

26th
ANNUAL REPORT
2007 - 2008



SUPREME HOLDINGS LIMITED

BOARD OF DIRECTORS

Chairman & Managing Director
VINOD JATIA

Directors
ABHAY LODHA
PRATEEK JATIA
PRASANNA LODHA

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.

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

CONTENTS	Page No.
Notice	02
Directors' Report	04
Corporate Governance	05
Auditors' Report	08
Balance Sheet	10
Profit and Loss Account	11
Cash Flow Statement	12
Schedules	13
Notes to Accounts	17
Balance Sheet Abstract	21
Subsidiary Company	23
Supreme Holdings Ltd. - Consolidated	29



SUPREME HOLDINGS LIMITED

NOTICE

NOTICE is hereby given that Twenty Sixth 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, 26th September, 2008 at 3.00 p.m. to transact the following business :-

ORDINARY BUSINESS :

1. To consider, approve and adopt the audited Balance Sheet as at 31st March 2008, 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 Mr. Prateek Jatia, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

4. To consider, and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:
"RESOLVED THAT Mr. Prasanna Lodha who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to date of the Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has, under Section 257 of the said Act, received notice in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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 relative Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
3. The Register of Members and the Share Transfer Register of the Company shall remain closed from Thursday the 18th September, 2008 to Friday the 26th September, 2008 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. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the Company has transferred the unclaimed dividend for the year 1997-98 to the Investor Education and Protection Fund. 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.

By order of the Board of Directors

Place: Mumbai
Dated: 31-7-2008

Kailash Sharma
(Company Secretary)

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

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No. 4

The Board of Directors of the Company ("the Board"), pursuant to the provisions of section 260 of the Companies Act, 1956 (the Act) and Articles of Association of the Company has appointed Mr. Prasanna Lodha as an Additional Director of the Company with effect from 9th January, 2008. Mr. Prasanna Lodha is a Practising Chartered Accountants and has more than 25 years of experience in Taxation, Auditing, Accounts, Finance and Management Consultancy. The Board, therefore, recommends his appointment as an Independent Director of the Company as the same will be beneficial to the Company.

In terms of the provisions of Section 260 of the Act, Mr. Prasanna Lodha holds office up to the date of ensuing Annual General Meeting. The Company has received a Notice in writing from a member along with a deposit of Rs.500/- proposing the candidature of Mr. Prasanna Lodha for the office of Director of the Company under the provisions of Section 257 of the Act.

None of the Director except Mr. Prasanna Losh Lodha is concerned or interested in this Resolution.

By order of the Board of Directors

Place: Mumbai
Dated: 31-7-2008

Kailash Sharma
(Company Secretary)

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

Details of the Directors seeking appointment/re-appointment at the 26th Annual General Meeting fixed for 26th September, 2008:

Name of Director	Mr. Prateek Jatia	Mr. Prasanna Lodha
Date of Birth	01.01.1987	06.10.1956
Date of appointment	30.06.2006	09.01.2008
Expertise in specific functional areas	Accounts, Finance & Auditing	Taxation, Auditing, Accounts, Finance and Management Consultancy
Qualifications	B.SC (Hons.) in Account & Finance	B. Com (Hons), ACA
List of outside Directorship held excluding in Private Companies	Nil	Nil
Chairman/Member of Committee of the Board of Directors of the Companies	Nil	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	No
- Share Transfer and Investor Grievances Committee	No	No
- Remuneration Committee	No	No
No. of Equity Shares of the Company held on 31-3-2008	2,73,000	Nil



SUPREME HOLDINGS LIMITED

DIRECTORS' REPORT

The Members of SUPREME HOLDINGS LIMITED

Your Directors have pleasure in presenting Twenty-Sixth Annual Report and Audited Accounts of the Company for the year ended 31st March 2008.

I. FINANCIAL RESULTS:

	(Rs. in Lacs)	
	2007-08	2006-07
Total Income	238.03	202.62
Total Expenditure	77.02	165.09
Profit before depreciation	161.01	37.53
Depreciation	3.62	4.10
Profit before Tax	157.39	33.43
Less: Provision for Tax	30.90	16.00
Less: Deferred Tax Liabilities /(Asset)	(29.17)	(19.22)
Less: Fringe Benefit Tax	0.50	1.30
Less: Earlier Year Taxes	-	22.69
Net Profit for the year	155.16	12.66
Add: Amount brought forward	161.96	151.83
	<u>317.12</u>	<u>164.49</u>
Profit available for Appropriation	317.12	164.49
	<u>317.12</u>	<u>164.49</u>
APPROPRIATIONS:		
Transferred to Statutory Reserve	-	2.53
Profit & Loss Account	317.12	161.96
	<u>317.12</u>	<u>164.49</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. DISCONTINUATION OF NBFC ACTIVITIES:

During the year, pursuant to the shareholders resolution passed in the Extra Ordinary General Meeting of the Company held on 4th July 2007, the Company has discontinued its existing business of Leasing, Finance and Investment activities and has entered into new business of development of running of Hotels and Resorts.

In response to the application of the Company, the Reserve Bank of India has vide its order dated 5th November, 2007 cancelled the Certificate of registration of the Company to carry on the business as a NBFC.

IV. NEW BUSINESS ACTIVITIES:

Considering the opportunities available in the Hospitality Industry, the Company has entered the business of development and running of Hotels and Resorts. The Company has proposed to develop one resort project at Panvel near Mumbai. Panvel, over the recent years, has been witnessing rapid pace growth as a tourist place. New International Airport is also coming up in Panvel and this will offer immense business potential for Hotels and Resorts. The Company is in process of acquiring land for the said resort project.

V. ISSUE OF SHARES ON PREFERENTIAL BASIS:

In order for part funding of the acquisition of Land for resort project at Panvel, during the year, the Company has allotted 25 lakhs equity shares of Rs. 10/- each, fully paid up, at a premium of Rs. 20/- per share on preferential basis under SEBI (Disclosure & Investors Protection) Guidelines, 2000, thereby raising an amount of Rs. 750 lakhs.

To facilitate above preferential issue, the Authorised Share Capital of the Company was also increased from Rs. 700 Lakhs to Rs. 1000 Lakhs.

VI. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

(a) Industry Structure:

Despite a global economic slowdown, the Indian economy continued to grow fast. However the growth of small NBFCs continued to hamper due to prolonged adverse factors prevailing in the NBFC sector. During the year, the Company has discontinued NBFC business and has entered into new business of development of running of Hotels and Resorts. During the year, the performance of the Indian hospitality

sector remained robust.

(b) Company's Performance:

The income during the year 2007-08 was only from NBFC activities. The total Income was at Rs.238.03 Lacs as compared to Rs. 202.62 Lacs in the previous year. As the Company has discontinued NBFC activities, the Company has sold major portion of Investments at Profit. The total Income include Rs. 175.01 lakhs on account of profit on sale of Investment.

The employees cost was increased to Rs.8.71 Lacs as compared to Rs.7.29 Lacs in the previous year and the Administrative & General Expenses decreased to Rs.59.74 Lacs from Rs.148.56 Lacs in the previous year. During the year under review, the financial expenses reduced to Rs.8.57 Lacs as against Rs.9.24 Lacs in the previous year.

Due to above the profit before depreciation and taxation was up at Rs. 161.01 Lakhs as against the profit of Rs.37.53 Lacs in the previous year. After providing for taxation, including deferred tax credit and fringe benefit tax the company has reported a Net Profit of Rs.155.16 Lacs as against a Net Profit of Rs.12.66 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 as Company had only one reportable segment during the year.

(d) Outlook for the Company:

Presently, the Company is in Hospitality Industry. The Company has proposed to develop one resort project at Panvel near Mumbai. Panvel, has been witnessing rapid pace growth as a tourist place. New International Airport is also coming up in Panvel and this will offer immense business potential for Hotels and Resorts. The Company is in process of acquiring land for the said resort project.

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

(e) Opportunities, Threats, Risks and Concerns:

The overall scenario of globalization has brought a lot of business opportunities to the Indian economy and in particular to Hospitality Industry. Various major steps by tourism industry and the continued economy growth have sustained the inbound tourist business and have further reinforced the image of the country as an important tourist and business destination.

The future of the hospitality industry is very sensitive to the global security environment. Further, the infrastructure by way of airports, roads and transport network also needs to grow at a faster pace to take on the load of higher volume and tourist traffic.

(f) 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.

(g) 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.

VII. FIXED DEPOSITS :

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

VIII. 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.

IX. LISTING STATUS :

The company's shares are presently listed on Mumbai Stock Exchange.

X. 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.

XI. DIRECTORS:

During the year, Mr. Shankernath Awasthy resigned from the Board with effect from 13th October, 2007. The Board places on record its sincere appreciation for the guidance received from him during his tenure as member of the Board.

During the year, Mr. Prasanna Lodha was appointed as an additional director of the Company with effect from 9th January, 2008.

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

XII. 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 2008, 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 2008 on a going concern basis.

XIII. AUDIT COMMITTEE:

The present Audit committee comprises of Shri Abhay Lodha, Shri Prasanna Lodha and Shri Vinod Jatia. Shri Abhay Lodha and Shri Prasanna Lodha are independent directors. Shri Prasanna Lodha has been appointed as the Chairman of the Audit Committee w.e.f. 09.01.2008.

XIV. 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.

XV. AUDITORS REPORT:

Observations made in the Auditors' Report are self-explanatory and therefore do not call for comments under section 217(3) of the Companies Act, 1956.

XVI. 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

XVII. 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.

XVIII. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earning : Nil
Outgo : Nil

XIX. 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: 20th June 2008

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)	15	NIL
Mr. Shankernath Awasthy 1	Independent	1	NIL
Mr. Abhay Lodha	Independent	11	NIL
Mr. Prateek Jatia	Non Independent (Promoter)	6	NIL
Mr. Prasanna Lodha 2	Independent	NIL	NIL

- 1. Ceased to be a Director with effect from 13th October, 2007.
- 2. Appointed as an Additional Director with effect from 9th January, 2008.

