AS AT 31ST MARCH, 2007				PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007			
PARTICULARS	SCH.	As at 31.03.2007 Rupees	As at 31.03.2006 Rupees	PARTICULARS	SCH.	YEAR ENDED 31.03.2007 Rupees	YEAR ENDED 31.03.2006 Rupees.
<b>Sources of Funds</b>				<b>Income</b>			
<b>Shareholder's Funds</b>				Operating Income			
Share Capital	1	62,943,000	62,943,000		9	21,079,997	23,944,259
Reserves & Surplus	2	68,410,958	66,346,852			-----	-----
<b>Loan Funds</b>				<b>Total</b>			
Secured Loans	3	258,834	577,515			21,079,997	23,944,259
Unsecured Loans	4	17,536,336	90,739,611			=====	=====
		-----	-----				
<b>Total</b>		<b>149,149,128</b>	<b>220,606,978</b>				
		=====	=====				
<b>Application of Funds</b>				<b>Expenditure</b>			
<b>Fixed Assets</b>				Employee Costs			
<b>Gross Block</b>	5	8,251,640	8,167,440		10	729,070	735,132
Less : Depreciation		6,669,270	6,258,993			-----	-----
		-----	-----				
<b>Net Block</b>		1,582,370	1,908,447				
<b>Deferred Tax Assets</b>		4,768,241	2,845,919		11	14,875,732	4,623,192
<b>Investments</b>	6	28,973,606	30,789,806			924,484	6,435,197
<b>Current Assets, Loans &amp; Advances</b>	7					410,277	520,758
Inventories		851,418	3,908,976			-----	-----
Sundry Debtors		4,723,406	340,032				
Cash & Bank Balances		1,133,472	666,107				
Loans & Advances		114,668,741	187,551,400				
		-----	-----				
		121,377,037	192,466,515				
<b>Less : Current Liabilities &amp; Provisions</b>	8	7,552,126	7,403,709				
		-----	-----				
<b>Net Current Assets</b>		113,824,911	185,062,806				
		-----	-----				
<b>Total</b>		<b>149,149,128</b>	<b>220,606,978</b>				
		=====	=====				
Significant Accounting Policies & Notes to Accounts				Significant Accounting Policies & Notes to Accounts			
	12				12		
As per our Report of even date				As per our Report of even date			
<b>For and on behalf of the Board</b>				<b>For and on behalf of the Board</b>			
<b>For SINGRODIA GOYAL &amp; CO.</b>		<b>VINOD JATIA</b>		<b>For SINGRODIA GOYAL &amp; CO.</b>		<b>VINOD JATIA</b>	
Chartered Accountants		Chairman & Managing Director		Chartered Accountants		Chairman & Managing Director	
<b>MANOJ SINGRODIA</b>		<b>ABHAY LODHA</b>		<b>MANOJ SINGRODIA</b>		<b>ABHAY LODHA</b>	
Partner		Director		Partner		Director	
Mem. No. 045466		Director		Mem. No. 045466		Director	
Place : Mumbai.		Director		Place : Mumbai.		Director	
Date : 29.06.2007				Date : 29.06.2007			

