

29th

ANNUAL REPORT
2010 - 2011



SUPREME HOLDINGS LIMITED

BOARD OF DIRECTORS

Chairman
R.G.N. SWAMY

Managing Director
VINOD JATIA

Directors
ABHAY LODHA
PRATEEK JATIA
PRASANNA LODHA

Auditors
CHURIWALA & CO.
Chartered Accountants

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

Registrar & Transfer Agents :
SHAREX DYNAMIC (INDIA) PVT. LTD.
Unit -1, Luthra Ind. Premises,
Andheri Kurla Road,
Safed Pool, Andheri (E),
Mumbai – 400 072.
Tel : 28515606/5644/6338
Fax : 28512885
Email : sharexindia@vsnl.com

CONTENTS	Page No.
Notice	02
Directors' Report	05
Corporate Governance	07
Auditors' Report	10
Balance Sheet	12
Profit and Loss Account	13
Cash Flow Statement	14
Schedules	15
Notes to Accounts	20
Subsidiary Company	24
Supreme Holdings Ltd. - Consolidated	25

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



SUPREME HOLDINGS LIMITED

NOTICE

NOTICE is hereby given that Twenty Ninth Annual General Meeting of SUPREME HOLDINGS LIMITED will be held at Kilachand Conference Room, 2nd Floor, LNM IMC Building Trust, IMC Building, IMC Marg, Churchgate, Mumbai 400 020, on Friday, 30th September, 2011 at 12.00 Noon to transact the following business:-

ORDINARY BUSINESS :

1. To consider, approve and adopt the audited Balance Sheet as at 31st March 2011, 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. Prassana Lodha, 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. R. G. N. Swamy 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.”

5. To consider, and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the re-appointment of Shri Vinod Jatia as Managing Director of the Company for a further period of five years with effect from 1st July, 2011 without any remuneration. However, the Managing Director will be allowed reimbursement of traveling and all other expenses incurred by him for the purpose of business of the Company.”

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors be and is hereby authorized to take all steps and give directions as may be necessary or desirable and to settle any question or difficulty whatsoever that may arise herein as they may in their absolute discretion deem fit.”

6. To consider, and if thought fit, to pass, with or without modifications, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT in super session of earlier resolution passed, consent of the Company be and is hereby accorded under the provisions of Section 293 (1) (d) of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company for borrowing from time to time any sum or sums of money for the purpose of the company upon such terms and conditions and with or without security as the Board of Directors may at its discretion think fit notwithstanding that the money or moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however, that the total amount of such borrowing by the Board of Directors shall not at any time exceed Rs. 500 Crores”

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution the Board of Directors be and is hereby authorized to take all steps and give directions as may be necessary or desirable and to settle any question or difficulty whatsoever that may arise herein as they may in their absolute discretion deem fit.”

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 Friday the 23rd September, 2011 to Friday the 30th September, 2011 both days inclusive.
4. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the management to keep the information ready at the Meeting.
5. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31/3/2005 are requested to make their claims to the Company without any delay. Dividend amount remaining unpaid or unclaimed for a period of seven years from the dates they became due for payment shall be transferred to the Investor Education and

Protection Fund set up by the Government of India in terms of Section 205C of the Companies Act, 1956 and no payments shall be made in respect of any such claims by the Fund.

6. All documents referred to in the notice are open for inspection at the Registered office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

By order of the Board of Directors

Place: Mumbai
Dated : 23-8-2011

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. R G N Swamy as an Additional Director of the Company with effect from 23rd August, 2011. Mr. R. G. N. Swamy is a Chartered Engineer and has more than 50 years of experience in various Industries including Hospitality Industry. The Board has also appointed him as Chairman of the Company. 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. R. G. N. Swamy 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. R. G. N. Swamy for the office of Director of the Company under the provisions of Section 257 of the Act.

None of the Director except Mr. R. G. N. is concerned or interested in this Resolution.

Item No. 5

The Board of Directors at its Meeting held on 30th June 2011, re-appointed Shri Vinod Jatia as Managing Director of the Company for a further period of five years with effect from 1st July, 2011 without any remuneration but will be allowed reimbursement of traveling and all other expenses incurred by him for the purpose of business of the Company. The Board recommends the Resolution as set out in Item No. 5 of the Notice for your approval.

Except Shri Vinod Jatia and Shri Prateek Jatia, being son of Shri Vinod Jatia, no other Director is concerned or interested in this Resolution.

This may be treated as an abstract of the terms of the re-appointment of Shri Vinod Jatia, pursuant to Section 302 of the Companies Act, 1956.

Item No. 6

The Shareholders of the Company vide Resolution passed by them at the Annual General Meeting held on 15th October, 1994 had approved the borrowing limit of Rs. 25 Crores in terms of Section 239(1) (d) of the Companies Act, 1956. In view of funds requirements of the Company for day to day working and also for its on going projects, the Board of Directors proposes to enhance the said limit to Rs. 500 Crores.

Accordingly, the consent of the members is sought in terms of the provisions of Section 293 (1) (d) of the Companies Act, 1956 for increase in the borrowing limits of the Company.

The Board recommends the Resolution to be passed.

None of the Director of the Company is concerned or interested in the Resolution.

By order of the Board of Directors

Place: Mumbai
Dated : 23-8-2011

Kailash Sharma
(Company Secretary)

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



SUPREME HOLDINGS LIMITED

Details of the Directors seeking appointment/re-appointment at the 29th Annual General Meeting fixed for 30th September, 2011:

Name of Director	Mr. Vinod Jatia	Mr. Prasanna Lodha	Mr. R. G. N. Swamy
Date of Birth	02.04.1957	06.10.1956	20.08.1931
Date of appointment	27.11.1995	09.01.2008	23.08.2011
Expertise in specific functional areas	Wide Business experience	Taxation, Auditing, Accounts, Finance and Management Consultancy	Wide experience in various Industries including Hospitality Sector.
Qualifications	Commerce Graduate	B. Com (Hons), FCA	Chartered Engineer
List of outside Directorship held excluding in Private Companies	Makalu Trading Limited Helmet Traders Limited Insco Steels Limited	Nil	Nil
Chairman(C)/Member (M) of Committee of the Board of Directors of the Companies	Audit Committee- (M) Investor's Grievance Committee – (M)	Audit Committee – (C) Investor's Grievance Committee – (M)	Nil
Chairman/Member of Committee of the Board of Directors of other Companies in which he/she is a Director:			
- Audit Committee	Makalu Trading Limited	No	No
- Share Transfer and Investor Grievances Committee	No	No	No
-Remuneration Committee	No	No	No
No. of Equity Shares of the Company held on 31-3-2011	724700	Nil	Nil

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report, etc., can be sent by e-mail to its members. To support this green initiative of the Government in full measure, we propose to send future communications, including notice and Annual Report of the Company in electronic mode to the e-mail address provided by members and made available to us by the depositories.

Members holding shares in Demat form are requested to register their e-mail addresses with the Depository through their concerned Depository participants. Members who hold shares in physical form are requested to register the same with the Company's Registrar & Share Transfer Agent M/s Sharex Dynamic (India) Pvt. Ltd.

Please note that you will be entitled to be furnished, free of cost, with a copy of above mentioned documents, upon receipt of requisition from you, any time, as member of the Company.

In case you desire to receive the documents mentioned above in physical form, please write to Company or our Registrar & Share Transfer Agent M/s Sharex Dynamic (India) Pvt. Ltd.

DIRECTORS' REPORT

The Members of **SUPREME HOLDINGS LIMITED**

Your Directors have pleasure in presenting Twenty Ninth Annual Report and Audited Accounts of the Company for the year ended 31st March 2011.

I. FINANCIAL RESULTS:

	(Rs. in Lacs)	
	2010-11*	2009-10
Total Income	139.08	102.07
Total Expenditure	45.16	23.49
Profit before depreciation	93.92	73.58
Depreciation	1.03	2.27
Profit before Tax	92.89	71.31
Less: Provision for Tax	26.40	12.95
Less: Deferred Tax Liabilities(Asset)	5.55	9.55
Less: Earlier Year Taxes	0.02	(12.69)
Less: Prior period expenses	0.04	-
Add: Depreciation Reversal on change in accounting policy	3.47	-
Net Profit/(Loss) for the year	64.35	61.50
Add: Amount brought forward	366.45	304.95
Less: Dr. Balance on account of amalgamation	1.17	-
Profit av ailable for Appropriation	429.63	366.45
APPROPRIATIONS:		
Profit & Loss Account	429.63	366.45

* Financial statements represents merged operation of Company, Jatia Hotels & Resorts Pvt. Ltd. and Royalways Trading & Investment Services Pvt. Ltd.

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. AMALGAMATION:

Your Directors are pleased to inform that subsequent to obtaining equity shareholders approval in the Court convened meeting held on 22nd March, 2011, the Scheme of Amalgamation of Jatia Hotels & Resorts Pvt. Ltd. (First Transferor Company) and Royalways Trading & Investment Services Pvt. Ltd. (Second Transferor Company) with the Company has been sanctioned by the Hon'ble Bombay High Court vide its order dated 29th July, 2011.

The Scheme became effective on 12th August, 2011 i.e. the date of filing of the order of the Hon'ble Bombay High Court with the Registrar of Companies, Maharashtra, with effect from 1st April, 2010 being Appointed Date. Accordingly, the Company is presenting the merged Annual Accounts for the year ended on 31st March, 2011.

The Amalgamation would enable effective utilization of immovable properties and will provide a larger asset base to the Company and thereby, enabling it to raise sources for future growth and expansion of the business and should also result in economies of scale and optimum utilization of the available resources.

Other post Amalgamation formalities have commenced.

IV. RESORT PROJECT:

The Company proposes to develop one resort project at village Koproli, Panvel near Mumbai. Panvel, over the recent years, has been witnessing rapid growth. The new International Airport is also coming up in Panvel and this will offer immense business potential for Hotels and Resorts. The Company has already acquired land for the said Resorts project during the earlier years

and pursuant to Amalgamation of Jatia Hotels & Resorts Pvt. Ltd. and Royalways Trading & Investment Services Pvt. Ltd. with the Company, the Land of these two transferors Companies, which is adjacent to the Land of Company, is also available to the Company. This would enable effective utilization of immovable properties and will provide a larger asset base to the Company. The market value of the Panvel land is much higher than its book value as on date. This will help in ensuring long term sustainability and profitability of this venture.