Meetings and Attendance

During the year ended 31st March, 2008, 9 Board Meeting were held on the following dates: (i) April 30, 2007 (ii) May 28, 2007 (iii) June 4, 2007 (iv) June 29, 2007 (v) July 31, 2007 (vi) August 24, 2007 (vii) September 26, 2007 (viii) October 31, 2007 (ix) January 31, 2008.

Attendance of Directors at Board Meeting and at the annual General Meeting (AGM) (September 28, 2007)

Name of Director	No of Board Meetings attended	Whether attended AGM
Mr. Vinod Jatia	9	Yes
Mr. Shankernath Awasthy (Up to 13.10.2007)	5	No
Mr. Abhay Lodha	9	Yes
Mr. Prateek Jatia	4	Yes
Mr. Prasanna Lodha (From 09.01.2008)	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.
- ii) Composition of Audit Committee:
The Audit Committee was reconstituted with effect from 09.01.2008 and the same comprises of the following Directors:



SUPREME HOLDINGS LIMITED

1. Mr. Abhay Lodha - Independent Director (Chairman up to 09.01.2008)
2. Mr. Shankernath Awasthy- Independent Director (Up to 13.10.2007)
3. Mr. Vinod Jatia – Managing Director
4. Mr. Prasanna Lodha- Independent Director (Chairman) (From 09/01/2008)

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. Abhay Lodha (Chairman up to 09.01.2008)	Independent	5
Mr. Shankernath Awasthy (up to 13.10.2007)	Independent	3
Mr. Vinod Jatia	Managing Director	5
Mr. Prasanna Lodha (Chairman after 09.01.2008)	Independent	1

The Company Secretary acts as the Secretary of the Audit Committee.

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 paid sitting fees to Directors as under:

Mr. Shankernath Awasthy	Rs. 1,000/-
Mr. Abhay Lodha	Rs. 3,000/-
Mr. Prateek Jatia	Rs. 1,000/-
Mr. Prasanna Lodha	Rs. 1,000/-

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 with effect from 09/01/2008. The Committee comprise of following Directors:

1. Mr. Abhay Lodha - Independent Director (Chairman)
2. Mr. Shankernath Awasthy- Independent Director (up to 13.10.2007)
3. Mr. Vinod Jatia – Managing Director
4. Mr. Prasanna Lodha – Independent Director (from 09.01.2008)

The Compliance Officer is Mr. Kailash Sharma (Company Secretary).

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

The Company received three complaints during the year ended on 31.03.08 and the same was duly resolved.

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 2007-08 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
2006-2007	28/09/2007	03.00 p.m.	Registered Office: 1, Pearl Mansion (N) 91, M. K. Road, Mumbai-20
2005-2006	29/09/2006	11.00 a.m.	" "
2004-2005	29/09/2005	11.00 a.m.	" "

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

In addition to the aforesaid Annual General Meetings, during the year ended on 31.03.2008, the Company held an Extra Ordinary General Meeting on 04.07.2007.

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 Company has launched its website as www.supremeholdings.net. The quarterly/annual results as well as any official news release of the Company are promptly displayed on the above website of the Company.

The Company has designated the following E-mail ID exclusively for investor servicing. - investors@supremeholdings.net

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

9. General Shareholder Information

(a) Annual General Meeting

Date & Time : Please refer to notice on the Annual General Meeting being sent along with Annual Report.

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

(b) Book Closures : Please refer to notice on the Annual General Meeting being sent along with Annual Report.

(c) Financial Calendar For 2008-2009 (Tentative)

Financial Year Ending : 31st March
 First Quarter Results : By July, 2008
 Second Quarter Results : By October, 2008
 Third Quarter Results : By January, 2009
 Fourth Quarter Results : By June, 2009

(d) Listing of Equity Shares

The Company's shares are listed on the Bombay Stock Exchange Limited. The listing fees for the year 2008-09 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
	HIGH (RS.)	LOW (RS.)	SENSEX
April-2007	22.30	16.05	13872
May-2007	31.30	19.50	14544
June-2007	86.25	32.85	14650
July-2007	88.00	45.00	15550
August-2007	72.50	48.25	15318
September-2007	64.85	48.70	17291
October-2007	75.20	55.85	19837
November-2007	88.65	50.05	19363
December-2007	93.05	78.10	20286
January-2008	115.35	61.80	17648
February-2008	70.40	54.00	17578
March-2008	60.50	31.40	15644

(f) Registrar and Transfer Agents

The Company has appointed M/s. Sharex Dynamic India (P) Ltd., as its Registrar and Transfer Agents, Correspondence Address : M/s. Sharex India (P) 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 31.03.2008: 66,00,750 Equity Shares

of the Company forming 75.06% 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 March 31, 2008.

No. of Equity Shares Held	No. of Share holders	% of Share holders	No. of Shares Held	Percentage of Share holding
Up to 500	1381	80.34	320260	3.64
501 to 1000	136	7.91	110258	1.25
1001 to 5000	130	7.56	276793	3.15
5001 to 10000	22	1.28	165308	1.88
10001 to 100000	35	2.04	1107133	12.59
100001 & Above	15	0.87	6814548	77.49
	1719	100%	8794300	100%

(j) Shareholding Pattern as on March 31, 2008.

Category	No. of Shares Held	Percentage of Shareholding
1. Promoters	3542750	40.28
2. Mutual Funds	125000	1.42
3. Private Corporate Bodies	3113133	35.40
4. Indian Public	1875363	21.33
5. NRIs/OCBs	135502	1.54
6. Clearing Members	2552	0.03
GRAND TOTAL	8794300	100%

10. Address for Correspondence

Registered Office : 1, Pearl Mansion (N), 91, M. K. Road, 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, 2008.

For & On Behalf of the Board of Directors

Place: Mumbai
 Dated: 20.06.2008

Vinod Jatia
 Chairman & Managing Director



SUPREME HOLDINGS LIMITED

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, 2008, 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, 2008 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 : 20th June, 2008.

Suresh Murarka
Partner

Auditors' Report

To,
The Members,
Supreme Holdings Limited
Mumbai

1. We have audited the attached Balance Sheet of Supreme Holdings Limited, as at 31st March 2008 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 (Act), 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 2008 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 2008,

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 read with Accounting Policies No. 8 in Schedule "12" 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, 2008.
 - 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

Place : Mumbai
Date : 20th June, 2008.

Suresh Murarka
Partner
Mem. No.: 44739

Annexure to Auditors Report

Annexure referred to in paragraph 3 of the Auditors Report for the year ended 31st March 2008.

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 substantial fixed assets during the year.
- (ii)
 - a) The inventories have been physically verified, wherever applicable 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 four parties (including Subsidiary) 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. 969.52 Lacs and the year-end balance was Rs. 95.39 Lacs.
- b) The rate of interest and other terms and conditions on which the loans have been granted are *prima facie*, not prejudicial to the interest of the company; loan granted to the subsidiary 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 not taken any unsecured loan from parties, covered in the register maintained under Section 301 of the Act.
- e) In view of our comments in Para (iii) (d) above, clause (iii) (f) & (g) of the said Order are 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. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (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 became 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	Forum where dispute is pending
1.	Income Tax Act, 1961	Income Tax for the year 1996-97	37.93 Lacs	Assistant Commissioner of Income Tax
2.	Income Tax Act, 1961	Income Tax for the year 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.
- (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 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 : 20th June, 2008.

Suresh Murarka
Partner
Mem. No.: 44739

**SUPREME HOLDINGS LIMITED****BALANCE SHEET
AS AT 31st MARCH, 2008**

	SCHEDULE	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees
Sources of Funds			
Shareholder's Funds			
Share Capital	1	87,943,000	62,943,000
Reserves & Surplus	2	128,588,793	63,421,925
Loan Funds			
Secured Loans	3	-	258,834
Unsecured Loans	4	-	17,536,336
Total		216,531,793	144,160,095
Application of Funds			
Fixed Assets			
Gross Block	5	8,284,239	8,251,640
Less : Depreciation		6,916,591	6,669,270
Net Block		1,367,648	1,582,370
Deferred Tax Assets		7,685,539	4,768,241
Investments	6	3,992,000	14,306,546
Current Assets, Loans & Advances			
Inventories	7	237,168	851,418
Sundry Debtors		12,501,352	4,723,406
Cash & Bank Balances		375,435	1,107,199
Advance against Land		146,340,000	-
Loans & Advances		54,755,600	124,363,041
		214,209,555	131,045,064
Less : Current Liabilities & Provisions	8	10,722,949	7,542,126
Net Current Assets		203,486,606	123,502,938
Total		216,531,793	144,160,095
Significant Accounting Policies & Notes to Accounts	12		

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

SURESH MURARKA
Partner
Mem. No.: 044739

Place : Mumbai.
Date : 20th June, 2008

For and on behalf of the Board

VINOD JATIA Chairman & Managing Director

ABHAY LODHA Director

PRASANNA LODHA Director

KAILASH SHARMA Company Secretary

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH, 2008**

	SCHEDULE	Year Ended 31.03.2008 Rupees	Year Ended 31.03.2007 Rupees
Income			
Income from Operations	9	23,803,694	20,261,697
		<u>23,803,694</u>	<u>20,261,697</u>
Expenditure			
Employee Costs	10	871,482	729,070
Administrative & Other Expenses	11	5,974,075	14,855,571
Interest Expenses		856,746	924,484
Depreciation		362,237	410,277
		<u>8,064,540</u>	<u>16,919,402</u>
Profit before tax		15,739,154	3,342,295
Less : <u>Provision for Tax</u>			
Current Tax		3,090,000	1,600,000
Deferred Tax Liabilities / (Assets)		(2,917,298)	(1,922,322)
Fringe Benefit Tax		50,000	130,000
Tax of Earlier Years		-	2,268,650
Profit after tax		15,516,452	1,265,967
Add: Balance brought forward from previous year		16,195,680	15,182,906
Profit available for Appropriations		31,712,132	16,448,873
Appropriations:			
Transferred to Statutory Reserve		-	253,193
Balance in Profit and Loss Account		31,712,132	16,195,680
		<u>31,712,132</u>	<u>16,448,873</u>
Earning Per Share (Basic/Diluted)		2.05	0.20
Significant Accounting Policies & Notes to Accounts	12		

As per our Report of even date

For SINGRODIA GOYAL & CO.