**SUPREME HOLDINGS LTD.-CONSOLIDATED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2007**

	2006-07 Rupees	2005-06 Rupees
<b>(A) Cash Flow from Operating Activities</b>		
Net Profit before Tax and extra-ordinary items	4,140,434	11,629,980
<b>Adjustment for:</b>		
Depreciation	410,277	520,758
Interest Paid	924,484	6,435,197
Dividend	(953,494)	(1,408,715)
Profit on Sale of Investments	(4,935,434)	(1,817,827)
Loss on Investment W/off	217,500	-
Loss on Shares Valuation	674,746	33,591
<b>Operating Profit Before Working Capital Changes</b>	<b>478,513</b>	<b>15,392,984</b>
<b>Adjustment for :</b>		
Trade and Other Receivables	68,596,565	(45,984,124)
Inventories	2,382,811	-
Trade Payables	(778,357)	(2,384,731)
Cash Generated from Operations	70,679,532	(32,975,871)
Interest paid	(924,484)	(6,435,197)
Direct Taxes Paid (Net)	(3,169,155)	(1,174,630)
<b>Net Cash from operating activities (A)</b>	<b>66,585,893</b>	<b>(40,585,698)</b>
<b>(B) Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(84,200)	(14,500)
Sale of Investments	17,659,367	9,680,632
Purchase of Investment	(11,125,233)	(7,756,496)
Sale of Fixed Assets	-	-
Dividend Received	953,494	1,408,715
<b>Net Cash used in investing activities (B)</b>	<b>7,403,428</b>	<b>3,318,351</b>
<b>(C) Cash Flow from Financing Activities</b>		
Proceeds from Long Term Borrowings	(73,521,956)	28,245,226
Dividend Paid	-	(3,811,780)
Dividend Tax	-	(529,665)
<b>Net cash used in financing activities (C)</b>	<b>(73,521,956)</b>	<b>23,903,781</b>
<b>Net increase (decrease) in cash &amp; cash equivalents (A)+(B)+(C)</b>	<b>467,365</b>	<b>(13,363,567)</b>
<b>Cash and Cash Equivalents:</b>		
Opening Balance at the beginning of the year	666,107	14,029,675
Closing Balance at the end of the year	1,133,472	666,107
<b>Net increase/(decrease) in cash and equivalent</b>	<b>467,365</b>	<b>(13,363,567)</b>
Note: Figures in brackets represent Cash Outflow		
Note:		
1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standards -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India		
2 Cash and Cash Equivalents at the end of the year consists of Cash in Hand and Balances with Banks and are net of Short terms Loans and Advances from Banks as follows		
<b>Particulars</b>	<b>As at 31.3.2007 Amount (Rs.)</b>	<b>As at 31.3.2006 Amount (Rs.)</b>
Cash in Hand	191,689	172,715
Balances with Banks	941,783	493,392
	<b>1,133,472</b>	<b>666,107</b>

As per our Report of even date

**For Singrodia Goyal & Co.**  
Chartered Accountants**MANOJ SINGRODIA**  
Partner  
Mem. No. 045466Place : Mumbai.  
Date : 29.06.2007**For and on behalf of the Board****VINOD JATIA**

Chairman &amp; Managing Director

**ABHAY LODHA**

Director

**PRATEEK JATIA**

Director

**SCHEDULES TO BALANCE SHEET AT AT 31ST MARCH, 2007**

	AS AT 31.03.2007 RUPEES	AS AT 31.03.2006 RUPEES
<b>Schedule "1" :- Share Capital</b>		
<b>Authorised</b>		
70,00,000 Equity Shares of Rs. 10/-each	70,000,000	70,000,000
	<u>70,000,000</u>	<u>70,000,000</u>
<b>Issued, Subscribed and Paid- up</b>		
6294300 Equity Shares of Rs.10/- each fully paid up	62,943,000	62,943,000
	<u>62,943,000</u>	<u>62,943,000</u>
<b>Schedule "2" :- Reserves &amp; Surplus</b>		
Capital Reserve - Opening Balance	277,150	277,150
General Reserve - Opening Balance	1,022,500	1,022,500
Share Premium Account-Opening Balance	37,943,000	37,943,000
Reserve Fund in terms of Section - 45-IC(1) of Reserve Bank of India Act, 1934		
Opening Balance	7,752,902	6,267,418
Additions during the year	253,193	1,485,484
	<u>8,006,095</u>	<u>7,752,902</u>
Surplus as per Profit & Loss Account	<u>21,162,213</u>	<u>19,351,300</u>
	<u>68,410,958</u>	<u>66,346,852</u>
<b>Schedule "3" :- Secured Loans</b>		
ICICI Bank Ltd ( Secured against specific Asset)	258,834	577,515
	<u>258,834</u>	<u>577,515</u>
<b>Schedule "4" :- Unsecured Loans</b>		
Intercompany Deposits	17,536,336	90,739,611
	<u>17,536,336</u>	<u>90,739,611</u>

