

BOARD OF DIRECTORS

Chairman

R.G.N. SWAMY

Managing Director

VINOD JATIA

Directors

ABHAY LODHA (upto 8th September, 2011)**PRATEEK JATIA****PRASANNA LODHA (upto 26th November, 2011)****SANJAY SARAF (from 29th March, 2012)**

Auditors

K C P L & ASSOCIATES*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	04
Corporate Governance	06
Auditors' Report	10
Balance Sheet	12
Statement of Profit and Loss	13
Cash Flow Statement	14
Notes	15
Consolidated Financial Statement	23
Subsidiary Company Details	35

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.



SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED

NOTICE

NOTICE is hereby given that Thirtieth Annual General Meeting of SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED will be held at M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001, on Tuesday, 18th September, 2012 at 3.30 p.m. to transact the following business:-

ORDINARY BUSINESS:

1. To consider, approve and adopt the audited Balance Sheet as at 31st March 2012, the Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Prateek Jatia, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED THAT Mr. Sanjay Saraf who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to date of the Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom the Company has, under Section 257 of the said Act, received notice in writing proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The relative Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956 is annexed hereto.
3. The Register of Members and the Share Transfer Register of the Company shall remain closed from Tuesday the 11th September, 2012 to Tuesday the 18th September, 2012 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: 30-7-2012

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. Sanjay Saraf as an Additional Director of the Company with effect from 29th March, 2012. Mr. Sanjay Saraf is a Commerce Graduate and has wide experience in various fields. 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. Sanjay Saraf 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 ₹ 500/- proposing the candidature of Mr. Sanjay Saraf for the office of Director of the Company under the provisions of Section 257 of the Act.

None of the Director except Mr. Sanjay Saraf is concerned or interested in this Resolution.

By order of the Board of Directors

Place: Mumbai

Dated: 30-7-2012

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

Kailash Sharma

(Company Secretary)

Details of the Directors seeking appointment/re-appointment at the 30th Annual General Meeting fixed for 18th September, 2012:

Name of Director	Mr. Prateek Jatia	Mr. Sanjay Saraf
Date of Birth	01.01.1987	18.10.1963
Date of appointment	30.06.2006	29.03.2012
Expertise in specific functional areas	Accounts, Finance and Auditing	Wide Business experience
Qualifications	B.SC (Hons) in Accounts & Finance	B. Com
List of outside Directorship held excluding in Private Companies	Makalu Trading Limited, Helmet Traders Limited	VSS Iron and Minerals Ltd.
Chairman(C)/Member (M) of Committee of the Board of Directors of the Companies	Nil	Audit Committee – (M) Investors' Grievance Committee – (M)
Chairman/Member of Committee of the Board of Directors of other Companies in which he is a Director:		
- Audit Committee	Makalu Trading Limited	No
- Investors' Grievances Committee	No	No
- Remuneration Committee	No	No
No. of Equity Shares of the Company held on 31-3-2012	47,55,800	Nil



SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED

DIRECTORS' REPORT

The Members of SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED

Your Directors have pleasure in presenting Thirtieth Annual Report and Audited Accounts of the Company for the year ended 31st March 2012.

I. FINANCIAL RESULTS:

	(₹ in Lacs)	
	2011-12	2010-11
Total Income	193.42	142.25
Total Expenditure	93.32	48.33
Profit before depreciation	100.10	93.92
Depreciation	0.46	1.03
Profit before Tax	99.64	92.89
Less: Provision for Tax	29.20	26.40
Less: Deferred Tax Liabilities (Asset)	2.37	5.55
Less: Earlier Year Taxes	0.01	0.02
Less: Prior period expenses	0.04	0.04
Add: Depreciation Reversal on change in accounting policy	-	3.47
Net Profit/(Loss) for the year	68.02	64.35
Add: Amount brought forward	429.63	366.45
Less: Debit Balance on account of amalgamation	-	1.17
Amount carried forward	497.66	429.63

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:

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 was sanctioned by the Hon'ble Bombay High Court vide its order dated 29th July, 2011.

The Scheme became effective with effect from 1st April, 2010 being Appointed Date.