Chartered Accountants

SURESH MURARKA

Partner

Mem. No.: 044739

Place : Mumbai.

Date : 20th June, 2008

For and on behalf of the Board

VINOD JATIA

Chairman & Managing Director

ABHAY LODHA

Director

PRASANNA LODHA

Director

KAILASH SHARMA

Company Secretary

**SUPREME HOLDINGS LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008**

	2007-08 Rupees	2006-07 Rupees
(A) Cash Flow from Operating Activities		
Net Profit before Tax and extra-ordinary items	15,739,154	3,342,295
Adjustment for:		
Depreciation	362,237	410,277
Interest Paid	856,746	924,484
Dividend	(27,080)	(135,194)
Loss on Sale of Fixed Assets	12,986	-
Profit on Sale of Investments	(17,501,276)	(4,935,434)
Provision for diminution in value of Investments	596,356	-
Loss on Investment W/off	-	217,500
Loss on Shares Valuation	-	674,746
Operating Profit Before Working Capital Changes	39,123	498,674
Adjustment for :		
Trade and Other Receivables	(83,356,078)	69,406,564
Inventories	614,250	2,382,811
Trade Payables	40,823	(785,551)
Cash Generated from Operations	(82,661,882)	71,502,498
Interest paid	(856,746)	(924,484)
Direct Taxes Paid (Net)	(1,154,427)	(3,169,155)
Net Cash from operating activities (A)	(84,673,055)	67,408,859
(B) Cash Flow from Investing Activities		
Purchase of Fixed Assets	(175,501)	(84,200)
Sale of Investments	27,219,466	17,659,367
Purchase of Investment	-	(11,125,233)
Sale of Fixed Assets	15,000	-
Dividend Received	27,080	135,194
Net Cash used in investing activities (B)	27,086,045	6,585,128
(C) Cash Flow from Financing Activities		
Proceeds from Share Capital	25,000,000	-
Proceeds from Securities Premium	50,000,000	-
Share Issue Expenses	(349,584)	-
Proceeds from Long Term Borrowings	(17,795,170)	(73,521,956)
Dividend Paid	-	-
Net Cash used in financing activities (C)	56,855,246	(73,521,956)
Net increase / (decrease) in Cash & Cash Equivalents (A)+(B)+(C)	(731,764)	472,031
Cash and Cash Equivalents:		
Opening Balance at the beginning of the year	1,107,199	635,168
Closing Balance at the end of the year	375,435	1,107,199
Net increase / (decrease) in cash and equivalent	(731,764)	472,031
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 follow		
Particulars	As at 31.3.2008 Amount (Rs.)	As at 31.3.2007 Amount (Rs.)
Cash in Hand	124,878	177,437
Balances with Banks	250,557	929,762
	375,435	1,107,199

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

SURESH MURARKA
Partner
Mem. No.: 044739

Place : Mumbai.
Date : 20th June, 2008

For and on behalf of the Board

VINOD JATIA

Chairman & Managing Director

ABHAY LODHA

Director

PRASANNA LODHA

Director

KAILASH SHARMA

Company Secretary

**SCHEDULES
TO BALANCE SHEET AS AT 31ST MARCH, 2008**

	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees
Schedule "1" :- Share Capital		
<u>Authorised</u>		
1,00,00,000 (Previous Year 70,00,000) Equity Shares of Rs. 10/- each	100,000,000	70,000,000
	100,000,000	70,000,000
<u>Issued, Subscribed and Paid-up</u>		
87,94,300 (Previous Year 62,94,300) Equity Shares of Rs.10/- each fully paid up	87,943,000	62,943,000
	87,943,000	62,943,000
Schedule "2" :- Reserves & Surplus		
Capital Reserve-Opening Balance	277,150	277,150
General Reserve-Opening Balance	1,000,000	1,000,000
Securities Premium Account :		
Opening Balance	37,943,000	37,943,000
Additions during the year	50,000,000	-
	87,943,000	37,943,000
Less : Preliminary Expenses & Share Issue Expenses	349,584	-
	87,593,416	37,943,000
Reserve Fund in terms of Section-45-IC(1) of Reserve Bank of India Act, 1934		
Opening Balance	8,006,095	7,752,902
Additions during the year	-	253,193
	8,006,095	8,006,095
Surplus as per Profit & Loss Account	31,712,132	16,195,680
	128,588,793	63,421,925
Schedule "3" :- Secured Loans		
From ICICI Bank Ltd.	-	258,834
(Secured against specific asset)	-	258,834
Schedule "4" :- Unsecured Loans		
Intercompany Deposits	-	17,536,336
	-	17,536,336

SCHEDULE "5" :- Fixed Assets :

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 1.04.07	Additions during the year	Deductions during the year	Cost as at 31.03.08	Up to 31.03.07	Provided for the Year	Adjustments	Upto 31.03.2008	As at 31.03.2008	As at 31.03.2007
Furniture & Fittings	2,536,989	29,756	-	2,566,745	2,132,063	75,536	-	2,207,599	359,146	404,926
Motor Cars	1,045,061	-	-	1,045,061	521,974	135,427	-	657,401	387,660	523,087
Air Conditioners	1,016,037	-	-	1,016,037	780,217	32,803	-	813,020	203,017	235,820
Office Equipments	1,020,591	-	142,902	877,689	741,965	37,326	114,916	664,375	213,314	278,626
Computers	2,632,962	145,745	-	2,778,707	2,493,051	81,145	-	2,574,196	204,511	139,911
Total	8,251,640	175,501	142,902	8,284,239	6,669,270	362,237	114,916	6,916,591	1,367,648	1,582,370
Previous Year	8,167,440	84,200	-	8,251,640	6,258,993	410,277	-	6,669,270	1,582,370	1,908,447

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

	Face Value per share Rs.	As at 31.03.2008		As at 31.03.2007	
		Nos.	Rs.	Nos.	Rs.
LONG TERM :					
Fully Paid-up Equity Shares					
A) Quoted					
Fully Paid-up Equity Shares					
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
Bell Ceramics Ltd.	10	-	-	30300	293,179
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
Cogent Ventures (I) Ltd.	10	8700	52,907	8700	52,907
Essar Steels Ltd.	10	-	-	6120	293,810
Global Boards Ltd.	10	15000	60,459	15000	60,459
Hind Oil Expl. Co. Ltd.	10	-	-	500	11,614
Indian Petrochemicals Ltd.	10	-	-	573	172,251
Indo Count Fin. & Lease Ltd.	10	200	1,514	200	1,514
Jayaswals Neco Ltd.	10	-	-	2500	75,391
Link Pharma Chem. Ltd.	10	3900	20,190	3900	20,190
Lloyd Steel Industries Ltd.	10	-	-	144556	1,697,579
Lloyd Metal & Engineers Ltd.	10	-	-	25000	980,323
Maars Software Ltd.	10	-	-	5000	456,207
Mewar Marbles Ltd.	10	200	2,000	200	2,000
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
Nagarjuna Fertilisers & Chemicals Ltd.	10	-	-	50	897
Oswal Chemical And Fert. Ltd.	10	-	-	2700	16,200
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
VLS Finance Ltd.	10	-	-	30600	368,201
Washington Software Ltd.	10	14730	438,476	14730	438,476
Fully Paid-up Preference Shares					
Essar Steels Ltd.	10	-	-	4080	195,874
			596,356		10,314,546
Less : Provision for dimunition in value			596,356		-
Sub Total (A)			-		10,314,546
Market value as on 31.03.2008			98,336		7,207,444
B) Unquoted					
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
Sub Total (B)			3,992,000		3,992,000
Total [(A+B)]			3,992,000		14,306,546

SCHEDULES - Cont'd.

	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees
Schedule "7" :- Current Assets, Loans & Advances		
(A) Inventories		
Stock of Shares & Securities (Refer Annexure I) (As taken, valued and certified by Directors)	237,168	851,418
	<u>237,168</u>	<u>851,418</u>
(B) Sundry Debtors:		
(Unsecured and Considered Good)		
Debtors outstanding for a period exceeding six months.	4,147,130	-
Others	8,354,222	4,723,406
	<u>12,501,352</u>	<u>4,723,406</u>
(C) Cash & Bank Balances		
Cash Balance on hand	124,878	177,437
<u>Bank Balance with Scheduled Banks</u>		
- On Current Account	245,557	924,762
- On Deposit Account	5,000	5,000
	<u>375,435</u>	<u>1,107,199</u>
(D) Loans & Advances		
(Unsecured and Considered Good)		
Finance Lease Receivables	-	14,814,660
Share Application Money	33,850,000	-
Advances / Loans to Subsidiary	9,539,300	9,694,300
Loans	117,976	89,776,605
Advances recoverable in cash or kind or for value to be received	154,764	138,343
Advance Tax & TDS	11,093,560	9,939,133
	<u>54,755,600</u>	<u>124,363,041</u>
Schedule "8" :- Current Liabilities & Provisions		
Current Liabilities		
Unclaimed Dividend	76,057	35,100
Other Liabilities	1,073,346	1,073,480
Provisions		
Provision for Taxation	9,393,546	6,303,546
Provision for Fringe Benefit Tax	180,000	130,000
	<u>10,722,949</u>	<u>7,542,126</u>