**Schedule : "5"**

**Fixed Assets :**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Cost as at 1.04.06	Additions during the year	Cost as at 31.03.07	Up to 31.03.06	Provided for the Year	Upto 31.03.2007	As on 31.03.2007	As on 31.03.2006
Furniture & Fixtures	2,536,989	-	2,536,989	2,042,574	89,489	2,132,063	404,926	494,415
Motor Cars	1,045,061	-	1,045,061	339,236	182,738	521,974	523,087	705,825
Air Conditioners	1,016,037	-	1,016,037	742,114	38,103	780,217	235,820	273,923
Office Equipments	1,020,591	-	1,020,591	696,946	45,019	741,965	278,626	323,645
Computers	2,548,762	84,200	2,632,962	2,438,123	54,928	2,493,051	139,911	110,639
<b>Total</b>	8,167,440	84,200	8,251,640	6,258,993	410,277	6,669,270	1,582,370	1,908,447
Previous Year	8,152,940	14,500	8,167,440	5,738,235	520,758	6,258,993	1,908,447	2,414,706



# SUPREME HOLDINGS LTD.-CONSOLIDATED

## SCHEDULES - Cont'd.

### Schedule \*6\* : Investments ( At Cost )

	Face Value per share Rs.	As at 31.03.2007		As at 31.03.2006	
		Nos.	Rs.	Nos.	Rs.
<b>Long Term :</b>					
<b>Fully Paid-up Equity Shares</b>					
<b>A) Quoted</b>					
Andhra Cement Ltd.	10	250	8,076	250	8,076
Apple Credit Corporation Ltd.	10	100	3,633	100	3,633
Aravali Securities And Finance Ltd.	10	5450	31,662	5450	31,662
Ashapura Minechem Ltd.	2	0	-	13745	227,264
Asian Hotels Ltd.	10	81830	16,159,060	81830	16,159,060
Bell Ceramics Ltd.	10	30300	293,179	55900	540,881
Chokani International Ltd.	10	50	500	50	500
Chokhani Global Express Ltd.	10	200	2,000	200	2,000
Cinevista Communications Ltd.	10	1200	581,883	1200	581,883
Cogent Ventures (I) Ltd.	10	8700	52,907	8700	52,907
Essar Steels Ltd.	10	6120	293,810	6120	293,810
Global Boards Ltd.	10	15000	60,459	15000	60,459
Hind Oil Expl. Co. Ltd.	10	500	11,614	500	11,614
Indian Petrochemicals Limited	10	573	172,251	433	23,560
Indo Count Fin. & Lease Ltd.	10	200	1,514	200	1,514
Jayawsals Neco Ltd.	10	2500	75,391	2500	75,391
Link Pharma Chem. Ltd.	10	3900	20,190	3900	20,190
Lloyd Steel Industries Ltd.	10	144556	1,697,579	200556	2,355,579
Lloyd Metal & Engineers Ltd	10	25000	980,323	25000	980,323
Lynx India Ltd.	10	0	-	15000	217,500
Maars Software Ltd.	10	5000	456,207	5000	456,207
Mewar Marble Ltd.	10	200	2,000	200	2,000
Monnet Industries Ltd.	10	0	-	7500	300,000
Monnet Sugar Ltd	10	4500	180,000	0	0
Mount Everest Trading and Investment Ltd	10	750	30,000	0	0
N.E.P.C. India Ltd.	10	635	3,810	635	3,810
Nahar Industrial Enterprises Ltd.	10	25	6,000	25	6,000
Nagarjuna Fertilisers & Chemicals Ltd.	10	50	897	50	897
Oswal Chemical And Fert. Ltd	10	2700	16,200	2700	16,200
Recron Synthetics Ltd.	10	0	-	19500	172,406
Reliance Petroleum Ltd	10	45000	4,009,236	0	-
S. M. Dyechem Ltd.	10	12	424	12	424
Saurashtra Chemicals Limited	10	40	2,367	40	2,367
Shikhar Consultant Ltd.	10	6500	-	6500	-
Sterlite Optical Tech. Ltd.	5	1300	317,883	1300	317,883
Steel Authority of India Limited	10	0	-	35000	2,390,722
VLS Finance Ltd.	10	30600	368,201	30600	368,201
Wires & Fabriks Ltd.	10	0	-	30428	1,970,533
Washington Software Ltd.	10	14730	438,476	14730	438,476
<b>Fully Paid-up Preference Shares</b>					
Essar Steels Ltd.	10	4080	195,874	4080	195,874
<b>Sub Total (A)</b>			<b>26,473,606</b>		<b>28,289,806</b>
<b>Market value as on 31.03.2007</b>			<b>66,190,508</b>		<b>15,151,020</b>
<b>B) Unquoted</b>					
Udit Steels Ltd.	10	250000	2,500,000	250000	2,500,000
<b>Sub Total (B)</b>			<b>2,500,000</b>		<b>2,500,000</b>
<b>Total [(A+B)]</b>			<b>28,973,606</b>		<b>30,789,806</b>