IV. NAME CHANGE:

As approved by the shareholders along with the approval of the Amalgamation Scheme, the name of the Company has been changed to Supreme Holdings & Hospitality (India) Ltd. The Registrar of Companies, Maharashtra, has issued fresh Certificate of Incorporation, consequent to above change of name, on 2nd September, 2011.

V. INCREASE IN AUTHORISED AND PAID UP CAPITAL:

Pursuant to Scheme of Amalgamation the Authorised Capital of the Company has been increased from ₹ 12.01 Crores to ₹ 40.00 Crores. The Company has also allotted 2,66,82,553 equity shares of ₹ 10/- each fully paid up, on 8th September, 2011, to the shareholders of Jatia Hotels & Resorts Pvt. Ltd. and Royalways Trading & Investment Services Pvt. Ltd., the transferor companies, and consequently the paid up capital of the Company has been increased from ₹ 8.79 Crores to ₹ 35.48 Crores.

The above 2,66,82,553 equity shares of ₹ 10/- each fully paid up, allotted to the shareholders of Jatia Hotels & Resorts Pvt. Ltd. and Royalways Trading & Investment Services Pvt. Ltd. have also been listed on the Bombay Stock Exchange Ltd.

VI. PROJECTS:

As the Shareholders are already aware, the scheme of amalgamation was sanctioned by Hon'ble Bombay High Court on 29th July 2011. Subsequent to this and in the current year, the Company is now engaged in obtaining various approvals for launching a large multiuse

development project at Panvel. It is also engaged in site development works as a preparation for planning and design of the project. Various concepts and contents are under discussion to achieve a unique project status.

As regards to project at Pune, there has been some delay in the progress of the project on account of extensive rock cutting encountered in the basement construction. Meantime study of market conditions for hotels in Pune revealed that occupancy and profitability is under severe downturn. The company is accordingly engaged in modifying the original concept to that of a multi-user development, such as condominium, service apartments and commercial development in terms of Banquet facilities, conference halls etc.

The Company is also scouting actively for ready / built to suit projects which are under construction or which have already commenced operation on Pan India basis.

VII. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

(a) Industry Structure:

The year 2011-12 has been challenging for the world at large. The Domestic economic growth declined sharply from 8.4% in 2010-11 to 6.5% in 2011-12. Due to financial crisis emerged in various parts of the world, the growth of hospitality Industry in India has been adversely affected.

With high unemployment and low growth rate in USA and Europe, many companies are cutting back on outsourcing and travel expenditure.

(b) Company's Performance:

As the projects of the Company are under implementation stage, the Company has not earned any Income from Operation during the year 2011-12. The Other Income mainly includes ₹ 193/- lacs from assignment of Keyman Policy in favour of a Director. The total Income was at ₹ 193.42 Lacs as compared to ₹ 142.25 Lacs in the previous year.

During the year under review, the employees cost was at ₹ 24.15 Lacs as compared to ₹ 5.66 Lacs in the previous year and the Administrative & Other Expenses were at ₹ 69.17 Lacs as compare to ₹ 39.49 Lacs in the previous year.

The profit before depreciation and taxation was at ₹ 100.10 Lakhs as against ₹ 93.92 Lacs in the previous year. The Depreciation was at ₹ 0.46 lacs as against ₹ 1.03 lacs in the previous year. After providing for taxation, including deferred tax, the Company has reported a Net Profit of ₹ 68.02 lacs as against ₹ 64.35 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.

(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 it 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:

During the year, Mr. R.G.N. Swamy has been appointed as an Independent Director and Chairman of the Company. During the year, Mr. Abhay Lodha and Mr. Prasanna Lodha resigned from the Board with effect from 8th September, 2011 and 26th November, 2011 respectively. The Board places on record its sincere appreciation for the guidance received from them during their tenure as member of the Board.

During the year Shri Vinod Jatia has been re-appointed as Managing Director of the Company for a further period of Five year with effect from 1st July, 2011.

Mr. Sanjay Saraf has been appointed as an Additional Independent Director of the Company with effect from 29th March, 2012. Mr. Sanjay Saraf 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. Sanjay Saraf for being appointed as a Director of the Company.