The Conceptualization of the Project is under process and the activities on the same is expected to commence shortly.

V. PUNE PROJECT:

Pursuant to Amalgamation, the Hotel Project of Jatia Hotels & Resorts Pvt. Ltd. has been transferred and vested in the Company. A Five star Hotel is being developed at Pune. The Land has already been acquired and the construction activities have been commenced. Till the year end 31st March, 2011, an amount of Rs. 89.29 crores have already been spent on the project. The Project is likely to be completed in three years time.

VI. NAME CHANGE:

In order to reflect the Hospitality activities in its name, the Company had proposed to Change its name to "Supreme Holdings & Hospitality (India) Ltd. The proposed new name was also approved by the members along with the approval of the Amalgamation Scheme. The formalities for changing name are under process.

VII. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

(a) Industry Structure:

Despite financial crisis emerging in various parts of the world, the hospitality Industry in India has recovered from global economic downturn but the factors like inflations and terrorism has slowed the growth pace.

(b) Company's Performance:

The Company had not carried out any major activity during the 2010-11. The Income from operation of Rs. 4.99 lacs was only from redemption of preference shares. The other Income mainly includes Rs. 130/- lacs from assignment of Keyman Policy in favour of a Director. The total Income was at Rs.139.08 Lacs as compared to Rs. 102.07 Lacs in the previous year.

During the year under review, the employees cost was at Rs.5.66 Lacs as compared to Rs.0.80 Lacs in the previous year and the Administrative & Other Expenses were at Rs. 39.49 Lacs as compare to Rs. 27.69 Lacs in the previous year.

The profit before depreciation and taxation was at Rs. 93.92 Lakhs as against Rs.73.58 Lacs in the previous year. The Depreciation was at Rs. 1.03 lacs as against Rs. 2.27 lacs in the previous year. After providing for taxation, including deferred tax and Depreciation reversal on change in accounting policy, the Company has reported a Net Profit of Rs. 64.35 lacs as against Rs.61.50 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:

Pursuant to Amalgamation of Jatia Hotels & Resorts Pvt. Ltd. and Royalways Trading & Investment Services Pvt. Ltd. with the Company, the Company has put forward a strong foothold in Hospitality Sector. This would enable effective utilization of immovable properties and will provide a larger asset base to the Company. The Company prospects are promising.



SUPREME HOLDINGS LIMITED

(e) Opportunities, Threats, Risks and Concerns:

The globalization has brought a lot of business opportunities to the Indian economy and in particular to Hospitality Industry. There is also sizeable mismatch between demand and supply in Hospitality Sector. Various major steps by tourism industry have further reinforced the image of the country as an important tourist and business destination.

The Hospitality Sector in general is sensitive to fluctuation in the economy and 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. Demand for Hospitality Sector is affected by world economic growth, a global recession could lead to downturn in this Sector.

(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 enjoys cordial and harmonious relationship with its employee.

VIII. FIXED DEPOSITS :

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

IX. SUBSIDIARY COMPANY:

Pursuant to the General Circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, the Board of Directors of the Company have accorded their consent for not attaching the accounts of the Company's subsidiary, Helmet Traders Limited along with the accounts of your Company. However the financial information pertaining to subsidiary Company, as required in the aforesaid Circular, is provided in the Annual Report of Your Company. Also the Annual Accounts of the Subsidiary Company is kept for inspection by any shareholders at the Registered Office of your Company. Your Company further undertakes that the Annual Accounts of the Subsidiary Company and the related information shall be made available to the Shareholders of the Company on demand.

The Consolidated financial statements presented by the Company include financial information of its Subsidiary prepared by the Company pursuant to Clause 32 of the Listing Agreement and Accounting Standard (As -21).

X. LISTING STATUS :

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

XI. 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.

XII. DIRECTORS:

Mr. R. G. N. Swamy has been appointed as an Additional Independent Director and Chairman of the Company with effect from 23rd August, 2011. Mr. R. G. N. Swamy will hold office till the date of the forthcoming Annual General Meeting and a notice has been received from a Member proposing the candidature of Mr. R. G. N. Swamy for being appointed as a Director of the Company.

The Board of Directors at its Meeting held on 30th June, 2011,

re-appointed, subject to approval of shareholders, Shri Vinod Jatia as Managing Director of the Company for a further period of Five year with effect from 1st July, 2011.

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

XIII. 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 2011, 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 2011 on a going concern basis.

XIV. 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 is Chairman of the Audit Committee.

XV. AUDITORS:

M/s. Churiwala & Co., Chartered Accountants, the present Auditors of the Company, retires 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. The Audit Committee of the Board has recommended their re-appointment.

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, is presently does not apply to your Company, as your Company is under project implementation stage.

XVIII. FOREIGN EXCHANGE EARNINGS AND OUTGO:

	(Rs.)
Earning	: Nil
Outgo	: 80,079.00

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 all the Government agencies, shareholders and employees at all levels and look forwards for their continued support.

For and on behalf of the Board

Place : Mumbai
Date : 23rd August 2011

R G N SWAMY
Chairman

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 Directorship	Number of Directorships held in other Companies*	Number of Board memberships held in other Companies
Mr. Vinod Jatia (Chairman & Managing Director)	Non Independent (Promoter)	17	1
Mr. Abhay Lodha	Independent	29	NIL
Mr. Prateek Jatia	Non Independent (Promoter)	11	1
Mr. Prasanna Lodha	Independent	1	NIL

* including Pvt. Ltd. and Section 25 Companies)

Meetings and Attendance

During the year ended 31st March, 2011, 7 Board Meetings were held on the

following dates: (i) April 27, 2010 (ii) May 31, 2010 (iii) July 30, 2010 (iv) September 23, 2010 (v) October 30, 2010 (vi) December 23, 2010 (vii) January 31, 2011.

Attendance of Directors at Board Meeting and at the Annual General Meeting (AGM) (September 21, 2010)

Name of Director	No of Board Meetings attended	Whether attended AGM
Mr. Vinod Jatia	7	Yes
Mr. Abhay Lodha	6	No
Mr. Prateek Jatia	7	Yes
Mr. Prasanna Lodha	7	No

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 comprises of the following Directors:

- Mr. Prasanna Lodha- Independent Director (Chairman)
- Mr. Vinod Jatia – Managing Director
- Mr. Abhay Lodha - Independent Director

The Audit Committee met five times during the year on the following dates: (i) 27th April, 2010, (ii) 31st May, 2010 (iii) 30th July, 2010 (iv) 30th October, 2010 and (v) 31st January, 2011.

The attendance of the members of the meeting were as follows:

Name of the member	Status	No of meetings attended
Mr. Prasanna Lodha (Chairman)	Independent	5
Mr. Vinod Jatia	Managing Director	5
Mr. Abhay Lodha	Independent	5

(With effect from 01/07/11 The Company Secretary is acting as 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. Abhay Lodha	Rs. 6,000/-
Mr. Prateek Jatia	Rs. 7,000/-
Mr. Prasanna Lodha	Rs. 7,000/-

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 comprise of following Directors:

- Mr. Abhay Lodha - Independent Director (Chairman)
- Mr. Vinod Jatia – Managing Director
- Mr. Prasanna Lodha – Independent Director

(Mr. Pratik Jatia was acting as compliance officer till 30th June, 2011. Mr. Kailash Sharma has been appointed as compliance officer w. e. f. 01/07/2011)

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

The Company did not received any complaints during the year ended on 31.03.11.

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 2010-11 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
2009-2010	21/09/2010	11.30 a.m.	Registered Office: 1, Pearl Mansion (N) 91, M. K. Road, Mumbai-20
2008-2009	25/09/2009	03.00 p.m.	""
2007-2008	26/09/2008	03.00 p.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, a Court convened Meeting of the equity share holders of the Company was held on 22/03/11 to approve the Scheme of Amalgamation of Jatia Hotels & Resorts Pvt. Ltd. & Royalways Trading & Investment Services Pvt. Ltd. with the Company.



SUPREME HOLDINGS LIMITED

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.

iv. Details of shares of the company held by Non Executive Directors of the Company as on 31/03/2011.

Name of Non Executive Director	No. of Shares held as on 31/03/11
Mr. Abhay Lodha	650
Mr. Prasanna Lodha	Nil
Mr. Prateek Jatia	3,80,800

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.shindia.com. 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@spremeholdings.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 : 30th September, 2011 at 12.00 Noon
 Venue : Kilachand Conference Room, 2nd Floor, LNM IMC Building Trust, IMC Building, IMC Marg, Churchgate, Mumbai 400 020.

- (b) Book Closures : Friday 23/09/2011 to Friday 30/09/2011

(c) Financial Calendar For 2011-2012 (Tentative)

Financial Year Ending : 31st March
 First Quarter Results : have been published on 09/08/11
 Second Quarter Results : Within 45 days from the close of the quarter

Third Quarter Results : Within 45 days from the close of the quarter

Fourth Quarter Results : Within 45 days from the close of the quarter

(d) Listing of Equity Shares

The Company's shares are listed in the Bombay Stock Exchange Limited. The listing fees for the year 2011-12 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 SENSEX
	HIGH (RS.)	LOW (RS.)	CLOSING
April-2010	31.50	24.55	17559
May-2010	30.40	22.50	16945
June-2010	24.50	21.15	17701
July-2010	27.35	20.95	17888
August-2010	30.40	23.20	17971
September-2010	34.85	23.40	20069
October-2010	31.75	23.10	20032
November-2010	43.75	23.05	19521
December-2010	39.80	27.00	20509
January-2011	39.00	32.80	18328
February-2011	39.25	34.60	17823
March-2011	38.25	32.95	19445

(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. Unit -1, Luthra Ind. Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072.

(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 31.03.2011: 84,34,100 Equity Shares of the Company forming 95.91% 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, 2011.

No. of Equity Shares Held	No. of Shareholders	Percentage of Shareholders (%)	No. of Shares Held	Percentage of Shareholding (%)
Up to 500	1357	82.00	289430	3.28
501 to 1000	124	7.49	99087	1.13
1001 to 5000	104	6.28	211716	2.41
5001 to 10000	27	1.63	197510	2.25
10001 to 100000	29	1.75	810682	9.22
100001 & Above	14	0.85	7185875	81.71
	1655	100%	8794300	100%

(j) Shareholding Pattern as on March 31, 2011.