## SCHEDULES - Cont'd.

	As at 31.03.2007 Rupees	As at 31.03.2006 Rupees
<b>Schedule *7* :- Current Assets, Loans &amp; Advances</b>		
<b>(A) Inventories</b>		
Stock of Shares & Securities (Refer Annexure I) (As taken valued and certified by Directors)	<b>851,418</b>	3,908,976
	<b>851,418</b>	3,908,976
<b>(B) Sundry Debtors: (Unsecured and considered good)</b>		
Debtors outstanding for a period exceeding six months.	-	-
Others	<b>4,723,406</b>	340,032
	<b>4,723,406</b>	340,032
<b>(C) Cash &amp; Bank Balances</b>		
Cash balance on hand	<b>191,689</b>	172,715
Bank Balance with Scheduled Banks		
- On Current Account	<b>936,783</b>	488,392
- On Deposit Account	<b>5,000</b>	5000
	<b>1,133,472</b>	666,107
<b>(D) Loans &amp; Advances</b>		
<u>Unsecured and Considered Good</u>		
Finance Lease Receivables	<b>14,814,660</b>	27,332,689
Loans and Advances	<b>89,776,605</b>	150,316,607
Advances recoverable in Cash or Kind or for value to be received	<b>138,343</b>	60,251
Advance Tax & TDS	<b>9,939,133</b>	9,841,853
	<b>114,668,741</b>	187,551,400
<b>Schedule *8* :- Current Liabilities &amp; Provisions</b>		
<b>Current Liabilities</b>		
Sundry Creditors	-	9,494
Unclaimed Dividend	<b>35,100</b>	37,100
Other Liabilities	<b>1,083,480</b>	1,850,343
<b>Provisions</b>		
Provision for Taxation	<b>6,303,546</b>	5,428,546
Fringe Benefit Tax	<b>130,000</b>	78,226
	<b>7,552,126</b>	7,403,709
<b>Schedule *9* :- Operating Income</b>		
Interest [TDS Rs.25,32,890 (P.Y Rs. 29,95,379)]	<b>11,363,026</b>	13,430,766
Finance Lease Charges	<b>3,809,723</b>	5,900,105
Bill Discounting Charges	-	348,196
Dividends	<b>953,494</b>	1,408,715
Profit on Sale of Investments	<b>4,935,434</b>	1,817,827
Profit on dealing\ Valuation in shares	-	1,033,534
Miscellaneous Income	<b>18,320</b>	5,116
	<b>21,079,997</b>	23,944,259