In accordance with the provisions of the Companies Act

1956, Mr. Prateek Jatia 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 Directors' responsibility statement it is hereby confirmed:

- i) That in the preparation of the accounts for the financial year ended 31st March 2012, 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 2012 on a going concern basis.

XIV. AUDIT COMMITTEE:

The present Audit committee comprises of Shri RGN Swamy, Shri Sanjay Saraf and Shri Vinod Jatia. Shri RGN Swamy and Shri Sanjay Saraf are independent directors. Shri RGN Swamy is Chairman of the Audit Committee.

XV. AUDITORS:

During the year, the name of Statutory Auditors firm has been changed from M/s. Churiwala & Co. to M/s KCPL & Associates.

M/s. KCPL & Associates, 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 OUT GO:

	(₹)
Earning :	Nil
Outgo :	37,912.00

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: 30th May 2012

R G N SWAMY
Chairman



SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED

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 Committee membership held in other Companies
Mr. R. G. N. Swamy 1	Independent	3	NIL
Mr. Vinod Jatia 2 Managing Director	Non Independent (Promoter)	13	1
Mr. Abhay Lodha 3	Independent	NA	NA
Mr. Prateek Jatia	Non Independent (Promoter)	9	1
Mr. Prasanna Lodha 4	Independent	NA	NA
Mr. Sanjay Saraf 5	Independent	10	NIL

- 1 Appointed as an Additional Director and Chairman of the Company with effect from 23rd August, 2011.
- 2 Chairman of the Company till 23rd August, 2011.
- 3 Ceased to be Director with effect from 8th September, 2011.
- 4 Ceased to be Director with effect from 26th November, 2011.
- 5 Appointed as an Additional Director with effect from 29th March, 2012

Meetings and Attendance

During the year ended 31st March, 2012, Nine Board Meetings were held on the following dates: (i) May 5, 2011 (ii) June 30, 2011 (iii) August 09, 2011 (iv) August 23, 2011 (v) September 08, 2011 (vi) October 24, 2011 (vii) November 26, 2011 (viii) February 02, 2012 (ix) March 29, 2012.

Attendance of Directors at Board Meeting and at the Annual General Meeting (AGM September 30, 2011)

Name of Director	No of Board Meetings attended	Whether attended AGM
Mr. R. G. N. Swamy	6	Yes
Mr. Vinod Jatia	9	No
Mr. Abhay Lodha (up to 08.09.2011)	2	No
Mr. Prateek Jatia	9	Yes
Mr. Prasanna Lodha (up to 26.11.2011)	6	No
Mr. Sanjay Saraf (from 29.03.2012)	-	NA

3. COMMITTEES OF THE BOARD

A. Audit Committee

i) Terms of reference:

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

ii) Composition of Audit Committee:

The Audit Committee was reconstituted on 8th September, 2011 and 29th March, 2012 and the same comprises of the following Directors:

1. Mr. R. G. N. Swamy – Independent Director (Chairman) (from 08.09.2011)
2. Mr. Prasanna Lodha- Independent Director (Chairman up to 08.09.2011 and Member up to 26.11.2011)
3. Mr. Vinod Jatia – Managing Director
4. Mr. Abhay Lodha - Independent Director (up to 08.09.2011)
5. Mr. Sanjay Saraf – Independent Director (from 29.03.2012)

The Audit Committee met five times during the year on the following dates: (i) 5th May, 2011, (ii) 9th August, 2011 (iii) 23rd August, 2011 (iv) 24th October, 2011 and (v) 2nd February, 2012. The attendances of the members of the meeting were as follows:

Name of the member	Status	No of meetings attended
Mr. R.G.N. Swamy (Chairman) (from 08.09.2011)	Independent	2
Mr. Prasanna Lodha (Chairman up to 08.09.2011 and Member up to 26.11.2011)	Independent	4
Mr. Vinod Jatia	Managing Director	5
Mr. Abhay Lodha (up to 08.09.2011)	Independent	1
Mr. Sanjay Saraf (form 29.03.2012)	Independent	Nil