Category	No. of Shares Held	Percentage of Shareholding (%)
1. Promoters	3673145	41.77
2. Mutual Funds	125000	1.42
3. Private Corporate Bodies	3360251	38.21
4. Indian Public	1540167	17.51
5. NRIs/OCBs	95502	1.09
6. Clearing Members	235	0.00
GRAND TOTAL	8794300	100%

10. Address for Correspondence

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

Registrar & Share : Sharex Dynamic (India) Pvt. Ltd.
Transfer Agent : Unit -1, Luthra Ind. Premises,
Andheri Kurla Road,
Safed Pool, Andheri (E),
Mumbai – 400 072.
Tel : 28515606/5644/6338
Fax : 28512885
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, 2011.

For & On Behalf of the Board of Directors

Place : Mumbai
Dated : 23rd August, 2011

Sd/-
Vinod Jatia
Managing Director

AUDITORS' CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members,
Supreme Holdings Limited
Mumbai.

We have examined the compliance of the conditions of corporate governance procedures implemented by Supreme Holdings Limited, for the year ended 31st March, 2011, 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 31st March, 2011 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 Churiwala & Co.
Chartered Accountants
Firm Reg. No. 119223W

Place : Mumbai
Date : 23rd August, 2011

CA Paras Mal Jain
Partner
Mem. No. 134160



SUPREME HOLDINGS LIMITED

Auditors' Report

To,

The Members,

Supreme Holdings Limited

Mumbai

We have audited the attached Balance Sheet of **Supreme Holdings Limited**, as at 31st March 2011 and the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto (in which consequent to the amalgamation with the company, are incorporated the accounts, of the erstwhile **Jatia Hotels & Resorts Private Limited and Royalways Trading & Investment Services Private Limited** from 1st April 2010 audited by us).

1. 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 2011 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 2011, 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 notes therein give the information as 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, 2011
- 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 Churiwala & Co.
Chartered Accountants
Firm Reg. No. 119223W

Paras Mal Jain

Partner

Mem. No. 134160

Place : Mumbai

Date : 23rd August, 2011

Annexure to Auditors Report

Annexure referred to in paragraph 3 of the Auditors Report for the year ended 31st March 2011.

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) As explained to us, all the assets have been physical verified by the management, which in our opinion is reasonable. 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 part of its fixed assets during the year.
- (ii)
 - a) The securities held as stock in trade have been confirmed with the statement of holdings provided by the Depository Participants at the financial year end. In our opinion, the frequency of confirmation is reasonable.
 - b) In our opinion, the procedures of confirmation of securities held as stock in trade followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of the records of the Company relating to securities held as stock in trade, in our opinion, the Company has maintained proper records of stock in trade and no material discrepancies between the book records and the statement of holdings provided by Depository Participants have been noticed.
- (iii)
 - a) The Company has granted unsecured loan to a Subsidiary Company covered in the register maintained under Section 301 of the Companies Act, 1956 on **call basis**. The Maximum amount

- outstanding during the year was Rs. 1,124.02 Lacs and the year-end balance was Rs. 89.91 Lacs.
- b) The said loan is interest free and other terms and conditions on which the loans have been granted are *prima facie*, not prejudicial to the interest of the Company.
- c) In view of our comments in Para (iii) (a) and (b) above, clauses (iii) (c) and (d) of the said Order are not applicable to the Company.
- d) The Company has taken unsecured loan from one Company covered in the register maintained under Section 301 of the Act. The Maximum amount outstanding during the year was Rs. 35.03 Lacs and the year-end balance was Rs.NIL.
- 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 inventory and fixed assets and for the sale of 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 except an interest free loan granted to subsidiary Company.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company does not have a formal internal audit system but its financial and other internal checks, ensures proper recording of the financial transactions.
- (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 generally 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, there are no 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.
- (x) The Company has no accumulated losses at the end of the Financial Year and it has not incurred cash losses during current financial year and in the immediately preceding financial Year.
- (xi) The Company has not obtained any loan from banks and financial institutions.
- (xii) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
- (xiv) In respect of dealing in shares, securities and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities and other investments have been held by the Company in its own name.
- (xv) The company has not given any guarantee for loans taken by others from banks and financial institutions. However, it has mortgaged its Land to a Bank towards the credit facilities sanctioned to an associate concern and the terms and conditions thereof are not prejudicial to the interest of the Company.
- (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.
- (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) There were no frauds on or by the Company noticed or reported during the course of our audit during the year

For Churiwala & Co.
Chartered Accountants
Firm Reg. No. 119223W

Paras Mal Jain
Partner
Mem. No. 134160

Place : Mumbai
Date : 23rd August, 2011

**SUPREME HOLDINGS LIMITED****Balance Sheet as at 31st March, 2011**

(Amount in Rupees)

Particulars	Schedules	As at 31.03.2011	As at 31.03.2010
Sources of Funds			
Shareholders Funds			
Share Capital	1	354,768,530	87,943,000
Reserves & Surplus	2	384,082,191	133,521,677
Loan Funds			
Unsecured Loans	3	50,000,000	-
Total		788,850,721	221,464,677
Application of Funds			
Fixed Assets			
Gross Block	4	476,905,863	50,124,239
Less : Depreciation		563,328	7,448,236
Net Block		476,342,535	42,676,003
Capital Work in Progress	5	277,432,095	-
		753,774,630	42,676,003
Deferred Tax Asset		4,962,685	5,523,706
(Refer note 10 of Schedule 15B)			
Investments	6	1,524,114	77,524,114
Current Assets, Loans & Advances			
Inventories		-	317,505
Cash & Bank Balances	7	6,623,374	366,840
Loans & Advances	8	24,548,549	95,936,568
		31,171,924	96,620,913
Less : Current Liabilities & Provisions	9	2,582,632	880,059
Net Current Assets		28,589,291	95,740,854
Total		788,850,721	221,464,677
Significant Accounting Policies & Notes to Accounts	15		

As per our Report of Even Date

For Churiwala & Co.
Chartered Accountants
Firm Reg.No.119223W

Paras Mal Jain
Partner
Mem. No. 134160

Place : Mumbai
Date : 23rd August 2011

For and on behalf of the Board

Vinod Jatia **Managing Director**
Prasanna Lodha **Director**
Prateek Jatia **Director**
Kailash Sharma **Company Secretary**

Place : Mumbai
Date : 23rd August 2011

Profit & Loss Account for the year ended 31st March, 2011

(Amount in Rupees)

Particulars	Schedules	Year Ended 31.03.2011	Year Ended 31.03.2010
Income			
Income from Operations	10	499,300	-
Other Income	11	13,726,191	10,179,329
Increase /(Decrease) in Stock	12	(317,505)	27,911
		<u>13,907,986</u>	<u>10,207,240</u>
Expenditure			
Employees Costs	13	566,209	80,000
Administrative & Other Expenses	14	3,949,305	2,769,080
Depreciation		103,312	226,559
		<u>4,618,826</u>	<u>3,075,639</u>
Profit before tax		9,289,160	7,131,601
Less :			
Provision for Income Tax		2,640,000	1,295,000
Provision for Deferred Tax		555,184	955,615
Tax Earlier Years		1,638	(1,268,992)
Profit after tax and before prior period items		6,092,338	6,149,978
Add: Depreciation Reversal on change in Accounting Policy		347,150	-
Less : Prior period expenses		4,286	-
Profit after tax		6,435,202	6,149,978
Add: Balance as per last year		36,645,016	30,495,038
Less: Debit Balance on account of amalgamation		117,022	-
Profit available for Appropriations		42,963,195	36,645,016
Earning Per Share of Rs 10 each (Basic/ Diluted)		0.18	0.70
<i>(Refer note 12 of Schedule 15B)</i>			
Significant Accounting Policies & Notes to Accounts	15		

As per our Report of Even Date

For Churiwala & Co.
Chartered Accountants
Firm Reg.No.119223W

Paras Mal Jain
Partner
Mem. No. 134160

Place : Mumbai
Date : 23rd August 2011

For and on behalf of the Board

Vinod Jatia **Managing Director**
Prasanna Lodha **Director**
Prateek Jatia **Director**
Kailash Sharma **Company Secretary**

Place : Mumbai
Date : 23rd August 2011

**SUPREME HOLDINGS LIMITED****Cash Flow Statement for the year ended 31st March, 2011**

(Amount in Rupees)

Particular	2010 - 2011	2009 - 2010
(A) Cash Flow from Operating Activities		
Net Profit/ before Tax and extra-ordinary items	9,289,160	7,131,601
Adjustment for:		
Depreciation	103,312	226,559
Discard of Fixed Assets	623,088	-
Loss on Sale of Motor Car	337,680	-
Preliminary Expenses	6,800	-
Pre-Operative Expenses	59,987	-
Dividend	(48,050)	(25,085)
Sale of Investments Key Man Policy	(13,000,000)	(8,000,000)
Provision for diminution in value of Investments	-	(32,114)
Prior Period Expenses	(4,286)	-
Operating Profit Before Working Capital Changes	(2,632,309)	(699,039)
Adjustment for :		
Other Current Assets	8,962,755	6,039,558
Inventories	317,505	(27,911)
Trade Payables	(1,858,108)	(21,550)
Cash Generated from Operations	4,789,843	5,291,059
Direct Taxes Paid (Net)	(2,043,984)	105,206
Net Cash from operating activities	(A) 2,745,859	5,396,265
(B) Cash Flow from Investing Activities		
Purchase / Addition of Fixed Assets	(4,108,402)	-
Sale of Fixed Assets	100,000	-
Addition in Capital WIP	(56,733,739)	-
Sale of Key Man Policy	13,000,000	8,000,000
Share Application Money	-	(13,400,000)
Loan To Subsidiary	515,000	(35,000)
Dividend Received	48,050	25,085
Net Cash used in investing activities	(B) (47,179,091)	(5,409,915)
(C) Cash Flow from Financing Activities		
Proceeds from Unsecured Loans	50,000,000	-
Net Cash used in financing activities	(C) 50,000,000	-
Net increase (decrease) in Cash & Cash Equivalents	(A)+(B)+(C) 5,566,768	(13,650)
Cash and Cash Equivalents:		
Opening Balance at the beginning of the year	366,840	380,490
Cash and Cash Equivalents acquired on amalgamation	689,766	-
Closing Balance at the end of the year	6,623,374	366,840