Schedules to Profit & Loss Account for the year ended 31st March, 2007

	Year Ended 31.03.2007 Rupees	Year Ended 31.03.2006 Rupees
<b>Schedule "10" :- Employee Costs</b>		
Salaries and Bonus	574,670	686,807
Gratuity	154,400	48,325
	<b>729,070</b>	<b>735,132</b>
<b>Schedule "11" :- Administrative &amp; Other Expenditure</b>		
Rent, Rates & Taxes	122,500	125,000
Communication Costs	239,491	145,701
Travelling & Conveyance	1,490,098	373,120
Loss on dealing/ Valuation in Shares	1,087,465	-
Legal & Professional Charges	248,003	336,150
Motor Car Expenses	147,668	220,369
Office Expenses	226,870	221,755
Audit Fees	38,090	30,866
Repairs & Maintenance-Others	110,848	131,876
Bank & Depository Charges	89,506	96,412
Investment written off	217,500	-
Loan written off	7,950,000	-
Insurance Premium (Keyman)	2,741,450	2,741,450
Security Transaction Tax	62,310	72,577
Miscellaneous Expenses	103,933	127,915
	<b>14,875,732</b>	<b>4,623,192</b>

Schedules forming part of Accounts as on 31st March, 2007

Schedule "12" :- Significant Accounting Policies & Notes to Accounts

- Supreme Holdings Limited has prepared the consolidated financial statement by consolidating its accounts with its 100% Subsidiary in accordance with Accounting Standard 21 (Consolidated Financial Statement) of Institute of Chartered Accountants of India. Basis of preparation of Financial Statements.  
The consolidated financial statements comprise the financial statements of Supreme Holdings Ltd. ("the Company") and its subsidiary. The financial statements of each of these companies are prepared according to uniform accounting policies, in accordance with generally accepted accounting policies in India. The effects of inter company transactions between consolidated companies are eliminated in consolidation.  
**Company included in consolidation**  
Helmet Traders Ltd., a 100% subsidiary.  
**Other significant accounting policies**  
These are set out in the Notes to Accounts under the section "Significant Accounting Policies" of Supreme Holdings Ltd. & Helmet Traders Ltd.
- Loans and Advances include Rs. 7,32,15,131/- (P.Y. Rs.10,05,98,381/-) amount due from private companies in which directors are interested as members.
- Deferred Tax Assets for the current year amounting to Rs.19,22,322/- (Previous Year Rs. 17,13,227) has been recognised in the Profit & Loss Account.

Net Deferred Tax Assets balance as on 31.03.2007 comprises of:

Deferred Tax Assets/ (Liabilities)	Deferred Tax Assets/ (Liability) as at 1-4-2006	Current year charge Assets/ (Liability)	Deferred Tax Assets/ (Liability) as at 31-3-2007
	Rs.	Rs.	Rs.
Timing Difference on account of			
Depreciation on Owned			
Fixed Assets	1,224,800	(138,692)	1,086,108
Provision of gratuity	56,843	26,928	83,771
Finance Lease Income	1,564,276	2,034,086	3,598,362
Total Deferred Tax Assets/(Liability)	<b>2,845,919</b>	<b>1,922,322</b>	<b>4,768,241</b>

In absence of virtual certainty of sufficient future taxable income, Deferred Tax Assets on Long Term Capital Loss has not been recognised by way of prudence in accordance with AS 22 'Accounting for Taxes on Income' issued by ICAI.

4 Segment Information :

The company is engaged in financing business, which as per Accounting Standard -17, "Segment Reporting" issued by ICAI, is considered only reportable business segment of the company.

5 Payment to Auditors :

Particulars	Current Year Rs.	Previous Year Rs.
Audit Fees	30,000	20,000
Tax Audit Fees	5,000	5,000
Service Tax	3,090	3,060
Total	38,090	28,060

6 In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated as realisable in the ordinary course of business and the provisions of all known liabilities are adequate.

7 Previous year figures are regrouped and rearranged, wherever necessary, to make them comparable with those of the current year's figures.