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. R.G.N. Swamy	₹ 6,000/-
Mr. Abhay Lodha	₹ 2,000/-
Mr. Prateek Jatia	₹ 9,000/-
Mr. Prasanna Lodha	₹ 6,000/-

C. Investors' Grievance Committee

(a) Terms of Reference:

The brief terms of reference of the Investors' Grievances Committee include redressing shareholders and investors' 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 Investors' Grievance Committee was reconstituted on 8th September, 2011 and 29th March, 2012 and the same comprises of the following Directors:

1. Mr. R.G.N. Swamy – Independent Director (Chairman from 08.09.2011)
2. Mr. Abhay Lodha - Independent Director (Chairman up to 08.09.2011)
3. Mr. Vinod Jatia – Managing Director
4. Mr. Prasanna Lodha – Independent Director (up to 26.11.2011)
5. Mr. Sanjay Saraf – Independent Director (from 29.03.2012)

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

(c) Investors' Complaints received and resolved during the year

The Company received four complaints during the year ended on 31.03.2012 and the same were duly resolved.

4. Code of Conduct:

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

5. CEO Certification

In terms of Clause 49 of the Listing Agreement with the Stock Exchange, the certification by the CEO (Managing Director) on the financial Statements and internal controls relating to financial reporting for the financial year 2011-12 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
2010-2011	30/09/2011	12.00 Noon	Kilachand Conference Room, 2 nd Floor, LNM IMC Building Trust, IMC Building, IMC Marg, Churchgate, Mumbai 40020
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.	""

- 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.

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 31/03/2012.

Name of Non Executive Director	No. of Shares held as on 31/03/12
Mr. R.G.N. Swamy	Nil
Mr. Sanjay Saraf	Nil
Mr. Prateek Jatia	47,55,800



SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED

8. Means of Communication

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

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

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

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

9. General Shareholder Information

(a) Annual General Meeting

Date & Time : } Please refer to the notice of
 } Annual General Meeting

Venue : } being sent along with Annual
 } Report.

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

(c) Financial Calendar For 2012-2013 (Tentative)

Financial Year Ending : 31st March
First Quarter Results : Within 45 days from the
 close of the quarter
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 2012-13 have been paid to the aforesaid Stock Exchange.

(e) Stock Code :

Bombay Stock Exchange Limited (BSE) : 530677
Under depository system, the International Securities Identification Number (ISIN) allotted to the Company's share is INE 822E01011

Stock Market Price for the Year

Month	BSE		BSE
	HIGH (₹)	LOW (₹)	SENSEX CLOSING
April-2011	36.95	33.00	19,135.96
May-2011	36.95	27.10	18,503.28
June-2011	38.90	28.60	18,845.87
July-2011	42.50	31.60	18,197.20
August-2011	40.30	31.90	16,676.75
September-2011	42.80	29.20	16,453.76
October-2011	42.75	32.00	17,705.01
November-2011	40.00	29.05	16,123.46
December-2011	38.00	34.50	15,454.92
January-2012	34.55	28.10	17,193.55
February-2012	30.40	20.50	17,752.68
March-2012	23.10	18.50	17,404.20

(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 Dynamic 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 31.03.2012: 2,61,27,868 Equity Shares of the Company forming 73.65% 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, 2012.

No. of Equity Shares Held	No. of Shareholders	Percentage of Shareholders (%)	No. of Shares Held	Percentage of Shareholding (%)
Up to 500	1314	81.62	277328	0.78
501 to 1000	115	7.14	92826	0.26
1001 to 5000	104	6.46	205751	0.58
5001 to 10000	25	1.55	182536	0.51
10001 to 100000	30	1.86	956792	2.70
100001 & Above	22	1.37	33761620	95.17
	1610	100%	35476853	100%

(j) Shareholding Pattern as on March 31, 2012.

Category	No. of Shares Held	Percentage of Shareholding (%)
1. Promoters	21349813	60.18
2. Mutual Funds	125000	0.35
3. Private Corporate Bodies	3224528	9.09
4. Indian Public	1675975	4.72
5. NRIs/OCBs	9101487	25.66
6. Clearing Members	50	0.00
GRAND TOTAL	35476853	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, 2012.