Note: Figures in brackets represent Cash Outflow

As per our Report of Even Date

For and on behalf of the Board

For Churiwala & Co.
Chartered Accountants
Firm Reg.No.119223W

Vinod Jatia Managing Director

Prasanna Lodha Director

Paras Mal Jain
Partner
Mem. No. 134160

Prateek Jatia Director

Kailash Sharma Company Secretary

Place : Mumbai
Date : 23rd August 2011

Place : Mumbai
Date : 23rd August 2011

Schedules forming part of the Balance Sheet as at 31st March, 2011

(Amount in Rupees)

Particulars	As at 31.03.2011	As at 31.03.2010
Schedule "1" :- Share Capital		
<u>Authorized</u>		
1,20,10,000 (PY 1,00,00,000) Equity Shares of Rs. 10/- each	120,100,000	100,000,000
	120,100,000	100,000,000
<u>Issued, Subscribed and Paid-up</u>		
87,94,300 (PY 87,94,300) Equity Shares of Rs.10/- each fully paid up	87,943,000	87,943,000
Share Capital Pending Allotment (Refer note no.7 of Schedule"15B")	266,825,530	-
	354,768,530	87,943,000
Schedule "2" :- Reserves & Surplus		
Capital Reserve	277,150	277,150
General Reserve	9,006,095	9,006,095
Securities Premium Account		
Opening Balance	87,593,416	87,593,416
Add : Additions on Account of Amalgamation	570,771,645	-
	658,365,061	87,593,416
Less : Adjustment as per Scheme of Amalgamation (Refer note 7 of Schedule 15B)	326,529,310	-
	42,963,195	36,645,016
Profit & Loss Account	42,963,195	36,645,016
	384,082,191	133,521,677
Schedule "3" :- Unsecured Loans		
Intercompany Deposits	50,000,000	-


Schedule "4" :- Fixed Assets

(Amount in Rs.)

Particulars	Gross Block						Depreciation						Net Block		
	As at 01.04.2010	Addition on account of Amalgamation ^(*)	Additions during the year	Assets Written off during the year	Deductions during the year	As at 31.03.2011	Up to 01.04.10	Addition on account of Amalgamation ^(*)	Provided for the year	Assets Written off during the year	Adjustments ^(*)	Deductions	Up to 31.03.2011	As at 31.03.2011	As at 31.03.2010
Freehold Land	41,840,000	428,211,680	3,567,290	-	-	473,618,970	-	-	-	-	-	-	-	473,618,970	41,840,000
Furniture & Fittings	2,566,745	-	-	2,566,745	-	-	2,325,844	-	-	2,325,844	-	-	-	-	240,901
Motor Cars	1,045,061	-	-	-	1,045,061	-	832,147	-	76,977	-	301,743	607,381	-	-	212,914
Air Conditioners	1,016,037	-	-	1,016,037	-	-	865,571	-	-	865,571	-	-	-	-	150,466
Office Equipments	877,689	177,615	6,500	877,689	-	184,115	719,592	41,569	8,469	719,592	26,405	-	23,633	160,482	158,097
Computers	2,778,707	61,376	93,332	2,778,707	-	154,708	2,705,083	42,130	17,866	2,705,083	19,002	-	40,994	113,714	73,624
Sub Total [A]	50,124,239	428,450,671	3,667,122	7,239,178	1,045,061	473,957,793	7,448,237	83,699	103,312	6,616,090	347,150	607,381	64,627	473,893,166	42,676,002
Assets pertaining to Capital Work in Progress															
Office Equipments	-	77,300	14,600	-	-	91,900	-	4,272	3,841	-	2,813	-	5,300	86,600	-
Computers	-	35,550	41,000	-	-	76,550	-	4,785	9,113	-	2,717	-	11,181	65,369	-
Furniture	-	56,576	11,800	-	-	68,376	-	2,495	3,927	-	1,359	-	5,063	63,313	-
Motor Vehicles	-	1,472,584	-	-	-	1,472,584	-	520,784	139,895	-	311,803	-	348,876	1,123,708	-
Transformer	-	864,780	373,880	-	-	1,238,660	-	191,505	54,117	-	117,341	-	128,281	1,110,379	-
Sub Total [B]	-	2,506,790	441,280	-	-	2,948,070	-	723,841	210,893	-	436,033	-	498,701	2,449,369	-
Total [A + B]	50,124,239	430,957,461	4,108,402	7,239,178	1,045,061	476,905,863	7,448,237	807,540	314,205	6,616,090	783,183	607,381	563,328	476,342,535	42,676,002

Note : (*) Refer note 7 of Schedule 15B

Note : (**) Refer note 9 of Schedule 15B

Schedules forming part of the Balance Sheet as at 31st March, 2011

(Amount in Rupees)

Particulars	As at 31.03.2011	As at 31.03.2010
Schedule "5" :- Capital Work in Progress		
Capital Advances	61,940,000	-
Project Development Expenses	141,836,087	-
Incidental Expenditure (Refer note no.9 & note no. 17 of Schedule 15B)	73,656,009	-
	<u>277,432,095</u>	<u>-</u>

Schedule "6" :- Investments (At Cost)

Particulars	Face Value per share Rs.	As at 31.03.2011		As at 31.03.2010	
		Nos.	Amount Rs.	Nos.	Amount Rs.
Long Term :					
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
Chokani International Ltd.	10	50	500	50	500
Chokhani Global Express Ltd.	10	200	2,000	200	2,000
Cogent Ventures (I) Ltd.	10	8700	52,907	8700	52,907
Global Boards Ltd.	10	150	60,459	15000	60,459
Indo Count Fin. & Lease Ltd.	10	200	1,514	200	1,514
Link Pharma Chem. Ltd.	10	3900	20,190	3900	20,190
Mewar Marbles Ltd.	10	200	2,000	200	2,000
N.E.P.C. India Ltd.	10	635	3,810	635	3,810
S. M. Dyechem Ltd.	10	12	-	12	424
Saurashtra Chemicals Limited	10	40	2,367	40	2,367
Shikhar Consultants Ltd.	10	6500	-	6500	-
Washington Software Ltd.	10	14730	438,476	14730	438,476
			<u>595,932</u>		<u>596,356</u>
Less : Provision for diminution in value			<u>563,818</u>		<u>564,242</u>
Sub Total (A)			<u>32,114</u>		<u>32,114</u>
B) Unquoted					
Fully Paid Equity Shares					
Helmet Traders Ltd. (Subsidiary)	10	1,49,200	1,492,000	1,49,200	1,492,000
Jatia Hotels & Resorts Pvt Ltd	10		-	95000	76,000,000
Sub Total (B)			<u>1,492,000</u>		<u>77,492,000</u>
Total [(A+B)]			<u>1,524,114</u>		<u>77,524,114</u>

**SUPREME HOLDINGS LIMITED****Schedules forming part of the Balance Sheet as at 31st March, 2011**

(Amount in Rupees)

Particulars	As at 31.03.2011	As at 31.03.2010
Schedule "7" :-Cash & Bank Balances		
Cash in hand	542,547	53,714
<u>Bank Balance with Scheduled Banks</u>		
- in Current Account	6,080,827	313,126
	<hr/>	<hr/>
	6,623,374	366,840
	<hr/>	<hr/>
Schedule "8" :-Loans & Advances		
(Unsecured , Considered Good)		
Deposits	1,031,000	17,420,000
Loans to Subsidiary	8,991,300	9,506,300
Advances recoverable in cash or kind or for value to be received	14,526,249	69,010,268
	<hr/>	<hr/>
	24,548,549	95,936,568
	<hr/>	<hr/>
Schedule "9" :- Current Liabilities & Provisions		
Current Liabilities		
Sundry Creditors		
- Due to Micro, Small & Medium Enterprises	-	-
- Due to Others	1,470,098	-
(Refer note 5 of Schedule 15B)		
Unclaimed Dividend	41,057	76,057
Other Liabilities	483,920	695,278
Provisions		
Provision for Taxation (Net)	587,558	108,724
	<hr/>	<hr/>
	2,582,632	880,059
	<hr/>	<hr/>

Schedules forming part of the Profit & Loss Account for the year ended 31st March, 2011 (Amount in Rupees)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Schedule "10" :- Operating Income		
Sale / Redemption of Shares	499,300	-
	<u>499,300</u>	<u>-</u>
Schedule "11" :- Other Income		
Dividend	48,050	25,085
Interest (TDS Rs.16,464/- P.Y. Rs. NIL)	93,011	1,627,270
Sundry Balance written back	585,130	-
Sale of Key Man Policy	13,000,000	8,000,000
Commission [TDS NIL (P.Y. Rs.51356)]	-	454,860
Provision for Gratuity no longer required written back	-	40,000
Reversal of diminution in value of Investments	-	32,114
	<u>13,726,191</u>	<u>10,179,329</u>
Schedule "12" :- Increase (Decrease) in Stock		
Closing Stock	-	317,505
Less : Opening Stock	317,505	289,594
	<u>(317,505)</u>	<u>27,911</u>
Schedule "13" :- Employees Costs		
Salaries and Bonus	276,227	80,000
Gratuity	126,059	-
Leave Encasement	81,231	-
Staff Recruitment Expenses	82,692	-
	<u>566,209</u>	<u>80,000</u>
Schedule "14" :- Administrative & Other Expenses		
Insurance Premium (Keyman)	1,454,768	2,438,995
Amlgamation Expenses	893,878	-
Fixed Assets Written off	623,088	-
Loss on Sale of Assets	337,680	-
Legal & Professional Charges	214,007	22,267
Depository Charges	83,941	65,949
Audit Fees	68,605	49,635
Advertisement	47,645	53,184
Rent, Rates & Taxes	41,000	41,000
Printing and Stationery	30,438	20,790
Office Expenses	26,280	44,377
Directors' Sitting Fees	20,000	16,000
Communication Cost	15,416	9,207
Travelling & Conveyance	11,784	7,169
Bank Charges	8,478	507
Interest on TDS	3,477	-
Exchange Fluctuation Loss	377	-
Preliminary Expenses	6,800	-
Pre-operative Expenses	61,643	-
	<u>3,949,305</u>	<u>2,769,080</u>



SUPREME HOLDINGS LIMITED

Schedule "15":- Significant Accounting Policies and Notes forming parts of Accounts

A Significant Accounting Policies:

1 Basis of Preparation of Financial Statements

The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis. The accounts are prepared on historical cost basis as a going concern and are consistent with generally accepted accounting principles.