**SCHEDULES - Cont'd.****Schedules to Profit & Loss Account for the year ended 31st March,2008**

	Year Ended 31.03.2008 Rupees	Year Ended 31.03.2007 Rupees
Schedule "9" :- Operating Income		
Interest [TDS Rs. 10,20,742/- (P.Y Rs. 25,32,890/-)]	4,874,648	11,363,026
Finance Lease Charges	1,387,495	3,809,723
Dividends	27,080	135,194
Profit on Sale of Investments	17,501,276	4,935,434
Miscellaneous Income	13,195	18,320
	23,803,694	20,261,697
Schedule "10" :- Employee Costs		
Salaries and Bonus	777,882	574,670
Gratuity	93,600	154,400
	871,482	729,070
Schedule "11" :- Administrative & Other Expenses		
Rent, Rates & Taxes	125,000	122,500
Communication Costs	141,139	239,491
Travelling & Conveyance	165,965	1,490,098
Legal & Professional Charges	1,431,475	237,909
Loss on dealing / valuation in shares	96,433	1,087,465
Motor Car Expenses	197,666	147,668
Directors' Sitting Fees	6,000	-
Office Expenses	23,129	226,870
Audit Fees	28,090	28,090
Repairs & Maintenance (Others)	123,199	110,848
Bank & Depository Charges	97,826	89,439
Investment written off	-	217,500
Loan written off	-	7,950,000
Insurance Premium (Keyman)	2,741,450	2,741,450
Securities Transaction Tax	34,731	62,310
Loss on Sale of Fixed Assets	12,986	-
Miscellaneous Expenses	152,630	103,933
Provision for diminution in value of Investments	596,356	-
	5,974,075	14,855,571

Schedule "12" :- Significant Accounting Policies and 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 follow the system of accounting on accrual basis.

3 Fixed Assets

All owned Fixed Assets are accounted for at cost inclusive of incident 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 of 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 intention 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 the 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 parts 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 recognised subject to consideration of prudence in respect of deferred tax assets, on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more periods.

Provisions for Fringe Benefit Tax (FBT) have been recognized on the basis of harmonious contextual interpretation of the provisions of the Income Tax Act, 1961

10. Miscellaneous Expenditure

Preliminary and Share Issue expenses incurred during the year has been written off against the Securities Premium.

B Notes to Accounts :

1. a) Loans and Advances includes Rs. 95,39,300/- (P.Y Rs. 96,94,300/-) amount due from Helmet Traders Limited a subsidiary of the Company.
b) Loans and Advances includes Rs. Nil (P.Y Rs. 7,32,15,131/-) amount due from Private Companies in which Directors are interested as members.
2. Deferred Tax Assets for the current year amounting to Rs. 29,17,298/- (Previous year Rs.19,22,322) has been recognised in the Profit & Loss Account.

Net Deferred Tax Assets Balance as on 31.03.2008 comprises of :

Deferred Tax Liabilities/(Assets)	Deferred Tax Liability/(Assets) as at 1-4-2007 (Rs.)	Current year charge Liability/(Assets) (Rs.)	Deferred Tax Liability/(Assets) as at 31-3-2008 (Rs.)
Timing Difference on account of			
Depreciation on Owned Fixed Assets	(10,86,108)	2,05,277	(8,80,831)
Provision of Gratuity	(83,771)	(22,054)	(1,05,825)
Finance Lease Income	(35,98,362)	(31,00,521)	(66,98,883)
Total Deferred Tax Liabilities / (Assets)	(47,68,241)	(29,17,298)	(76,85,539)

In absence of virtual certainty of sufficient future taxable income deferred tax assets on long term capital loss has not been recognized by way of prudence. In accordance with AS – 22 "Accounting Taxes on income" issued by ICAI



SUPREME HOLDINGS LIMITED

3. **Segment :**

The Segment wise details as per Accounting Standard 17 is not applicable as there are no separate reportable segments.

4. **Payment to Auditors :**

Particulars	2007 – 2008 (Rs.)	2006 – 2007 (Rs.)
Audit Fees	20,000	20,000
Tax Audit Fees	5,000	5,000
Service Tax	3,090	3,090
Total	28,090	28,090

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. The names of the Micro, Small and Medium Enterprises suppliers defined under "The Micro Small and Medium Enterprises Development Act, 2006" could not be identified, as the necessary evidence is not in the possession of the Company.

7. **Earning Per Share :**

Particulars	Year Ended 31.03.2008	Year Ended 31.03.2007
Weighted average number of equity shares of Rs. 10/- each :		
Number of shares at the beginning of the year	62,94,300	62,94,300
Number of shares at the end of the year	87,94,300	62,94,300
Weighted average number of Equity Shares outstanding during the year	75,78,453	62,94,300
Net profit after tax available for equity shareholders (Rs.)	1,55,16,452	12,65,967
Basic and diluted earning per share (Rs.)	2.05	0.20

8. **Contingent Liabilities :**

- Contingent Liability not provided for in books in respect of disputed Income Tax amounting to Rs. 48,35,816/- (P.Y Rs. 48,35,816/-). The Company has applied for rectification and /or has filed an appeal with the CIT (Appeal) in respect of the above demand.
- Estimated amount of contracts remaining to be executed on capital account not provided for Rs. 110 Lacs (net of advances)(Previous Year Rs. Nil)

9. The Balances of Sundry Debtors and Sundry Creditors are subject to confirmation and reconciliation if any.

10. 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	Quantity (nos.)	Amount (Rs.)
Opening Stocks	39,993	8,51,418
	(34,501)	(39,08,976)
Purchases	Nil	Nil
	(1,17,454)	(1,61,77,828)
Sales	35,000	5,17,817
	(1,11,962)	(1,81,47,922)
Closing Stocks	4,993	2,37,168
	(39,993)	(8,51,418)

11. **Expenditure in Foreign Currency :**

Particulars	Year Ended 31.03.2008 (Rs.)	Year Ended 31.03.2007 (Rs.)
Travelling Expenses	Nil	4,52,719

12. Related Party Disclosures :

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 Personnel
3	Ramesh Jatia	Relative of Key Management Personnel
4	Bell Ceramics Limited	} Entities controlled by Directors or their relatives
5	Dilshad Trading Co. Private Limited	
6	Subhakaran & Sons	
7	Royalways Trading & Investment Service Pvt. Ltd.	
8	Jatia Hotels & Resorts Pvt. Ltd.	
9	Makalu Trading Ltd.	

Transactions with the related parties during the year :

A. Loans granted/ taken

(Amount in Rs.)

Nature of Transactions	Subsidiary	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Balance as on 1.4.2007	9,694,300 (10,504,300)	Nil (Nil)	62,594,420 (6,290,522)	72,288,720 (16,794,822)
Granted	5000 (Nil)	Nil (Nil)	44,659,165 (97,961,151)	44,664,165 (97,961,151)
Recovered	160,000 (810,000)	Nil (Nil)	107,253,585 (61,905,137)	107,413,585 (62,715,137)
Taken	Nil (Nil)	Nil (Nil)	Nil (111,830,580)	Nil (111,830,580)
Repaid	Nil (Nil)	Nil (Nil)	Nil (132,078,464)	Nil (132,078,464)
Balance as on 31.3.2008	9,539,300 (9,694,300)	Nil (Nil)	Nil (62,594,420)	9,539,300 (72,288,720)

B. Advances against Land

(Amount in Rs.)

Nature of Transactions	Subsidiary	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Balance as on 1.4.2007	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Granted	Nil (Nil)	Nil (Nil)	104,500,000 (Nil)	104,500,000 (Nil)
Recovered	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Balance as on 31.3.2008	Nil (Nil)	Nil (Nil)	104,500,000 (Nil)	104,500,000 (Nil)

C. Share Application Money

(Amount in Rs.)

Nature of Transactions	Subsidiary	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Balance as on 1.4.2007	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Granted	Nil (Nil)	Nil (Nil)	36,550,000 (Nil)	36,550,000 (Nil)
Recovered	Nil (Nil)	Nil (Nil)	2,700,000 (Nil)	2,700,000 (Nil)
Balance as on 31.3.2008	Nil (Nil)	Nil (Nil)	33,850,000 (Nil)	33,850,000 (Nil)

**D. Investments**

(Amount in Rs.)

Nature of Transactions	Subsidiary	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Balance as on 1.4.2007	1,492,000 (1,492,000)	Nil (Nil)	293,179 (540,881)	1,785,179 (2,032,881)
Purchases during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Sales during the year	Nil (Nil)	Nil (Nil)	293,179 (247,702)	293,179 (247,702)
Balance as on 31.3.2008	1,492,000 (1,492,000)	Nil (Nil)	Nil (293,179)	1,492,000 (1,785,179)

E. Sundry Debtors / Other Receivables

(Amount in Rs.)

Nature of Transactions	Subsidiary	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Balance as on 1.4.2007	Nil (Nil)	Nil (Nil)	345,600 (Nil)	345,600 (Nil)
Sales during the year	Nil (Nil)	Nil (Nil)	15,600 (345,600)	15,600 (345,600)
Realised during the year	Nil (Nil)	Nil (Nil)	345,600 (Nil)	345,600 (Nil)
Balance as on 31.3.2008	Nil (Nil)	Nil (Nil)	15,600 (345,600)	15,600 (345,600)

F. Income

(Amount in Rs.)

Nature of Transactions	Subsidiary	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Profit on Sale of Shares	Nil (Nil)	Nil (Nil)	Nil (97,898)	Nil (97,898)
Interest	Nil (Nil)	Nil (Nil)	2,934,165 (3,274,386)	2,934,165 (3,274,386)

G. Expenses

(Amount in Rs.)

Nature of Transactions	Subsidiary	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Office Rent	Nil (Nil)	Nil (Nil)	120,000 (120,000)	120,000 (120,000)
Interest	Nil (Nil)	Nil (Nil)	Nil (730,206)	Nil (730,206)
Loss on Sale of Fixed Assets	Nil (Nil)	Nil (Nil)	12,986 (Nil)	12,986 (Nil)

13. During the year, at the Extra Ordinary General Meeting held on 4th July, 2007, the Company has passed the following resolutions :

- The Company has increased its Authorised Share Capital from Rs. 7 crores to Rs. 10 crores (divided into 1 crores equity shares of the face value Rs. 10/- per share)
- The Company has decided to discontinue the existing business activities of Leasing, Finance and Investment and enter in the new business of Development and Running of Hotels & Resorts considering the vast opportunities available in the hospitality industry.
- The Company has passed a resolution to make an application to the Reserve Bank of India for de-registration of the Company from Non-Banking Financial Company (NBFC).