8 Finance Lease: The Company had purchased and given on Lease Plant & Machinery. Disclosure regarding the same as required under the "Accounting Standard 19" Leases is as under:

Particulars	As on 31st March 2007 Amount (Rs.)	Not later than one year Amount (Rs.)	Later than one year and not later than five years Amount (Rs.)
Total Gross Investment	16202155	16202155	0
Total Net Investment	14814661	14814661	0
Total Unearned Finance Income Rs.:	1387494		

General Description of Leasing arrangements:

- Assets are generally given on lease for a period of three years.
- Lease rentals are charged on agreed rate of interest.

9 Earning per Share

Particulars	Year ended 31.3.2007	Year ended 31.3.2006
Profit attributable to the equity shareholders (Rs.)	2,064,106	8,561,642
Basic no. of equity shares o/s. during the year (No.)	6,294,300	6,294,300
Basic/Diluted earning per share of Rs.10/-	0.33	1.36



# SUPREME HOLDINGS LTD.-CONSOLIDATED

## 10 Contingent Liabilities

- a Contingent liability not provided for in books in respect of disputed Income Tax amounting to Rs. 48,35,816/- (P.Y. Rs. 4695989). The company has applied for rectification and/or has filed an appeal with the CIT (appeal) in respect of the above demand
- b Corporate Guarantee given by M/s Helmet Traders Ltd to Punjab National Bank for credit facilities of Rs100 Crore extended to Associate Concern M/s Shrilekha Trading Pvt. Ltd

11 The Balance of Sundry Debtors and Sundry Creditors are subject to confirmation and reconciliation if any.

12 The quantitative information of Opening Stock, Purchases, Sales and Closing Stock of Shares & Securities is given below. Details regarding Closing Stock are annexed in "I" hereto.

Particulars	Opening Stock		Purchases		Sales		Closing Stock	
	Qty	Amount	Qty	Amount	Qty	Amount	Qty	Amount
Shares &	34501	3908976	117,454	16,177,828	111,962	18,147,922	39,993	851,418
Securities	(NIL)	(NIL)	(3,72,971)	(3,43,03,629)	(3,38,470)	(3,14,19,538)	(34,501)	(39,08,976)

**Year ended**                      **Year ended**

13 Expenditure in foreign currency (Amount Rs.)                      **31.3.2007**                      **31.3.2006**

Travelling Expenses                      452719                      0

## 14 Related Party Disclosure

List of related parties with whom transaction have taken place and relationship:

Sr. No.	Name of Related Party	Relationship
1	Vinod Kumar Jatia	Key Management Personnel
2	Ramesh Jatia	Relative of Key Management Personnel
3	Asian Hotels Ltd	Entities controlled by Directors or their relatives
4	Bell Ceramics Ltd.	
5	Dilshad Trading Co. Pvt. Ltd.	
6	Subhakaran & Sons	

Transactions with the related parties during the year:

S No.	Nature of Transaction	Key Management Personnel	Entities Controlled by Directors or their relatives	Total
<b>A. Loans granted(taken)</b>				
	Balance as on 1.4.2006		6290522	6290522
			(66062185)	(66062185)
	Granted		97961151	97961151
			(62473000)	(62473000)

As per our Report of even date

**For Singrodia Goyal & Co.**  
Chartered Accountants

**MANOJ SINGRODIA**  
Partner  
Mem. No. 045466

Place : Mumbai.  
Date : 29.06.2007

Recovered	61905137	61905137
	(102235185)	(102235185)
Taken	111830580	111830580
	(27664815)	(27664815)
Re paid	132078464	132078464
	(1800000)	(1800000)
Balance as on 31.3.2007	62594420	62594420
	(6290522)	(6290522)

## B. Investments

Balance as on 1.4.2006	16,699,941	16699941
	(18450999)	(18450999)
Purchases during the year	Nil	Nil
	(816290)	(816290)
Sale during the year	247702	247702
	(2630381)	(2630381)
Balance as on 31.3.2007	16452239	16452239
	(16699941)	(16699941)