2 Revenue Recognition

The Company follows the accrual basis of accounting except in dividend, payment of bonus and insurance claims where the same are recorded on the basis of ascertainment of rights or obligation.

3 Fixed Assets

(i) Fixed Assets are accounted at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to working condition for its intended use.

(ii) Capital Work in Progress :

Incidental expenditure during construction, pending allocation, included in Capital Work-in-Progress represents expenditure incurred in connection with the project which is intended to be capitalized to the project.

4 Depreciation

(i) Depreciation on Fixed Assets is charged on the "Straight Line Value" Method at rates specified under Schedule XIV of the Companies Act, 1956.

(ii) Depreciation on additions/deductions of assets during the year is provided on a pro-rata basis.

5 Foreign Currency Transactions

All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

Monetary assets and liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet.

6 Investments

Long term investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investment.

7 Inventory

Inventories are valued at lower of cost or market value.

8 Retirement Benefits

The liability of gratuity and leave encasement are determined and provided for based on actuarial valuation made by an independent actuary as at the Balance Sheet date.

9 Taxes on Income

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. The effect of a change in tax rates on deferred tax and assets or liabilities are recognized in the period that includes the enactment date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

B Notes to Accounts:

1. Contingent Liabilities not provided for and Estimated amount of contract remaining to be executed:

i) Estimated amount of contracts remaining to be executed on capital account not provided for Rs. 9,910.07 Lacs (net of advances)(Previous Year Rs. 110 Lacs)

ii) The Company has mortgaged its part Land at Panvel of Rs.218.42 lacs to a Bank towards the credit facilities sanctioned to associate concern.

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

3. Balances of Loans and Advances and Sundry Creditors are subject to confirmations

4. Cash in hand includes dollars in hand Rs 34,353.71/- (PY. Rs. 34,730.72/-).

5. The name 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.

6. Loans and Advances include Rs. 89.91 Lac (P.Y Rs. 95.06 Lac) amount due from Helmet Traders Limited a subsidiary of the Company and Rs.Nil (P.Y.Rs.130.96 Lac) due from an associate concern Makalu Trading Ltd. Maximum Balance outstanding during the year is 1124.02 Lac (P.Y. 741.36 Lac)

7. The Hon'ble Bombay High Court has by its order dated 29th July, 2011 sanctioned the scheme of amalgamation of Jatia Hotels & Resorts Private Limited ("First Transferor Company") and Royalways Trading & Investment Private Limited ("Second Transferor Company") with the company w.e.f from 1st April 2010 being the appointed date.

As per the Scheme of Amalgamation the company has to issue 2,66,82,553 fully paid up Equity Shares of Rs.10/- each to the shareholders of Jatia Hotels & Resorts Private Limited (35 shares for every 2 Equity Shares of Rs. 10/- each held) and 1668 fully paid up Equity Shares of Rs.10/-

each to the shareholders of Royalways Trading & Investment Private Limited (1 Share for every 6 equity shares of Rs. 10/- each held). As the allotment of shares is pending, the corresponding amount of Rs.2,668.26 Lac has been stated as "Share Capital Pending allotment" as at 31st March, 2011. All the assets and liabilities of Transferor Companies have been transferred and vested in the Company.

The difference of Rs.3265.29 lacs arised on adjustment of aggregate value of the assets of transferor companies reduced by the aggregate value of the liabilities, including the profit and loss account and reserves over the aggregate value of the new equity shares to be issued and allotted by the company to the shareholders of Transferor Companies pursuant to the scheme of amalgamation has been reduced from security premium account.

The accounting treatment and recognition of the above is done in accordance with the Scheme of Amalgamation.

The assets vested with the company pursuant to scheme of Amalgamation, are under process of being transferred in name of the Company.

8. Previous year figures pertains only results of the company and current year figures include results of the transferor companies under the scheme of amalgamation, hence current year figures are not comparable.
9. During the year company has retrospectively changed its method of providing depreciation on fixed assets from the Written Down Value ('WDV') method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to Straight Line Method ('SLM') at the Schedule XIV rates. The change has effected into reversal of depreciation charged earlier of Rs 7,83,183/- . Of the said amount Rs 3,47,150/- has been adjusted in Profit and Loss Account and Rs 4,36,033/- has been adjusted in incidental expenses pertaining to Capital WIP. Had the company continued to use the earlier basis of providing depreciation, the charge to Profit and Loss Account after taxation for the current year would have been higher by Rs 14,318/- and the net block of fixed assets and reserve and surplus would have been lower by Rs 14,318/- and Capital WIP would have been lower by 4,36,033/-.
10. The Net Deferred Tax Assets comprises of the following :

(Amount in Rs.)

Particulars	2010-11	2009-10
WDV of Fixed Assets	562,033	683,763
Amalgamation Expenses	220,967	-
Gratuity Provision	38,952	-
Leave Encashment	25,100	-
Preliminary Expenses	1,681	-
Finance Lease Income	4,113,952	4,839,943
Total	4,962,685	5,523,706

11. **Payment to Auditors :**

(Amount in Rs.)

Particulars	2010 – 11	2009 – 10
Audit Fees	68,605	27,575
Total	68,605	27,575

12. **Earning Per Share :**

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
Weighted average number of equity shares of Rs. 10/- each :		
Number of shares at the beginning of the year	3,54,76,853	87,94,300
Number of shares at the end of the year	3,54,76,853	87,94,300
Weighted average number of Equity Shares outstanding during the year	3,54,76,853	87,94,300
Net profit after tax available for equity shareholders (Rs.)	64,35,202	61,49,978
Basic and diluted earning per share (Rs.)	0.18	0.70

13. The quantitative information of Opening Stock, Purchases, Sales and Closing Stock of Shares & Securities is given below.

Particulars	Quantity (nos.)		Amount (Rs.)	
	2010-11	2009-10	2010-11	2009-10
Opening Stocks	4,993	4,993	3,17,505	2,89,594
Purchases	Nil	Nil	Nil	Nil
Sales / Redemption	4,993	Nil	4,99,300	Nil
Closing Stocks	Nil	4,993	Nil	3,17,505

14. **Related Party Disclosures :**

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

A. Subsidiary Company	
1	Helmet Traders Limited
B. Key Management Personnel	
2	Vinod Kumar Jatia
3	Prateek Jatia
4	Rudrapattana Gunduramiah Narayana Swamy
C. Entities controlled by Key Management Personnel or their relatives	
5	Subhakaran & Sons
6	Makalu Trading Ltd.
7.	Ogardhani Exports Pvt.Ltd.
8.	Dilshad Trading Co.Pvt.Ltd.



SUPREME HOLDINGS LIMITED

Transactions with the related parties during the year:

Nature of Transactions	In relation to (A) above		In relation to (B) above		In relation to (C) above	
	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
Loan Granted	-	35,000	-	-	-	-
Loan Recovered	515,000	-	-	-	-	-
Sales	-	-	13,000,000	8,000,000	-	-
Received from Debtors	-	-	13,000,000	8,000,000	-	-
Rent	-	-	-	-	36,000	36,000
Share Application Money Received	-	-	-	-	100,000,000	9,150,000
Refund of Share Application Money	-	-	-	5,000,000	50,000,000	9,160,000
Issue of Equity Shares	-	-	-	-	-	-
Share Application Money Given	-	-	-	-	-	85,000,000
Share Application Money received back	-	-	-	-	-	85,000,000
Loan Given	-	-	-	-	127,469,196	74,059,401
Repayment Received	-	-	-	-	140,565,235	-
Interest Received	-	-	-	-	-	-
Loan taken	-	-	-	-	5,907,922	-
Loan Repaid	-	-	-	-	5,907,922	-
Reimbursement of Expenses	-	-	-	-	86,018	-
Outstanding as at year end						
Loan Receivable	8,991,300	9,506,300	-	-	-	13,096,039
Investment	1,492,000	1,492,000	-	-	-	-

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

16. Expenditure in Foreign Currency :

Particulars	2010 – 11 (Rs.)	2009 – 10 (Rs.)
Travelling Expenses*	80,079	Nil
Interior Designing Charges	NIL	12,60,350
Total	80,079	12,60,350

* included in incidental expenses.

17. The Company is constructing a Hotel Project at Pune. The expenditure incurred during the construction period are classified as "Incidental Expenses during Construction" pending Capitalisation and the same is included in Capital Work in Progress, which will be apportioned to the fixed assets on the completion of the said Project. Necessary details as per Part II of Schedule VI of the Companies Act, 1956 have been disclosed in Annexure "A".

18. During the year, the company has provided Rs. 1,26,059/- as gratuity as per Accounting Standard 15 Employees Benefits issued by ICAI, taking into consideration following assumptions:-

Particulars	Assumptions
Discount rate	8.25%
Mortality	LIC (1994-96)
Future Salary Increase	5%
Attrition	2%
Retirement	60
Actuarial assumption may vary in light of economic conditions	

Further Rs.81,231 has been provided for leave encasement.

19. 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.

Sl. No.	Particulars	Balance as at 31.03.2011 (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	89.91	95.06
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	Nil
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.