14. On an application filed by the Company, it has been de-registered from NBFC vide Order dated 05th November, 2007 passed by the Reserve Bank of India. Hence, the prudential norms of 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 are not applicable to the Company.

15. The Company has entered into MOU with three parties (including two associate concerns) for purchase of Land for its new business activity during the year. An amount of Rs. 14,63,40,000/- has been paid as advance for purchase of the said assets up to year-end. Capital commitments thereof being Rs. 110 Lacs (net of advances)
16. The Company has paid Rs. 3,38,50,000/- towards Share Application money to an associate concern, Jatia Hotels & Resorts Private Limited, the allotment of shares thereof pending up to 31st March, 2008.
17. The Company has allotted 25 Lakhs equity shares of Rs.10/- each, fully paid up, at a premium of Rs.20/- per share on Preferential basis under SEBI (Disclosure & Investors Protection) Guidelines, 2000, in September 2007 thereby raising an amount of Rs. 750 lakhs. Out of the said amount, the Company has utilised a sum of Rs.743 Lakhs towards advance for acquisition of land at Panvel for its Resort Project and the balance is used for general corporate purposes.
18. Previous year figures are regrouped and rearranged, wherever necessary, to make them comparable with those of the current year's figures.

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.

Sr. No.	Particulars	Balance as at 31.03.2008 (Rs. In Lacs)	Maximum Balance during the year (Rs. In Lacs)
a	Loans & Advances in the nature of loans to Subsidiary Company – Helmet Traders Limited	95.39	96.94
b	Loans & Advances in the nature of Loans to Associates	Nil	Nil
c	Loans & 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 & Advances in the nature of loans to Firm/ Companies in which Directors are interested	Nil	872.57
e.	Investment 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

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

Balance Sheet Abstract and Company's General Business Profile.

I. REGISTRATION DETAILS

Registration No.	State Code	Balance Sheet Date
11-26924	11	31st March 2008

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	25,000	NIL

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

Total Liabilities	Total Assets
216532	216532

SOURCES OF FUNDS

Paid-up-Capital	Reserves & Surplus	Secured Loans	Unsecured Loan
87943	128589	NIL	NIL

APPLICATION OF FUNDS

Net Fixed Assets	Investment	Net Current Assets	Misc. Expenditure	Accumulated Losses	Deferred Tax Assets
1368	3992	203497	NIL	NIL	7685

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 (%)
23804	8065	15739	15516	2.05	-

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

SURESH MURARKA
Partner
Mem. No. 44739
Place : Mumbai.
Date : 20th June, 2008

For and on behalf of the Board

VINOD JATIA	Chairman & Managing Director
ABHAY LODHA	Director
PRASANNA LODHA	Director
KAILASH SHARMA	Company Secretary

**Annexure "I"****Details of Closing Stock of Shares and Securities**

Particulars	As at 31.03.2008		As at 31.03.2007	
	Qty	Amount (Rs.)	Qty	Amount (Rs.)
Sakuma Export (Pf)	4,993	237,168	4,993	237,168
Sakuma Export (Eq)	-	-	35,000	614,250
	4,993	237,168	39,993	851,418

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 : **Helmet Traders Limited**
- 2 Financial year of the Subsidiary ended on : 31st March, 2008
- 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, 2008 : 147222
- (ii) For the previous financial years of the subsidiary company to since it became the holding Company's subsidiary : 4966533

For and on behalf of the Board

VINOD JATIA *Chairman & Managing Director*

PRASANNA LODHA *Director*

ABHAY LODHA *Director*

KAILASH SHARMA *Company Secretary*

Place : Mumbai

Date : 20th June, 2008

DIRECTORS' REPORT

To the Members of
HELMET TRADERS LIMITED

Your Directors take pleasure in presenting the Fourteenth Annual Report together with Audited Accounts of the Company for the financial year ended 31st March, 2008.

FINANCIAL RESULTS: (RS.)

	2007-08	2006-07
Total Income	1,63,660	8,18,300
Total Expenditure	16,438	20,161
Profit before Tax	1,47,222	7,98,139
Less : Provision for Tax	-	-
Profit after Tax	1,47,222	7,98,139
Add : Amount brought forward	49,66,533	41,68,394
Profit available for appropriation	51,13,755	49,66,533
Appropriation :		
Balance carried to Balance Sheet	51,13,755	49,66,533

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

Mr. Vinod Jatia retires by rotation and, being eligible, offers himself 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, 2008 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, 2008 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

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

There is no foreign exchange earning or expenditure during the year under review.

For and on behalf of the Board

Place: Mumbai

VINOD JATIA

NITA JATIA

Date: 30th May, 2008

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, 2008. 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 there under 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 under the Act and the rules made there under.
- The company being a 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 six (-6-) times on 25-05-2007, 29-06-2007, 01-09-2007, 25-10-2007, 04-01-2008 and 20-02-2008 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, 2007 was held on 29th September, 2007 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.
- During the year under review an Extra Ordinary General Meeting of the members of the Company was held on 30th January, 2008 but form No. 23 in respect of resolutions passed at the said meeting is pending to be filed with the Registrar of Companies, Maharashtra.
- 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.
- The Board of Directors of the Company is **duly constituted**. There was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancies during the financial year under reference.
- The Company has not appointed any Managing Director / Whole-time Director/ Manager during the year under review.
- The Company has not appointed any **sole-selling agents** during the financial year under review.



HELMET TRADERS LIMITED

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 there under.
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, 2008.
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 borrowings made by the Company during the financial year under review are within the limits approved by shareholders of the company under section 293(1)(d) of the act.
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
Dated: 30.05.2008

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, 2008.

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 66	383 A(1)	Compliance Certificate (Year ended 31/3/2007)	17/10/2007	Yes	—
2.	Form 23AC	220	Balance Sheet (Year ended 31/3/2007)	17/10/2007	Yes	—
3.	Form 20B	159	Annual Return (as on 29/09/2007)	22/11/2007	Yes	—

For K.C. NEVATIA & ASSOCIATES
COMPANY SECRETARIES

Place: Mumbai
Dated: 30.05.2008

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

AUDITORS' REPORT

To,
The Members,
HELMET TRADERS LIMITED
Mumbai.

1. We have audited the attached Balance Sheet of **HELMET TRADERS LIMITED**, as on 31st March, 2008, 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 and 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 and 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, 2008 and taken on record by the Board of Directors, we report that none of the Directors of the Company as on 31st March, 2008, *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, 2008.
 - 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 : 30.05.2008

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, 2008.

- 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. 96,94,300 and the year end balance of loan taken from such party was Rs. 95,39,300.
- (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 and 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, 2008, 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. 130.00 Crores availed by associate concern Shrilekha Trading P. 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 : 30.05.2008



HELMET TRADERS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2008.

	Sch.	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees
I. SOURCES OF FUNDS :			
SHAREHOLDERS FUNDS			
Share Capital	A	1,492,000	1,492,000
Reserves and Surplus	B	5,136,255	4,989,033
LOAN FUNDS			
Unsecured Loans	C	9,539,300	9,694,300
		<u>16,167,555</u>	<u>16,175,333</u>
APPLICATION OF FUNDS			
INVESTMENTS			
	D	16,159,060	16,159,060
CURRENT ASSETS, LOANS AND ADVANCES			
Cash and Bank Balances	E	19,731	26,273
		<u>19,731</u>	<u>26,273</u>
Less : Current Liabilities and Provisions	F	11,236	10,000
Net Current Assets		<u>8,495</u>	<u>16,273</u>
		<u>16,167,555</u>	<u>16,175,333</u>
Significant Accounting Policies & Notes to Accounts	H		

As per 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
NITA JATIA
Director

Place : Mumbai.
Date : 30.05.2008

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008.

	Sch.	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees
INCOME			
Dividend		163,660	818,300
EXPENDITURES			
Administrative and General Expenses	G	16,438	20,161
Profit / (Loss) before Taxation		<u>147,222</u>	<u>798,139</u>
Provision for Tax		-	-
Profit after tax		<u>147,222</u>	<u>798,139</u>
Add : Balance brought forward		4,966,533	4,168,394
Profit available for appropriation		<u>5,113,755</u>	<u>4,966,533</u>
APPROPRIATION			
Balance carried to Balance Sheet		5,113,755	4,966,533
Earning Per Share [Basic / Diluted]		<u>0.99</u>	<u>5.35</u>
Significant Accounting Policies & Notes to Accounts : H			

As per 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
NITA JATIA
Director

Place : Mumbai.
Date : 30.05.2008

Cash Flow statement for the year ended 31st March, 2008

	2007-08 Rupees	2006-07 Rupees
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra-ordinary items	147,222	798,139
Adjustment for :		
Dividend	(163,660)	(818,300)
Operating Profit Before Working Capital Changes	(16,438)	(20,161)
Adjustment for :		
Trade and Other receivables	-	-
Trade Payables	1,236	7,194
Cash Generated from Operations	(15,202)	(12,967)
Direct Taxes paid	-	-
Net Cash from operating activities [A]	(15,202)	(12,967)
[B] CASH FLOW FROM INVESTING ACTIVITIES		
Dividend Received	163,660	818,300
Net cash generated in investing activities [B]	163,660	818,300
[C] CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	(155,000)	(810,000)
Net cash used in financing activities [C]	(155,000)	(810,000)
Net increase / (decrease) in cash and cash equivalents [A] + [B]+ [C]	(6,542)	(4,667)
Cash and Cash Equivalents :		
Opening Balance at the beginning of the year	26,273	30,940
Closing Balance at the end of the year	19,731	26,273
Net increase / (decrease) in cash and equivalent	(6,542)	(4,667)
Note : Figures in brackets represent cash outflow		