For & On Behalf of the Board of Directors

Place : Mumbai
Date : 30th May, 2012

Vinod Jatia
Managing Director

AUDITORS' CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members,
Supreme Holdings and Hospitality (India) Limited
Mumbai.

We have examined the compliance of the conditions of corporate governance procedures implemented by Supreme Holdings and Hospitality (India) Limited, for the year ended on March 31st, 2012, as stipulated in Clause 49 of the Listing agreement of the said Company with the Stock Exchange in India.

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that based on the report given by the Registrar of the Company to the Investors' Grievance Committee, as on March 31st, 2012, 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 K C P L & Associates,
Chartered Accountants
Firm Reg. No. 119223W.

CA Parasmal Jain
Partner
M. No. 134160

Place : Mumbai
Date : 30th May, 2012



SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED

Auditors' Report

To,
The Members,

Supreme Holdings & Hospitality (India) Limited

We have audited the attached Balance Sheet of **Supreme Holdings & Hospitality (India) Limited** ("the Company), as at 31st March 2012, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto.

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 2012 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 2012, 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, 2012
- 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 K C P L & Associates,
Chartered Accountants
Firm Reg. No. 119223W.

Paras Mal Jain

Partner

Place : Mumbai

Date : 30th May, 2012

M. No. 134160

Annexure to Auditors Report

Annexure referred to in paragraph 3 of the Auditors Report of even date

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 Company is not having any inventory hence clause 4 (ii) (a), (b) and (c) of the order is not applicable.
- (iii) a) The Company has granted unsecured loan to two parties covered in the register maintained under Section 301 of the Companies Act, 1956 on **call basis**. The Maximum amount outstanding during the year was ₹ 117.71 Lacs and the year-end balance was ₹ 85.46 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 ₹ 67.20 Lacs and the year-end balance was ₹ 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 K C P L & Associates,
Chartered Accountants
Firm Reg. No. 119223W.

Paras Mal Jain

Partner

Place : Mumbai
Date : 30th May, 2012

M. No. 134160

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED**

Balance Sheet as at 31st March, 2012

(Amount in ₹)

Particulars	Note	As at 31.03.2012	As at 31.03.2011
I. EQUITY AND LIABILITIES			
Shareholder's Fund			
(a) Share Capital	2	354,768,530	354,768,530
(b) Reserves & surplus	3	390,884,496	384,082,191
Non -Current Liabilities			
(a) Long Term Provisions	4	169,482	207,290
Current Liabilities			
(a) Short Term Borrowings	5	52,075,537	50,000,000
(b) Other Current Liabilities	6	8,185,462	1,787,785
(c) Short-Term Provisions	7	6,858,597	3,935,000
		812,942,104	794,780,796
II. ASSETS			
Non -Current Assets			
(a) Fixed Assets	8		
(I) Tangible Assets		476,316,982	476,342,535
(II) Capital Work in progress		235,293,697	215,492,097
(b) Non-Current Investments	9	1,492,000	1,524,114
(c) Long Term Loans & Advances	10	78,304,860	77,414,855
(d) Deferred Tax Assets	11	4,725,826	4,962,685
Current Assets			
(a) Cash and Cash Equivalents	12	1,392,951	6,623,374
(b) Short -Term Loans and Advances	13	15,405,154	12,411,635
(c) Other Current Assets	14	10,634	9,501
		812,942,104	794,780,796

As per our Report of even date

For and on behalf of the Board

For K C P L & Associates**R.G.N.Swamy****Chairman**

Chartered Accountants

Vinod Jatia**Managing Director****Firm No. 119223W****Paras Mal Jain****Prateek Jatia****Director**

Partner

Kailash Sharma**Company Secretary****M.No. :134160**

Place : Mumbai

Place : Mumbai

Date : 30th May, 2012Date : 30th May, 2012

Statement of Profit and Loss for the Year Ended on 31st March, 2012

(Amount in ₹)