As per our Report of Even Date

For Churiwala & Co.
Chartered Accountants
Firm Reg.No.119223W

Paras Mal Jain
Partner
Mem. No. 134160

Place : Mumbai
Date : 23rd August 2011

For and on behalf of the Board

Vinod Jatia Managing Director
Prasanna Lodha Director
Prateek Jatia Director
Kailash Sharma Company Secretary

Place : Mumbai
Date : 23rd August 2011

Annexure "A"

Incidental Expenditure included under Capital WIP as at 31st March 2011

Particulars	2010-11
Municipal Corporation Expenses	34,713,840
Legal and Professional Charges	15,848,598
Salaries and other allowance	7,869,575
Travelling and Conveyance	3,610,195
Loan Processing Fees	3,160,125
Electricity Charges	1,817,297
Insurance Premium	1,674,284
Security Charges	1,536,274
Rates and Taxes	1,008,830
Miscellaneous Expenses	818,293
Vehicle Expenses	613,845
Depreciation	498,701
Interest Paid	379,177
Printing and Stationery	297,189
Business Development Expenses	277,207
Communication Expenses	199,200
Staff Welfare	96,856
Rent	11,029
Tender Invitation Fees	(100,000)
Loss on Exchange Fluctuation	(174,505)
Scrap Sales	(500,000)
Total	73,656,009

**SUPREME HOLDINGS LIMITED**

Schedules forming part of Accounts as on 31st March, 2011

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

Registration No. : State Code :
 Balance Sheet Date :
 Date Month Year

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

Public Issue Rights Issue
 Bonus Issue Private Placement / Promoters Contribution
 Call Unpaid Received

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

Total Liabilities Total Assets
Source of Funds
 Paid-up Capital Reserves and Surplus
 Share Application Money
 Secured Loans Unsecured Loans
Application of Funds
 Net Fixed Assets Investments
 Net Current Assets Misc. Expenditure
 Accumulated Losses Deferred Tax Assets

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

Turnover and Income Total Expenditure
 + - Profit/Loss Before Tax Profit/Loss After Tax
 (Please tick appropriate box, + Profit, - for Loss)
 Earning Per Share in (Rs.) Dividend Rate %

V. Generic Names of Three Principal Products/Services of Company (As Per Monetary Terms)

Item Code No. (ITC Code)
 Product Description

As per our Report of Even Date

For and on behalf of the Board

For Churiwala & Co.
 Chartered Accountants
 Firm Reg.No.119223W

Vinod Jatia Managing Director

Prasanna Lodha Director

Paras Mal Jain
 Partner
 Mem. No. 134160

Prateek Jatia Director

Kailash Sharma Company Secretary

Place : Mumbai
 Date : 23rd August 2011

Place : Mumbai
 Date : 23rd August 2011

Summary of Financial Information of Subsidiary Company Helmet Traders Ltd as on 31st March,2011

Particulars	Rs.in Lacs
Fund Employed	
Capital	14.92
Reserves	56.99
Liabilities	
Secured Loans	-
Unsecured Loans	89.91
Deferred Tax Liabilities	-
Total Funds Employed	161.82
Application of Funds	
Assets	-
Fixed Assets (Including CWIP)	-
Investments	161.59
Long Term Deposits	-
Net Current Assets	0.23
Deferred Tax Assets	-
Miscellaneous Expenditure (to the extent not written off)	-
Total Assets (Net)	161.82
Total Income	5.32
Profit Before Taxation	5.17
Provision for Taxation	-
Profit After Taxation	5.17
Proposed / Interim Dividend	-

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 (hereinafter collectively referred to as "the Group" as at 31st March, 2011, 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 Group. 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 Statements of the Subsidiary company M/s Helmet Traders Limited. for the financial Year ended on March 31st, 2011 whose Financial Statements reflects total assets of Rs 161.60 Lacs and total revenue of Rs 5.32 Lacs.

This Financial Statement has been audited by M/S Anil Kedia & Co. Chartered Accountants and for the purpose of our examination we place 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, 2011 ;
 - (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 Churiwala & Co.
Chartered Accountants
Firm Reg. No. 119223W

Paras Mal Jain
Partner
Mem. No. 134160

Place : Mumbai
Date : 23rd August, 2011



SUPREME HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

(Amount in Rupees)

PARTICULARS	SCHEDULES	AS AT 31.03.2011	AS AT 31.03.2010
Sources of Funds			
Shareholders Funds			
Share Capital	1	354,768,530	87,943,000
Reserves & Surplus	2	389,781,228	138,703,325
Loan Funds			
Unsecured Loans	3	50,000,000	-
Total		794,549,758	226,646,325
Application of Funds			
Fixed Assets			
Gross Block	4	476,905,863	50,124,239
Less : Depreciation		563,328	7,448,236
Net Block		476,342,535	42,676,003
Capital Work in Progress	5	277,432,095	-
		753,774,630	42,676,003
Deferred Tax Asset		4,962,685	5,523,706
<i>(Refer note 2 of Schedule 15B)</i>			
Investments	6	16,191,174	92,191,174
Current Assets, Loans & Advances			
Inventories		-	317,505
Cash & Bank Balances	7	6,657,682	398,758
Loans & Advances	8	15,557,249	86,430,268
		22,214,932	87,146,531
Less : Current Liabilities & Provisions	9	2,593,663	891,089
Net Current Assets		19,621,269	86,255,442
Total		794,549,758	226,646,325
Significant Accounting Policies & Notes to Accounts	15		

As per our Report of Even Date For and on behalf of the Board

For Churiwala & Co. Vinod Jatia Managing Director

Chartered Accountants Prasanna Lodha Director
Firm Reg.No.119223W

Paras Mal Jain Prateek Jatia Director
Partner
Mem. No. 134160 Kailash Sharma Company Secretary

Place : Mumbai Place : Mumbai
Date : 23rd August 2011 Date : 23rd August 2011

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Amount in Rupees)

Particulars	Schedules	Year Ended 31.03.2011	Year Ended 31.03.2010
Income			
Income from Operations	10	499,300	-
Other Income	11	14,258,086	10,179,329
Increase / (Decrease) in Stock	12	(317,505)	27,911
		14,439,881	10,207,240
Expenditure			
Employee Costs	13	566,209	80,000
Administrative & Other Expenses	14	3,963,811	2,786,822
Depreciation		103,312	226,559
		4,633,332	3,093,381
Profit before tax		9,806,549	7,113,859
Less :			
Provision for Income Tax		2,640,000	1,295,000
Provision for Deferred Tax		555,184	955,615
Tax Earlier Years		1,638	(1,268,992)
Profit after tax and before prior period items		6,609,727	6,132,236
Add: Depreciation Reversal on change in Accounting Policy			
		347,150	-
Less : Prior period expenses			
		4,286	-
Profit after tax		6,952,591	6,132,236
Add: Balance as per last year			
		41,804,164	35,671,928
Less: Debit Balance on account of amalgamation			
		117,022	-
Profit available for Appropriations		48,639,732	41,804,164
Earning Per Share of Rs 10 each (Basic/ Diluted)		0.20	0.70
<i>(Refer note 6 of Schedule 15B)</i>			
Significant Accounting Policies & Notes to Accounts	15		

As per our Report of Even Date For and on behalf of the Board

For Churiwala & Co. Vinod Jatia Managing Director

Chartered Accountants Prasanna Lodha Director
Firm Reg.No.119223W

Paras Mal Jain Prateek Jatia Director
Partner
Mem. No. 134160 Kailash Sharma Company Secretary

Place : Mumbai Place : Mumbai
Date : 23rd August 2011 Date : 23rd August 2011

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Amount in Rupees)

Particular	2010 - 2011	2009 - 2010
(A) Cash Flow from Operating Activities		
Net Profit/ before Tax and extra-ordinary items	9,806,549	7,113,859
Adjustment for:		
Depreciation	103,312	226,559
Discard of Fixed Assets	623,088	-
Loss on Sale of Motor Car	337,680	-
Preliminary Expenses	6,800	-
Pre-Operative Expenses	59,987	-
Dividend	(579,945)	(25,085)
Interest on Income Tax Refund	-	(1,627,270)
Sale of Investments Key Man Policy	(13,000,000)	(8,000,000)
Provision for diminution in value of Investments	-	(32,114)
Prior Period Expenses	(4,286)	-
Operating Profit Before Working Capital Changes	(2,646,815)	(2,344,051)
Adjustment for :		
Other Current Assets	8,962,755	6,039,558
Inventories	317,505	(27,911)
Trade Payables	(1,858,106)	(21,550)
Cash Generated from Operations	4,775,338	3,646,046
Direct Taxes Paid (Net)	(2,043,984)	105,206
Interest on Income Tax Refund	-	1,627,270
Net Cash from operating activities	(A) 2,731,354	5,378,522
(B) Cash Flow from Investing Activities		
Purchase / Addition of Fixed Assets	(4,108,402)	-
Sale of Fixed Assets	100,000	-
Addition in Capital WIP	(56,733,739)	-
Sale of Key Man Policy	13,000,000	8,000,000
Share Application Money	-	(13,400,000)
Dividend Received	579,945	25,085
Net Cash used in investing activities	(B) (47,162,196)	(5,374,915)
(C) Cash Flow from Financing Activities		
Proceeds from Unsecured Loans	50,000,000	-
Net Cash used in financing activities	(C) 50,000,000	-
Net increase (decrease) in Cash & Cash Equivalents	(A)+(B)+(C) 5,569,158	3,607
Cash and Cash Equivalents:		
Opening Balance at the beginning of the year	398,758	395,150
Cash and Cash Equivalents acquired on amalgamation	689,766	-
Closing Balance at the end of the year	6,657,682	398,758

Note: Figures in brackets represent Cash Outflow

As per our Report of Even Date

For and on behalf of the Board

For Churiwala & Co.
Chartered Accountants
Firm Reg.No.119223W

Vinod Jatia Managing Director

Prasanna Lodha Director

Paras Mal Jain
Partner
Mem. No. 134160

Prateek Jatia Director

Kailash Sharma Company Secretary

Place : Mumbai
Date : 23rd August 2011

Place : Mumbai
Date : 23rd August 2011

**SUPREME HOLDINGS LIMITED**

Schedule forming part of the Consolidated Balance Sheet as at 31st March, 2011

(Amount in Rupees)

Particulars	(Amount in Rupees)	
	As at 31.03.2011	As at 31.03.2010
Schedule "1" :- Share Capital		
<u>Authorized</u>		
1,20,10,000 (PY 1,00,00,000) Equity Shares of Rs. 10/- each	120,100,000	100,000,000
	<hr/>	<hr/>
	120,100,000	100,000,000
	<hr/>	<hr/>
<u>Issued, Subscribed and Paid-up</u>		
87,94,300 (PY 87,94,300) Equity Shares of Rs.10/- each fully paid up	87,943,000	87,943,000
Share Capital Pending Allotment (Refer note no.8 of Schedule"15B")	266,825,530	-
	<hr/>	<hr/>
	354,768,530	87,943,000
	<hr/>	<hr/>
Schedule "2" :- Reserves & Surplus		
Capital Reserve	277,150	277,150
General Reserve	9,028,595	9,028,595
Securities Premium Account		
Opening Balance	87,593,416	87,593,416
Add : Additions on Account of Amalgamation	570,771,645	-
	<hr/>	<hr/>
	658,365,061	87,593,416
Less : Adjustment as per Scheme of Amalgamation (Refer note no.8 of Schedule"15B")	326,529,310	331,835,751
	<hr/>	<hr/>
Profit & Loss Account	48,639,732	41,804,164
	<hr/>	<hr/>
	389,781,228	138,703,325
	<hr/>	<hr/>
Schedule "3" :- Unsecured Loans		
Intercompany Deposits	50,000,000	-
	<hr/>	<hr/>

Schedule forming part of the Consolidated Balance Sheet as at 31st March, 2011

Schedule "4" :- Fixed Assets

(Amount in Rs.)