As per 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

NITA JATIA
Director

Place : Mumbai.
 Date : 30.05.2008

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31/03/2008

	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees
SCHEDULE - A - SHARE CAPITAL		
Authorised		
1,50,000 Equity Shares of Rs. 10 each	1,500,000	1,500,000
Issued, Subscribed and Paid-up		
1,49,200 [1,49,200] Equity Shares of Rs. 10 each [Entire Share Capital is held by Supreme Holdings Ltd.]	1,492,000	1,492,000
SCHEDULE - B - RESERVE AND SURPLUS		
General Reserve	22,500	22,500
Profit and Loss Account	5,113,755	4,966,533
	5,136,255	4,989,033
SCHEDULE - C - UNSECURED LOANS		
Inter Corporate Deposit Supreme Holdings Ltd.	9,539,300	9,694,300
SCHEDULE - D - INVESTMENTS (Long Term, Non Trade) Quoted (Equity Shares)		
81,830 [P.Y. 81,830] fully paid up Equity Shares of Asian Hotels Ltd. of Rs.10/- each.	16,159,060	16,159,060
Note:		
1) Market Value of Quoted Investments Rs.4,60,62,107/-(P.Y.5,89,83,064)		
2) 81,830 Shares of Asian Hotels Ltd. has been pledged with Punjab National Bank against credit facilities enjoyed by associate concern		
SCHEDULE - E - CURRENT ASSETS, LOAN AND ADVANCES		
Cash in Hand	11,342	14,252
Balance with Scheduled Bank		
In Current Account	8,389	12,021
	19,731	26,273
SCHEDULE - F - CURRENT LIABILITIES AND PROVISIONS		
Audit Fees Payable	11,236.00	10,000.00
SCHEDULE - G - ADMINISTRATIVE AND GENERAL EXPENSES		
Bank Charges and Interest	292	67
Audit Fees	11,236	10,000
Filing Fees	900	4,200
Postage and Telegram	10	-
Professional Fees	4,000	5,894
	16,438	20,161



HELMET TRADERS LIMITED

SCHEDULE - H - Significant Accounting Policies & Notes of 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

Investments are classified into current and long term investments. Current investments are stated at lower of cost of market value. Long term investments are stated at cost, less any provision for permanent diminution in value.

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. 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 realisation in the ordinary course of business, at least equal to the amount at which they are stated.

2. Remuneration paid to Auditors :

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Audit Fees	11,236	10,000

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. 130.00 crores extended to associates concern Shrilekha Trading Pvt. Ltd.

5. Earning Per Share

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Profit Attributable to the equity shareholders [Rs.]	147,222	798,139
Basic no. of equity shares o/s during the year [No.]	149,200	149,200
Basic / Diluted earning per share of Rs. 10	0.99	5.35

6. 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	Loans Taken			
	Balance as at 1st April, 2007	9,694,300	-	9,694,300
	Taken during the year	5,000	-	5,000
		[Nil]	-	[Nil]
	Repaid during the year	160,000	-	160,000
		[8,10,000]	-	[8,10,000]
	Balance as at 31st March, 2008	9,539,300	-	9,539,300
B	Investments			
	Balance as at 1st April, 2007	-	16,159,060	16,159,060
	Purchased during the year	-	-	-
	Sold during the year	-	-	-
C	Balance as at 31st March, 2008	-	16,159,060	16,159,060
	Income Dividend	-	163,660	163,660
		-	[8,18,300]	[8,18,300]

Signature to Schedule A to H.

As per our attached Report of even date

For Anil Kedia & Co.
Chartered Accountants

Anil Kedia
Proprietor
Membership No. 43617

Place : Mumbai.
Date : 30.05.2008

For and on behalf of the Board

VINOD JATIA
Director
NITA JATIA
Director

Balance Sheet Abstract and Company's General Business Profile.

I. REGISTRATION DETAILS

Registration No.	State Code	Balance Sheet Date
81224	11	31st March, 2008

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
16,167.56	16,167.56

SOURCES OF FUNDS

Paid-up-Capital	Reserves & Surplus	Secured Loans	Unsecured Loan
1,492.00	5,136.26	NIL	9,539.30

APPLICATION OF FUNDS

Fixed Assets	Investment	Net Current Assets	Misc. Expenditure	Accumulated Losses	Deferred Tax Assets
NIL	16,159.06	8.50	NIL	NIL	NIL

IV. PERFORMANCE OF COMPANY (Rs. in Thousand)

Total Income	Total Expenditure	Profit/Loss before Tax	Profit / (Loss) after tax	Earnings per Share(Rs.)	Dividend Rate (%)
163.66	16.44	147.22	147.22	0.99	NIL

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

Item Code No. (ITC Code)
Product Description

Not Applicable
Finance & Investment

For and on behalf of the Board
HELMET TRADERS LIMITED

VINOD JATIA
Director
NITA JATIA
Director

Place : Mumbai.
Date : 30.05.2008

Auditors' Report on (Consolidated) Financial Statements**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 M/s Helmet Traders Limited (hereinafter collectively referred to as "the Group") as at 31st March, 2008, 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.
3. We did not audit the financial statement of the subsidiary for the financial year ended on March 31, 2008, whose Financial Statements reflects total assets of Rs.161.67 Lakhs and total revenue of Rs.1.64 Lakhs This financial statement has been audited by **M/s Anil Kedia & Co.**, Chartered Accountants and for the purpose of our examination we have placed reliance on their report.
4. 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, 2008 ;
 - (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

Suresh Murarka
Partner
Mem. No. 44739

Place : Mumbai
Date : 20th June, 2008.

**SUPREME HOLDINGS LTD. - CONSOLIDATED****BALANCE SHEET AS AT 31ST MARCH, 2008**

PARTICULARS	SCH.	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees
Sources of Funds			
Shareholder's Funds			
Share Capital	1	87,943,000	62,943,000
Reserves & Surplus	2	133,725,048	68,410,958
Loan Funds			
Secured Loans	3	-	258,834
Unsecured Loans	4	-	17,536,336
Total		221,668,048	149,149,128
Application of Funds			
Fixed Assets			
Gross Block			
Less : Depreciation		8,284,239	8,251,640
		6,916,591	6,669,270
Net Block		1,367,648	1,582,370
Deferred Tax Assets		7,685,539	4,768,241
Investments	6	18,659,060	28,973,606
Current Assets, Loans & Advances			
Inventories		237,168	851,418
Sundry Debtors		12,501,352	4,723,406
Cash & Bank Balances		395,166	1,133,472
Advance against Land		146,340,000	-
Loans & Advances		45,216,300	114,668,741
		204,689,986	121,377,037
Less : Current Liabilities & Provisions	8	10,734,185	7,552,126
Net Current Assets		193,955,801	113,824,911
Total		221,668,048	149,149,128
Significant Accounting Policies & Notes to Accounts	12		

Profit & Loss Account for the year ended 31st March, 2008

PARTICULARS	SCH.	YEAR ENDED 31.03.2008 Rupees	YEAR ENDED 31.03.2007 Rupees
Income			
Operating Income	9	23,967,354	21,079,997
		23,967,354	21,079,997
Expenditure			
Employee Costs	10	871,482	729,070
Administrative & Other Expenses	11	5,990,513	14,875,732
Interest Expenses		856,746	924,484
Depreciation		362,237	410,277
		8,080,978	16,939,563
Profit before Tax		15,886,376	4,140,434
Less : Provision for Tax			
Current Tax		3,090,000	1,600,000
Deferred Tax Liabilities / (Assets)		(2,917,298)	(1,922,322)
Fringe Benefit Tax		50,000	130,000
Tax of Earlier Years		-	2,268,650
Net Profit for the year		15,663,674	2,064,106
Add: Balance brought forward from previous year		21,162,213	19,351,300
Profit available for Appropriations		36,825,887	21,415,406
Appropriations:			
Transferred to Statutory Reserve		-	253,193
Balance in Profit and Loss Account		36,825,887	21,162,213
		36,825,887	21,415,406
Earning Per Share (Basic/Diluted)		2.07	0.33
Significant Accounting policies & Notes to Accounts	12		

As per our Report of even date For and on behalf of the Board

For SINGRODIA GOYAL & CO.
Chartered Accountants

VINOD JATIA Chairman & Managing Director

Suresh Murarka ABHAY LODHA Director
Partner
Mem. No. 044739 PRASANNA LODHA Director

KAILASH SHARMA Company Secretary

Place : Mumbai.
Date : 20.06.2008

As per our Report of even date For and on behalf of the Board

For SINGRODIA GOYAL & CO.
Chartered Accountants

VINOD JATIA Chairman & Managing Director

Suresh Murarka ABHAY LODHA Director
Partner
Mem. No. 044739 PRASANNA LODHA Director