Particulars	Note	Year Ended 31.03.2012	Year Ended 31.03.2011
Revenue from Operations	15	-	499,300
Other Income	16	19,341,575	13,725,814
Total Revenue		19,341,575	14,225,114
Expenses :			
Increase / (Decrease) in Stock	17	-	317,505
Personnel Expenses	18	2,414,777	566,209
Depreciation	8	46,241	103,312
Administrative and Other Expenses	19	6,916,780	3,948,928
Total Expenses		9,377,798	4,935,954
Profit before Extraordinary Items and Taxes		9,963,777	9,289,160
Extraordinary Items			
a. Prior Period Items	25	(3,983)	(4,286)
b. Depreciation Reversal on change of accounting policy		-	347,150
Profit Before Tax		9,959,794	9,632,024
Tax Expenses			
1) Current Tax		2,920,000	2,640,000
2) Deferred Tax		236,859	555,184
3) Taxes of Earlier Years		630	1,638
Profit for the year		6,802,305	6,435,202
Earning per Equity Share	22		
Basic & Diluted		0.19	0.18

As per our Report of even date

For and on behalf of the Board

For K C P L & Associates
R.G.N.Swamy
Chairman

Chartered Accountants

Vinod Jatia
Managing Director
Firm No. 119223W
Paras Mal Jain
Prateek Jatia
Director

Partner

Kailash Sharma
Company Secretary
M.No. :134160

Place : Mumbai

Place : Mumbai

 Date : 30th May, 2012

 Date : 30th May, 2012

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED****Cash Flow Statement for the Year Ended 31st March, 2012**

Particular	(Amount in ₹)	
	Year Ended 31.03.2012	Year Ended 31.03.2011
(A) Cash Flow from Operating Activities		
Net Profit before Tax and extra-ordinary items	9,963,777	9,289,160
Adjustment for:		
Depreciation	46,241	103,312
Discard of Fixed Assets	-	623,088
Loss on Sale of Motor Car	-	337,680
Loss on Sale of Investments	3,622	-
Preliminary Expenses	-	6,800
Pre-Operative Expenses	-	59,987
Dividend	(240)	(48,050)
Assignment of Keyman Insurance Policy	(19,300,000)	(13,000,000)
Provision for diminution in value of Investments	1,514	-
Prior Period Items	(3,983)	(4,286)
Operating Profit Before Working Capital Changes	(9,289,069)	(2,632,309)
Adjustment for :		
Other Current Assets	(1,133)	459
Short Term Loans and Advances	(382,089)	13,280,614
Inventories	-	317,505
Loans to Subsidiary	445,000	515,000
Long Term Provisions	(37,808)	-
Other Current Liabilities	8,476,811	48,141,892
Cash Generated from Operations	(788,288)	59,623,161
Direct Taxes Paid	(3,057,061)	(2,043,984)
Net Cash from operating activities	(A) (3,845,349)	57,579,177
(B) Cash Flow from Investing Activities		
Purchase / Addition of Fixed Assets	(240,650)	(4,108,402)
Sale of Fixed Assets	-	100,000
Sale of Shares	26,978	-
Addition in Capital WIP	(19,581,638)	(56,733,739)
Assignment of Keyman Insurance Policy	19,300,000	13,000,000
Addition in Service Tax Receivable (Refer Note No.28)	(890,005)	(4,318,319)
Dividend Received	240	48,050
Net Cash used in investing activities	(B) (1,385,074)	(52,012,410)
(C) Cash Flow from Financing Activities		
Net Cash used in Financing Activities	(C) -	-
Net increase (decrease) in Cash & Cash Equivalents	(A)+(B)+(C)	5,566,768
Cash and Cash Equivalents:		
Opening Balance at the beginning of the year	6,623,374	366,840
Cash and Cash Equivalents acquired on amalgamation	-	689,766
Closing Balance at the end of the year	1,392,951	6,623,374

Note: Figures in brackets represent Cash Outflow

Note:

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standards -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India
- 2 Cash and Cash Equivalents at the end of the year consists of Cash in Hand and Balances with Banks and are net of Short Terms Loans and Advances from Banks as follows

Particulars	As at 31.3.2012
Cash in Hand	135,521
Balances with Banks	1,257,429
	<u>1,392,951</u>

- 3 The Previous years figures have been regrouped and rearranged where ever necessary in order to confirm to current years presentations.