## C. Sundry Debtors as on 31.3.2007

Opening Balance as on 1.4.2006	Nil	Nil
	(Nil)	(Nil)
Sales during the year	345600	345600
	(Nil)	(Nil)
Realised	Nil	Nil
	(Nil)	(Nil)
Closing Balance as on 31.3.2007	345600	345600
	(Nil)	(Nil)

## D. Income

Lease Rent/Lease	Nil	Nil
	(498040)	(498040)
Profit on sale of shares	97898	97898
	(51198)	(51198)
Interest	3274386	3274386
	(10224464)	(10224464)
Dividend	818300	818300
	(1145620)	(1145620)
Profit on dealing in shares	(Nil)	(Nil)
	(11835)	(11835)

## E. Expenses

Office Rent	120000	120000
	(120000)	(120000)
Interest	730206	730206
	(Nil)	(Nil)

## Annexure 'I'

### Details of Closing Stock of Shares and Securities

Particulars	As at 31.03.2007		As at 31.03.2006	
	Qty	Amount (Rs.)	Qty	Amount (Rs.)
Indian Hotels	0	0	2,000	2,713,800
Sakuma Export (PI)	4993	237,168	2,500	140,750
Sakuma Export (Eq)	35000	614,250	30,001	1,054,426
	39993	851,418	34,501	3,908,976

In terms of our attached Report of even date

**For and on behalf of the Board**

**VINOD JATIA**

Chairman & Managing Director

**ABHAY LODHA**

Director

**PRATEEK JATIA**

Director



# SUPREME HOLDINGS LIMITED

Registered Office : 1, Pearl Mansion (N), 91, M. Karve Road, Mumbai - 400 020.

## PROXY FORM

I/we \_\_\_\_\_

of \_\_\_\_\_

being a Member / Members of SUPREME HOLDINGS LIMITED, hereby appoint \_\_\_\_\_

\_\_\_\_\_

of \_\_\_\_\_

or failing him \_\_\_\_\_

of \_\_\_\_\_

as my/our Proxy to attend vote for me/us on my/our behalf at the 25th Annual General Meeting of the said Company to be held at The Registered Office : 1, Pearl Mansion (N), 91, M. Karve Road, Mumbai 400 020, on Friday, 28th September, 2007 at 03.00 p.m. or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2007.

Folio No. \_\_\_\_\_ No. of Shares \_\_\_\_\_ DP ID# \_\_\_\_\_ Client ID# \_\_\_\_\_

Signature (s) of the Shareholder (s) \_\_\_\_\_

Affix  
15 P.  
Revenue  
Stamp

**N. B.** (i) This Form must be deposited at the Registered Office of the Company, not later than 48 hours before the time of the meeting.

(ii) A PROXY NEED NOT BE A MEMBER.

Applicable for members holding shares in Electronic Form.

----- TEAR HERE -----



# SUPREME HOLDINGS LIMITED

Registered Office : 1, Pearl Mansion (N), 91, M. Karve Road, Mumbai - 400 020.

## ATTENDANCE SLIP

I hereby record my presence at the 25th ANNUAL GENERAL MEETING of the Company to be held at the Registered Office : 1, Pearl Mansion (N), 91, M. Karve Road, Mumbai 400 020, on Friday, 28th September, 2007 at 03.00 p.m.

Full name of the Shareholder / Proxy  
(in block letters) \_\_\_\_\_

Folio No. \_\_\_\_\_ No. of Shares \_\_\_\_\_ DP ID# \_\_\_\_\_

Client ID# \_\_\_\_\_

\_\_\_\_\_  
Signature of Shareholder / Proxy

Applicable for members holding shares in Electronic Form.

**BOOK - POST**

If undelivered Please return to :

**SUPREME HOLDINGS LIMITED**

1, Pearl Mansion (N),  
91, M. Karve Road,  
Mumbai - 400 020.

CRYSTAL (022) 2382 3151