Particulars	Gross Block						Depreciation						Net Block		
	As at 01.04.2010	Addition on account of Amalgamation ^(*)	Additions during the year	Assets Written off during the year	Deductions during the year	As at 31.03.2011	Up to 01.04.10	Addition on account of Amalgamation ^(*)	Provided for the year	Assets Written off during the year	Adjustments ^(*)	Deductions	Up to 31.03.2011	As at 31.03.2011	As at 31.03.2010
Freehold Land	41,840,000	428,211,680	3,567,290	-	-	473,618,970	-	-	-	-	-	-	-	473,618,970	41,840,000
Furniture & Fittings	2,566,745	-	-	2,566,745	-	-	2,325,844	-	-	2,325,844	-	-	-	-	240,901
Motor Cars	1,045,061	-	-	-	1,045,061	-	832,147	-	76,977	-	301,743	607,381	-	-	212,914
Air Conditioners	1,016,037	-	-	1,016,037	-	-	865,571	-	-	865,571	-	-	-	-	150,466
Office Equipments	877,689	177,615	6,500	877,689	-	184,115	719,592	41,569	8,469	719,592	26,405	-	23,633	160,482	158,097
Computers	2,778,707	61,376	93,332	2,778,707	-	154,708	2,705,083	42,130	17,866	2,705,083	19,002	-	40,994	113,714	73,624
Sub Total [A]	50,124,239	428,450,671	3,667,122	7,239,178	1,045,061	473,957,793	7,448,237	83,699	103,312	6,616,090	347,150	607,381	64,627	473,893,166	42,676,002
Assets pertaining to Capital Work in Progress															
Office Equipments	-	77,300	14,600	-	-	91,900	-	4,272	3,841	-	2,813	-	5,300	86,600	-
Computers	-	35,550	41,000	-	-	76,550	-	4,785	9,113	-	2,717	-	11,181	65,369	-
Furniture	-	56,576	11,800	-	-	68,376	-	2,495	3,927	-	1,359	-	5,063	63,313	-
Motor Vehicles	-	1,472,584	-	-	-	1,472,584	-	520,784	139,895	-	311,803	-	348,876	1,123,708	-
Transformer	-	864,780	373,880	-	-	1,238,660	-	191,505	54,117	-	117,341	-	128,281	1,110,379	-
Sub Total [B]	-	2,506,790	441,280	-	-	2,948,070	-	723,841	210,893	-	436,033	-	498,701	2,449,369	-
Total [A + B]	50,124,239	430,957,461	4,108,402	7,239,178	1,045,061	476,905,863	7,448,237	807,540	314,205	6,616,090	783,183	607,381	563,328	476,342,535	42,676,002

Note : (*) Refer note 7 of Schedule 15B

Note : (**) Refer note 9 of Schedule 15B

**SUPREME HOLDINGS LIMITED**

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

(Amount in Rupees)

Particulars	As at	
	31.03.2011	31.03.2010
Schedule "5" :- Capital Work in Progress		
Capital Advances	61,940,000	-
Project Development Expenses	141,836,087	-
Incidental Expenditure (Refer note no.9 & note no. 13 of Schedule 15B)	73,656,009	-
	<u>277,432,095</u>	<u>-</u>

Schedule "6" :- Investments (At Cost)

Particulars	Face Value per share Rs.	As at 31.03.2011		As at 31.03.2010	
		Nos.	Amount Rs.	Nos.	Amount Rs.
Long Term :					
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
Asian Hotels (North) Ltd.	10	40915	5,386,354	40915	5,386,354
Asian Hotels (East) Ltd.	10	40915	5,386,353	40915	5,386,353
Asian Hotels (West) Ltd.	10	40915	5,386,353	40915	5,386,353
Chokani International Ltd.	10	50	500	50	500
Chokhani Global Express Ltd.	10	200	2,000	200	2,000
Cogent Ventures (I) Ltd.	10	8700	52,907	8700	52,907
Global Boards Ltd.	10	150	60,459	15000	60,459
Indo Count Fin. & Lease Ltd.	10	200	1,514	200	1,514
Link Pharma Chem. Ltd.	10	3900	20,190	3900	20,190
Mewar Marbles Ltd.	10	200	2,000	200	2,000
N.E.P.C. India Ltd.	10	635	3,810	635	3,810
S. M. Dyechem Ltd.	10	12	-	12	424
Saurashtra Chemicals Limited	10	40	2,367	40	2,367
Shikhar Consultants Ltd.	10	6500	-	6500	-
Washington Software Ltd.	10	14730	438,476	14730	438,476
			<u>16,754,992</u>		<u>16,755,416</u>
Less : Provision for diminution in value			<u>563,818</u>		<u>564,242</u>
Sub Total (A)			<u>16,191,174</u>		<u>16,191,174</u>
Market Value (Rs.)			<u>28,850,025</u>		<u>45,888</u>
B) Unquoted					
Fully Paid Equity Shares					
Jatia Hotels & Resorts Pvt Ltd.	10		-	95000	76,000,000
Sub Total (B)			<u>-</u>		<u>76,000,000</u>
Total [(A+B)]			<u>16,191,174</u>		<u>92,191,174</u>

Schedules forming part of the Consolidated Balance Sheet as at 31st March, 2011

(Amount in Rupees)

Particulars	As at 31.03.2011	As at 31.03.2010
Schedule "7" :-Cash & Bank Balances		
Cash in hand	563,466	78,032
<u>Bank Balance with Scheduled Banks</u>		
- in Current Account	6,094,216	320,726
	6,657,682	398,758
Schedule "8" :-Loans & Advances		
(Unsecured , Considered Good)		
Deposits	1,031,000	-
Share Application Money	-	17,420,000
Advances recoverable in cash or kind or for value to be received	14,526,249	69,010,268
	15,557,249	86,430,268
Schedule "9" :- Current Liabilities & Provisions		
Current Liabilities		
Sundry Creditors		
- Due to Micro, Small & Medium Enterprises	-	-
- Due to Others	1,470,098	-
(Refer note 5 of Schedule 15B)		
Unclaimed Dividend	41,057	76,057
Other Liabilities	494,950	706,308
Provisions		
Provision for Taxation (Net)	587,558	108,724
	2,593,663	891,089

**SUPREME HOLDINGS LIMITED****Schedules forming part of the Consolidated Profit & Loss Account for the year ended 31st March, 2011**

(Amount in Rupees)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Schedule "10" :- Operating Income		
Sale / Redemption of Shares	499,300	-
	<u>499,300</u>	<u>-</u>
Schedule "11" :- Other Income		
Dividend	579,945	25,085
Interest (TDS Rs.16,464/- P.Y. Rs. NIL)	93,011	1,627,270
Sundry Balance written off	585,130	-
Sale of Key Man Policy	13,000,000	8,000,000
Commission [TDS NIL (P.Y. Rs.51356)]	-	454,860
Provision for Gratuity no longer required written back	-	40,000
Reversal of diminution in value of Investments	-	32,114
	<u>14,258,086</u>	<u>10,179,329</u>
Schedule "12" :- Increase (Decrease in Stock)		
Closing Stock	-	317,505
Less : Opening Stock	317,505	289,594
	<u>(317,505)</u>	<u>27,911</u>
Schedule "13" :- Employee Costs		
Salaries and Bonus	276,227	80,000
Gratuity	126,059	-
Leave Encashment	81,231	-
Staff Recruitment Expenses	82,692	-
	<u>566,209</u>	<u>80,000</u>
Schedule "14" :- Administrative & Other Expenses		
Insurance Premium (Keyman)	1,454,768	2,438,995
Amlgamation Expenses	893,878	-
Fixed Assets Written off	623,088	-
Loss on Sale of Assets	337,680	-
Legal & Professional Charges	217,407	28,667
Depository Charges	83,941	65,949
Audit Fees	79,635	60,665
Advertisement	47,645	53,184
Rent, Rates & Taxes	41,000	41,000
Printing and Stationery	30,438	20,790
Office Expenses	26,280	44,377
Directors' Sitting Fees	20,000	16,000
Communication Cost	15,416	9,232
Travelling & Conveyance	11,784	7,169
Bank Charges	8,554	794
Interest on TDS	3,477	-
Exchange Fluctuation Loss	377	-
Preliminary Expenses	6,800	-
Pre-operative Expenses	61,643	-
	<u>3,963,811</u>	<u>2,786,822</u>

Schedule "15":- Significant Accounting Policies and Notes forming parts of Accounts

A. Significant Accounting Policies:

- 1 Supreme Holdings Limited has prepared the consolidated financial statement by consolidating its accounts with its 100% Subsidiary Company M/s Helmet Traders Limited 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.

B. Notes to Accounts

2. The Net Deferred Tax Assets comprises of the following :

(Amount in Rs.)

Particulars	2010-11	2009-10
WDV of Fixed Assets	562,033	683,763
Amalgamation Expenses	220,967	-
Gratuity Provision	38,952	-
Leave Encashment	25,100	-
Preliminary Expenses	1,681	-
Finance Lease Income	4,113,952	4,839,943
Total	4,962,685	5,523,706

3. **Payment to Auditors :**

Particulars	2010 – 11 (Rs.)	2009 – 10 (Rs.)
Audit Fees	79,635	38,605
Total	79,635	38,605

4. In the opinion of the Management, 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.
5. 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.