KAILASH SHARMA Company Secretary

Place : Mumbai.
Date : 20.06.2008

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008

	2007-08 Rupees	2006-07 Rupees
(A) Cash Flow from Operating Activities		
Net Profit before Tax and extra-ordinary items	15,886,376	4,140,434
Adjustment for:		
Depreciation	362,237	410,277
Interest Paid	856,746	924,484
Dividend	(190,740)	(953,494)
Loss on Sale of Fixed Assets	12,986	-
Profit on Sale of Investments	(17,501,276)	(4,935,434)
Provision for diminution in value of Investments	596,356	-
Loss on Investment W/off	-	217,500
Loss on Shares Valuation	-	674,746
Operating Profit Before Working Capital Changes	22,685	478,513
Adjustment for :		
Trade and Other Receivables	(83,511,078)	68,596,565
Inventories	614,250	2,382,811
Trade Payables	42,059	(778,357)
Cash Generated from Operations	(82,832,084)	70,679,532
Interest paid	(856,746)	(924,484)
Direct Taxes Paid (Net)	(1,154,427)	(3,169,155)
Net Cash from operating activities	(A) (84,843,257)	66,585,893
(B) Cash Flow from Investing Activities		
Purchase of Fixed Assets	(175,501)	(84,200)
Sale of Investments	27,219,466	17,659,367
Purchase of Investment	-	(11,125,233)
Sale of Fixed Assets	15,000	-
Dividend Received	190,740	953,494
Net Cash used in investing activities	(B) 27,249,705	7,403,428
(C) Cash Flow from Financing Activities		
Proceeds from Share Capital	25,000,000	-
Proceeds from Securities Premium	50,000,000	-
Share Issue Expenses	(349,584)	-
Proceeds from Long Term Borrowings	(17,795,170)	(73,521,956)
Dividend Paid	-	-
Net cash used in financing activities	(C) 56,855,246	(73,521,956)
Net increase / (decrease) in cash & cash equivalents	(A)+(B)+(C) (738,306)	467,365
Cash and Cash Equivalents:		
Opening Balance at the beginning of the year	1,133,472	666,107
Closing Balance at the end of the year	395,166	1,133,472
Net increase / (decrease) in cash and equivalent	(738,306)	467,365
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		
Particulars	As at 31.3.2008	As at 31.3.2007
	Amount (Rs.)	Amount (Rs.)
Cash in Hand	136,220	191,689
Balances with Banks	258,946	941,783
	395,166	1,133,472

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

Suresh Murarka
Partner
Mem. No. 044739

Place : Mumbai.
Date : 20.06.2008

For and on behalf of the Board

VINOD JATIA Chairman & Managing Director

ABHAY LODHA Director

PRASANNA LODHA Director

KAILASH SHARMA Company Secretary



SUPREME HOLDINGS LTD.-CONSOLIDATED

SCHEDULES TO BALANCE SHEET AT AT 31ST MARCH, 2008

	AS AT 31.03.2008 RUPEES	AS AT 31.03.2007 RUPEES
Schedule "1" :- Share Capital		
<u>Authorised</u>		
1,00,00,000 Equity Shares (Previous Year 70,00,000 Equity Shares) of Rs. 10/- each	100,000,000	70,000,000
	<u>100,000,000</u>	<u>70,000,000</u>
<u>Issued, Subscribed and Paid-up</u>		
87,94,300 Equity Shares (Previous Year 62,94,300 Equity Shares) of Rs.10/- each fully paid up	87,943,000	62,943,000
	<u>87,943,000</u>	<u>62,943,000</u>
Schedule "2" :- Reserves & Surplus		
Capital Reserve-Opening Balance	277,150	277,150
General Reserve-Opening Balance	1,022,500	1,022,500
Securities Premium Account		
Opening Balance	37,943,000	37,943,000
Additions during the year	50,000,000	-
	<u>87,943,000</u>	<u>37,943,000</u>
Less : Preliminary Expenses & Share Issue Expenses	349,584	-
	<u>87,593,416</u>	<u>37,943,000</u>
Reserve Fund in terms of Section-45-IC(1) of Reserve Bank of India Act, 1934		
Opening Balance	8,006,095	7,752,902
Additions during the year	-	253,193
	<u>8,006,095</u>	<u>8,006,095</u>
Surplus as per Profit & Loss Account	36,825,887	21,162,213
	<u>133,725,048</u>	<u>68,410,958</u>
Schedule "3" :- Secured Loans		
From ICICI Bank Ltd. (Secured against specific Asset)	-	258,834
	<u>-</u>	<u>258,834</u>
Schedule "4" :- Unsecured Loans		
Intercompany Deposits	-	17,536,336
	<u>-</u>	<u>17,536,336</u>

SCHEDULE "5" :- Fixed Assets :

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 1.04.07	Additions during the year	Deductions during the year	Cost as at 31.03.08	Up to 31.03.07	Provided for the Year	Adjustments	Upto 31.03.2008	As at 31.03.2008	As at 31.03.2007
Furniture & Fittings	2,536,989	29,756	-	2,566,745	2,132,063	75,536	-	2,207,599	359,146	404,926
Motor Cars	1,045,061	-	-	1,045,061	521,974	135,427	-	657,401	387,660	523,087
Air Conditioners	1,016,037	-	-	1,016,037	780,217	32,803	-	813,020	203,017	235,820
Office Equipments	1,020,591	-	142,902	877,689	741,965	37,326	114,916	664,375	213,314	278,626
Computers	2,632,962	145,745	-	2,778,707	2,493,051	81,145	-	2,574,196	204,511	139,911
Total	8,251,640	175,501	142,902	8,284,239	6,669,270	362,237	114,916	6,916,591	1,367,648	1,582,370
Previous Year	8,167,440	84,200	-	8,251,640	6,258,993	410,277	-	6,669,270	1,582,370	1,908,447

SCHEDULES - Cont'd.

Schedule "6" :- Investments (At Cost)

	Face Value per share Rs.	As at 31.03.2008		As at 31.03.2007	
		Nos.	Rs.	Nos.	Rs.
Long Term :					
Fully Paid-up Equity Shares					
A) Quoted					
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
Asian Hotels Ltd.	10	81830	16,159,060	81830	16,159,060
Bell Ceramics Ltd.	10	-	-	30300	293,179
Chokhani 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
Cogent Ventures (I) Ltd.	10	8700	52,907	8700	52,907
Essar Steels Ltd.	10	-	-	6120	293,810
Global Boards Ltd.	10	15000	60,459	15000	60,459
Hind Oil Expl. Co. Ltd.	10	-	-	500	11,614
Indian Petrochemicals Limited	10	-	-	573	172,251
Indo Count Fin. & Lease Ltd.	10	200	1,514	200	1,514
Jayaswals Neco Ltd.	10	-	-	2500	75,391
Link Pharma Chem. Ltd.	10	3900	20,190	3900	20,190
Lloyd Steel Industries Ltd.	10	-	-	144556	1,697,579
Lloyd Metal & Engineers Ltd	10	-	-	25000	980,323
Maars Software Ltd.	10	-	-	5000	456,207
Mewar Marbles Ltd.	10	200	2,000	200	2,000
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
Nagarjuna Fertilisers & Chemicals Ltd.	10	-	-	50	897
Oswal Chemical And Fert. Ltd.	10	-	-	2700	16,200
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
VLS Finance Ltd.	10	-	-	30600	368,201
Washington Software Ltd.	10	14730	438,476	14730	438,476
Fully Paid-up Preference Shares					
Essar Steels Ltd.	10	-	-	4080	195,874
			16,755,416		26,473,606
Less : Provision for diminution in value			596,356		-
Sub Total (A)			16,159,060		26,473,606
Market value as on 31.03.2008			46,160,443		66,190,508
B) Unquoted					
Udit Steels Ltd.	10	250000	2,500,000	250000	2,500,000
Sub Total (B)			2,500,000		2,500,000
Total [(A+B)]			18,659,060		28,973,606

SCHEDULES - Cont'd.

PARTICULARS	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees
Schedule "7" :- Current Assets, Loans & Advances		
(A) Inventories		
Stock of Shares & Securities (Refer Annexure II) (As taken valued and certified by Directors)	237,168	851,418
	237,168	851,418
(B) Sundry Debtors:		
(Unsecured and Considered Good)		
Debtors outstanding for a period exceeding six months.	4,147,130	-
Others	8,354,222	4,723,406
	12,501,352	4,723,406
(C) Cash & Bank Balances		
Cash balance on hand	136,220	191,689
<u>Bank Balance with Scheduled Banks</u>		
- On Current Account	253,946	936,783
- On Deposit Account	5,000	5,000
	395,166	1,133,472
(D) Loans & Advances		
<u>Unsecured and Considered Good</u>		
Finance Lease Receivables	-	14,814,660
Share Application Money	33,850,000	-
Loans and Advances	117,976	89,776,605
Advances recoverable in Cash or Kind or for value to be received	154,764	138,343
Advance Tax & TDS	11,093,560	9,939,133
	45,216,300	114,668,741
Schedule "8" :- Current Liabilities & Provisions		
Current Liabilities		
Unclaimed Dividend	76,057	35,100
Other Liabilities	1,084,582	1,083,480
Provisions		
Provision for Taxation	9,393,546	6,303,546
Fringe Benefit Tax	180,000	130,000
	10,734,185	7,552,126
Schedule "9" :- Operating Income		
Interest [TDS Rs. 10,20,742/- (P.Y. Rs. 25,32,890/-)]	4,874,648	11,363,026
Finance Lease Charges	1,387,495	3,809,723
Dividends	190,740	953,494
Profit on Sale of Investments	17,501,276	4,935,434
Miscellaneous Income	13,195	18,320
	23,967,354	21,079,997



SUPREME HOLDINGS LTD.-CONSOLIDATED

Schedules to Profit & Loss Account for the year ended 31st March, 2008

	Year Ended 31.03.2008 Rupees	Year Ended 31.03.2007 Rupees
Schedule "10" :- Employee Costs		
Salaries and Bonus	777,882	574,670
Gratuity	93,600	154,400
	871,482	729,070
Schedule "11" :- Administrative & Other Expenses		
Rent, Rates & Taxes	125,000	122,500
Communication Costs	141,149	239,491
Travelling & Conveyance	165,965	1,490,098
Legal & Professional Charges	1,436,375	248,003
Loss on dealing / valuation in shares	96,433	1,087,465
Motor Car Expenses	197,666	147,668
Directors' Sitting Fees	6,000	-
Office Expenses	23,129	226,870
Audit Fees	39,326	38,090
Repairs & Maintenance (Others)	123,199	110,848
Bank & Depository Charges	98,118	89,506
Investment written off	-	217,500
Loan written off	-	7,950,000
Insurance Premium (Keyman)	2,741,450	2,741,450
Securities Transaction Tax	34,731	62,310
Loss on Sale of Fixed Assets	12,986	-
Miscellaneous Expenses	152,630	103,933
Provision for diminution in value of Investments	596,356	-
	5,990,513	14,875,732

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

A Significant Accounting Policies:

- 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) issued by the Institute of Chartered Accountants of India.