6. **Earning Per Share:**

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
Weighted average number of equity shares of Rs. 10/- each :		
Number of shares at the beginning of the year	3,54,76,853	87,94,300
Number of shares at the end of the year	3,54,76,853	87,94,300
Weighted average number of Equity Shares outstanding during the year	3,54,76,853	87,94,300
Net profit after tax available for equity shareholders (Rs.)	69,52,591	(61,32,236)
Basic and diluted earning per share (Rs.)	0.20	0.70

7. **Contingent Liabilities :**

- a. Estimated amount of contracts remaining to be executed on capital account not provided for Rs. 9910.07 Lacs (net of advances)(Previous Year Rs.110)
- b. The Company has mortgaged its part Land at Panvel of Rs.218.42 lacs to a Bank towards the credit facilities sanctioned to associate concern.
8. The Hon'ble Bombay High Court has by its order dated 29th July, 2011 sanctioned the scheme of amalgamation of Jatia Hotels & Resorts Private Limited ("First Transferor Company") and Royalways Trading & Investment Private Limited ("Second Transferor Company") with the company w.e.f from 1st April 2010 being the appointed date.
As per the Scheme of Amalgamation the company has to issue 2,66,82,553 fully paid up Equity Shares of Rs.10/- each to the shareholders of Jatia Hotels & Resorts Private Limited (35 shares for every 2 Equity Shares of Rs. 10/- each held) and 1668 fully paid up Equity Shares of Rs.10/- each to the shareholders of Royalways Trading & Investment Private Limited (1 Share for every 6 equity shares of Rs. 10/- each held). As the allotment of shares is pending, the corresponding amount of Rs.2,668.26 Lac has been stated as "Share Capital Pending allotment" as at 31st March, 2011. All the assets and liabilities of Transferor Companies have been transferred and vested in the Company.
The difference of Rs.3265.29 lacs arised on adjustment of aggregate value of the assets of transferor companies reduced by the aggregate value of the liabilities, including the profit and loss account and reserves over the aggregate value of the new equity shares to be issued and allotted by the company to the shareholders of Transferor Companies pursuant to the scheme of amalgamation has been reduced from security premium account.
The accounting treatment and recognition of the above is done in accordance with the Scheme of Amalgamation.
The assets vested with the company pursuant to scheme of Amalgamation, are under process of being transferred in name of the Company.
9. During the year company has retrospectively changed its method of providing depreciation on fixed assets from the Written Down Value ('WDV') method at the rates prescribed in Schedule XIV to the Companies Act, 1956 to Straight Line Method ('SLM') at the Schedule XIV rates. The



SUPREME HOLDINGS LIMITED

change has effected into reversal of depreciation charged earlier of Rs 7,83,183/-. Of the said amount Rs 3,47,150/- has been adjusted in Profit and Loss Account and Rs 4,36,033/- has been adjusted in incidental expenses pertaining to Capital WIP. Had the company continued to use the earlier basis of providing depreciation, the charge to Profit and Loss Account after taxation for the current year would have been higher by Rs 14,318/- and the net block of fixed assets and reserve and surplus would have been lower by Rs 14,318/- and Capital WIP would have been lower by 4,36,033/-.

10. The Balances and classification of Sundry Creditors and other liabilities shown in the Financial Statements are as per the ledgers and are subject to confirmation and consequent reconciliation and adjustment.
11. The quantitative information of Opening Stock, Purchases, Sales and Closing Stock of Shares & Securities is given below. Details regarding Closing Stock are annexed in "II" hereto.

Particulars	Quantity (nos.)	Amount (Rs.)
Opening Stocks	4,993 (4,993)	3,17,505 (2,89,594)
Purchases	Nil (Nil)	Nil (Nil)
Sales (Redemption)	4993 (Nil)	4,99,300 (Nil)
Closing Stocks	Nil (4,993)	Nil (3,17,505)

12. Related Party Disclosures :

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

Sl. No.	Name of Related Party
A. Key Management Personnel	
1	Vinod Kumar Jatia
2	Prateek Jatia
3	Rudrapattana Gunduramiah Narayana Swamy
C. Entities controlled by Key Management Personnel or their relatives	
4.	Subhakaran & Sons
5.	Makalu Trading Ltd.
6.	Ogardhani Exports Pvt.Ltd.
7.	Dilshad Trading Co.Pvt.Ltd.
8.	Asian Hotels (North) Ltd.

Transactions with the related parties during the year:

Nature of Transactions	In relation to (A) above		In relation to (B) above	
	Current year	Previous Year	Current year	Previous Year
Loan Granted	-	-	-	-
Loan Recovered	-	-	-	-
Sales	13,000,000	8,000,000	-	-
Received from Debtors	13,000,000	8,000,000	-	-
Rent	-	-	36,000	36,000
Share Application Money Received	-	-	100,000,000	9,150,000
Refund of Share Application Money	-	5,000,000	50,000,000	9,160,000
Issue of Equity Shares	-	-	-	-
Share Application Money Given	-	-	-	85,000,000
Share Application Money received back	-	-	-	85,000,000
Loan Given	-	-	127,469,196	74,059,401
Repayment Received	-	-	140,565,235	-
Interest Received	-	-	-	-
Loan taken	-	-	5,907,922	-
Loan Repaid	-	-	5,907,922	-
Reimbursement of Expenses	-	-	86,018	-
Loan Receivable	-	-	-	13,096,039
Dividend Received	-	-	2,86,405	-
Investment	-	-	53,86,354	9,21,59,060

13. The Company is constructing a Hotel Project at Pune. The expenditure incurred during the construction period are classified as "Incidental Expenses" pending Capitalisation and the same is included in Capital Work in Progress, which will be apportioned to the fixed assets on the completion of the said Project. Necessary details as per Part II of Schedule VI of the Companies Act, 1956 have been disclosed in Annexure "A".

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

15. During the year, the company has provided Rs. 1,26,059/- as gratuity as per Accounting Standard 15 Employees Benefits issued by ICAI, taking into consideration following assumptions:-

Particulars	Assumptions
Discount rate	8.25%
Mortality	LIC (1994-96)
Future Salary Increase	5%
Attrition	2%
Retirement	60
Actuarial assumption may vary in light of economic conditions	

Further Rs.81,231 has been provided for leave encasement.

16. **Expenditure in Foreign Currency :**

Particulars	2010 – 11 (Rs.)	2009 – 10 (Rs.)
Travelling Expenses*	80,079	Nil
Interior Designing Charges*	NIL	12,60,350
Total	80,079	12,60,350

* included in incidental expenses.

17. Other Income includes Rs. 130 Lac (P.Y.Rs.80 Lac) from assignment of Keyman Insurance Policy in favor of director.

As per our Report of Even Date

For and on behalf of the Board

For Churiwala & Co.
Chartered Accountants
Firm Reg.No.119223W

Vinod Jatia Managing Director

Prasanna Lodha Director

Paras Mal Jain
Partner
Mem. No. 134160

Prateek Jatia Director

Kailash Sharma Company Secretary

Place : Mumbai
Date : 23rd August 2011

Place : Mumbai
Date : 23rd August 2011

Annexure "A"

Incidental Expenditure included under CWIP as at 31st March 2011

Particulars	2010-11
Municipal Corporation Expenses	34,713,840
Legal and Professional Charges	15,848,598
Salaries and other allowance	7,869,575
Travelling and Conveyance	3,610,195
Loan Processing Fees	3,160,125
Electricity Charges	1,817,297
Insurance Premium	1,674,284
Security Charges	1,536,274
Rates and Taxes	1,008,830
Miscellaneous Expenses	818,293
Vehicle Expenses	613,845
Depreciation	498,701
Interest Paid	379,177
Printing and Stationery	297,189
Business Development Expenses	277,207
Communication Expenses	199,200
Staff Welfare	96,856
Rent	11,029
Tender Invitation Fees	(100,000)
Loss on Exchange Fluctuation	(174,505)
Scrap Sales	(500,000)
Total	73,656,009

**SUPREME HOLDINGS LIMITED**

Schedules forming part of Consolidated Accounts as on 31st March, 2011

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

Registration No. : State Code :
 Balance Sheet Date :
 Date Month Year

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

Public Issue Rights Issue
 Bonus Issue Private Placement / Promoters Contribution
 Call Unpaid Received

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

Total Liabilities Total Assets

Source of Funds

Paid-up Capital Reserves and Surplus
 Share Application Money Unsecured Loans

Application of Funds

Net Fixed Assets Investments
 Net Current Assets Misc. Expenditure
 Accumulated Losses Deferred Tax Assets

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

Turnover and Income Total Expenditure
 + - Profit/Loss Before Tax Profit/Loss After Tax

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

Earning Per Share in (Rs.) Dividend Rate %

V. Generic Names of Three Principal Products/Services of Company (As Per Monetary Terms)

Item Code No. (ITC Code)
 Product Description

As per our Report of Even Date

For Churiwala & Co.
Chartered Accountants
Firm Reg.No.119223W

Paras Mal Jain
Partner
Mem. No. 134160

Place : Mumbai
Date : 23rd August 2011

For and on behalf of the Board

Vinod Jatia Managing Director
Prasanna Lodha Director
Prateek Jatia Director
Kailash Sharma Company Secretary

Place : Mumbai
Date : 23rd August 2011



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 29th Annual General Meeting of the said Company to be held at Kilachand Conference Room, 2nd Floor, LNM IMC Building Trust, IMC Building, IMC Marg, Churchgate, Mumbai 400 020, on Friday, 30th September, 2011 at 12.00 Noon or at any adjournment thereof.

Signed this _____ day of _____ 2011.

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 29th ANNUAL GENERAL MEETING of the Company to be held at Kilachand Conference Room, 2nd Floor, LNM IMC Building Trust, IMC Building, IMC Marg, Churchgate, Mumbai 400 020, on Friday, 30th September, 2011 at 12.00 Noon.

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

Folio No. _____ No. of Shares _____ DP ID ★ _____

Client ID ★ _____

Signature of Shareholder / Proxy

★ Applicable for members holding shares in Electronic Form.

BOOK - POST

If undelivered Please return to :

SUPREME HOLDINGS LIMITED

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

CRYSTAL (022) 6614 0900