Basis of Preparation of Financial Statements

The consolidated financial statements comprise the financial statement 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 Limited, 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.

- Deferred Tax Assets for the current year amounting to Rs. 29,17,298/- (Previous Year Rs. 19,22,322/-) has been recognized in the Profit & Loss Account.

Net deferred tax assets balance as on 31.03.2008 comprises of :

Deferred Tax Liabilities/ (Assets)	Deferred Tax Liabilities\ (Assets) as at 1-4-2007 (Rs.)	Current year charge Liabilities Assets\ (Rs.)	Deferred Tax Liabilities\ (Assets) as at 31-3-2008 (Rs.)
Timing Difference on account of Depreciation on Owned Fixed Assets	(1,086,108)	2,05,277	(8,80,831)
Provision of Gratuity	(83,771)	(22,054)	(1,05,825)
Finance Lease Income	(3,598,362)	(31,00,521)	(66,98,883)
Total Deferred Tax Liabilities / (Assets)	(4,768,241)	(29,17,298)	(76,85,539)

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

3. Segment Information :

The Segment wise details as per Accounting Standard 17 is not applicable as there are no separate reportable segments.

4. Payment to Auditors :

Particulars	2007 - 2008 (Rs.)	2006 - 2007 (Rs.)
Audit Fees	30,000	30,000
Tax Audit Fees	5,000	5,000
Service Tax	4,326	3,090
Total	39,326	38,090

5. Earning Per Share:

Particulars	Year Ended 31.03.2008	Year Ended 31.03.2007
Weighted average number of equity shares of Rs. 10/- each :		
Number of shares at the beginning of the year	62,94,300	62,94,300
Number of shares at the end of the year	87,94,300	62,94,300
Weighted average number of Equity Shares outstanding during the year	75,78,453	62,94,300
Net profit after tax available for equity shareholders (Rs.)	1,56,63,674	20,64,106
Basic and diluted earning per share (Rs.)	2.07	0.33

6. Contingent Liabilities :

- Contingent Liability not provided for in books in respect of disputed Income Tax amounting to Rs. 48,35,816/- (P.Y Rs. 48,35,816/-). The Company has applied for rectification and /or has filed an appeal with the CIT (Appeal) in respect of the above demand.
 - Estimated amount of contracts remaining to be executed on capital account not provided for Rs. 110 Lacs (net of advances)(Previous Year Rs. Nil)
 - Corporate Guarantee given by M/s Helmet Traders Limited to Punjab National Bank for credit facilities of Rs. 130 Crores extended to Associate Concern Shrilekha Trading Pvt. Ltd.
- The Balances of Sundry Debtors and Sundry Creditors are subject to confirmation and reconciliation if any.

8. Related Party Disclosures

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

Sl. No.	Name of Related Party	Relationship
1	Vinod Kumar Jatia	Key Management Personnel
2	Ramesh Jatia	Relative of Key Management Personnel
3	Asian Hotels Limited	
4	Bell Ceramics Limited	Entities controlled by
5	Dilshad Trading Co. Pvt. Ltd.	Directors or their
6	Subhakaran & Sons	relatives
7	Royalways Trading & Investment Service Pvt. Ltd.	
8	Jatia Hotels & Resorts Pvt. Ltd.	
9	Makalu Trading Ltd.	

Transactions with the related parties during the year :

A. Loans granted/ taken

(Amount in Rs.)

Nature of Transactions	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Balance as on 1.4.2007	Nil (Nil)	62,594,420 (6,290,522)	62,594,420 (6,290,522)
Granted	Nil (Nil)	44,659,165 (97,961,151)	44,659,165 (97,961,151)
Recovered	Nil (Nil)	107,253,585 (61,905,137)	107,253,585 (61,905,137)
Taken	Nil (Nil)	Nil (111,830,580)	Nil (111,830,580)
Repaid	Nil (Nil)	Nil (132,078,464)	Nil (132,078,464)
Balance as on 31.3.2008	Nil (Nil)	Nil (62,594,420)	Nil (62,594,420)

B. Advances against Land

(Amount in Rs.)

Nature of Transactions	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Balance as on 1.4.2007	Nil (Nil)	Nil (Nil)	Nil (Nil)
Granted	Nil (Nil)	104,500,000 (Nil)	104,500,000 (Nil)
Recovered	Nil (Nil)	Nil (Nil)	Nil (Nil)
Balance as on 31.3.2008	Nil (Nil)	104,500,000 (Nil)	104,500,000 (Nil)

C. Share Application Money

(Amount in Rs.)

Nature of Transactions	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Balance as on 1.4.2007	Nil (Nil)	Nil (Nil)	Nil (Nil)
Granted	Nil (Nil)	36,550,000 (Nil)	36,550,000 (Nil)
Recovered	Nil (Nil)	2,700,000 (Nil)	2,700,000 (Nil)
Balance as on 31.3.2008	Nil (Nil)	33,850,000 (Nil)	33,850,000 (Nil)

D. Investments

(Amount in Rs.)

Nature of Transactions	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Balance as on 1.4.2007	Nil (Nil)	16,452,239 (16,699,941)	16,452,239 (16,699,941)
Purchases during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)
Sales during the year	Nil (Nil)	293,179 (247,702)	293,179 (247,702)
Balance as on 31.3.2008	Nil (Nil)	16,159,060 (16,452,239)	16,159,060 (16,452,239)

E. Sundry Debtors / Other Receivables

(Amount in Rs.)

Nature of Transactions	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Balance as on 1.4.2007	Nil (Nil)	345,600 (Nil)	345,600 (Nil)
Sales during the year	Nil (Nil)	15,600 (345,600)	15,600 (345,600)
Realised during the year	Nil (Nil)	345,600 (Nil)	345,600 (Nil)
Balance as on 31.3.2008	Nil (Nil)	15,600 (345,600)	15,600 (345,600)

F. Income

(Amount in Rs.)

Nature of Transactions	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Profit on Sale of Shares	Nil (Nil)	Nil (97,898)	Nil (97,898)
Interest	Nil (Nil)	2,934,165 (3,274,386)	2,934,165 (3,274,386)
Dividend	Nil (Nil)	163,660 (818,300)	163,660 (818,300)

G. Expenses

(Amount in Rs.)

Nature of Transactions	Key Management Personnel	Entities controlled by Directors or their Relatives	Total
Office Rent	Nil (Nil)	120,000 (120,000)	120,000 (120,000)
Interest	Nil (Nil)	Nil (730,206)	Nil (730,206)
Loss on Sale of Fixed Assets	Nil (Nil)	12,986 (Nil)	12,986 (Nil)

9. The Company, pursuant to the shareholders resolution in the Extra Ordinary General Meeting held on 4th July 2007, has discontinued its existing business of Leasing, Finance and investment activities and has entered into new business of development and running of Hotels and Resorts. In response to the application of the Company, the Reserve Bank of India has vide its order dated 05/11/2007 cancelled the Certificate of registration of the Company to carry on the business as a NBFC. However since the said business was carried out during the year the income from such business has been reflected as income from operations
10. The Company has allotted 25 Lakhs equity shares of Rs. 10/- each, fully paid up, at a premium of Rs.20/- per share on Preferential basis under SEBI (Disclosure & Investors Protection) Guidelines, 2000, in September 2007 thereby raising an amount of Rs. 750 lakhs. Out of the said amount, the Company has utilised a sum of Rs.743 Lakhs towards advance for acquisition of land at Panvel for its Resort Project and the balance is used for general corporate purposes.
11. Previous year figures are regrouped and rearranged, wherever necessary, to make them comparable with those of the current year's figures.

**SUPREME HOLDINGS LTD.-CONSOLIDATED**

Schedules forming part of Accounts as on 31st March, 2008

Balance Sheet Abstract and Company's General Business Profile**I. Registration Details**

Registration No. : 11-26924 State Code : 11
 Balance Sheet Date : 31 3 2008
 Date Month Year

II. Capital raised during the year (Rs. in Thousands)

Public Issue Nil Rights Issue Nil
 Bonus Issue Nil Private Placement / Promoters Contribution 25,000
 Call Unpaid Received Nil

III. Position of Mobilisation and Deployment of Funds (Rs. in Thousands)

Total Liabilities 221668 Total Assets 221668

Source of Funds

Paid-up Capital 87943 Reserves and Surplus 133725
 Share Application Money
 Secured Loans Nil Unsecured Loans Nil

Application of Funds

Net Fixed Assets 1368 Investments 18659
 Net Current Assets 193956 Misc. Expenditure Nil
 Accumulated Losses Nil Deferred Tax Assets 7685

IV. Performance of Company. (Rs. in Thousands)

Turnover and Income 23967 Total Expenditure 8443
 + - Profit/Loss Before Tax 15886 Profit/Loss After Tax 15664

(Please tick appropriate box, + Profit, - for Loss)

Earning Per Share in (Rs.) 2.07 Dividend Rate % 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"
For SINGRODIA GOYAL & CO.
 Chartered Accountants

Suresh Murarka
 Partner
 Mem. No. 044739

VINOD JATIA Chairman & Managing Director

ABHAY LODHA Director

PRASANNA LODHA Director

Place : Mumbai.
 Date :20.06.2008

KAILASH SHARMA Company Secretary

Annexure "I"**Details of Closing Stock of Shares and Securities**

Particulars	As at 31.03.2008		As at 31.03.2007	
	Qty	Amount (Rs.)	Qty	Amount (Rs.)
Sakuma Export (PI)	4,993	237,168	4,993	237,168
Sakuma Export (Eq)	-	-	35,000	614,250
	4,993	237,168	39,993	851,418



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 26th 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, 26th September, 2008 at 03.00 p.m. or at any adjournment thereof.

Signed this _____ day of _____ 2008.

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 26th 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, 26th September, 2008 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.