As per our Report of even date

For and on behalf of the Board

For K C P L & Associates
Chartered Accountants
Firm No. 119223W

R.G.N.Swamy

Chairman

Vinod Jatia

Managing Director

Paras Mal Jain
Partner
M.No. :134160

Prateek Jatia

Director

Kailash Sharma

Company Secretary

Place : Mumbai
Date : 30th May, 2012

Place : Mumbai
Date : 30th May, 2012

NOTES TO THE FINANCIAL STATEMENTS

Note 1 Significant Accounting Policies**a) Basis of preparation of Financial Statement:**

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.

b) 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.

c) Fixed Assets:

Tangible Asstes : Fixed Assets are stated at cost of acquisition less accumulated depreciation. The cost includes taxes, duties, freight, installation, startup and commissioning expenses and other preoperative expenses and other direct and allocated expenses of bringing the assets to working condition for its intended use.

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.

d) Depreciation:

i. Depreciation on Fixed Assets is provided on "Straight Line Method" in the manner prescribed in Schedule-XIV to the Companies Act, 1956.

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

e) 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.

f) Inventories:

Inventories are valued at lower of cost or Net Realisable Value.

g) Retirement Benefits:

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

h) 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.

i) Taxes on Income:

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

(ii) 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. 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.

		(Amount in ₹)	
Note 2	Share Capital		
	Particulars	31.03.2012	31.03.2011
a)	<u>Authorized Share capital</u> 4,00,00,000 number of Equity Shares (Previous Year 1,20,10,000) of ₹ 10 each.	400,000,000	120,100,000
b)	<u>Issued, Subscribed & Paid up</u> 3,54,76,853 (Previous Year 87,94,300) Equity Shares of ₹ 10 each (Previous Year ₹ 10 each) fully subscribed and paid up.		87,943,000
	Opening Balance	87,943,000	
	Issued during the year	266,825,530	
	Closing Balance	354,768,530	-
	Share Capital Pending Allotment	-	266,825,530
		<u>354,768,530</u>	<u>354,768,530</u>

Notes

(i) Following shareholders are holding more than 5% shares:

a) Jumbo Bright Group Ltd	-	9,005,885
b) Vinod Jatia	-	5,187,200
c) Nita Jatia	-	5,045,950
d) Prateek Jatia	-	4,755,800
e) Vinod Kumar Jatia HUF	-	4,663,600

(ii) Aggregate number of equity shares issued for consideration other than cash during the period of five year immediately preceding the year in which balance sheet Prepared :

Pursuant to amalgamation of Jatia Hotels & Resorts Private Limited and Royalways Trading & Investment Service Private Limited with the company, the company has allotted 2,66,82,553 Equity Share of ₹ 10 Each during the year 2011-12 to the share holders of Jatia Hotels & Resorts Private Limited and Royalways Trading & Investment Services Private Limited.

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED****Notes to the Financial Statements**

(Amount in ₹)

Note 3 Reserve and Surplus

Particulars	31.03.2012	31.03.2011
a) Capital Reserves	277,150	277,150
b) <u>Securities Premium Account</u>		
Balance as per last financial statement	331,835,750	87,593,416
Add : Addition on account of Amalgamation	-	570,771,645
Less :Deduction as per Scheme of Amalgamation	-	326,529,310
Closing Balance	331,835,750	331,835,750
c) General Reserve	9,006,095	9,006,095
d) <u>Profit & Loss Account</u>		
Balance as per last Financial Statement	42,963,196	36,645,016
Add : Profit for the year	6,802,305	6,435,202
Less : Debit Balance on account of amalgamation	-	117,022
Closing Balance	49,765,501	42,963,196
	390,884,496	384,082,191

Note 4 Long term Provisions

Particulars	31.03.2012	31.03.2011
a) Provision for Employee Benefits	169,482	207,290
Total	169,482	207,290

Note 5 Short term Borrowings

Particulars	31.03.2012	31.03.2011
Unsecured Borrowings		
a) Intercompany Deposits from Other Parties	52,075,537	50,000,000
	52,075,537	50,000,000

Note 6 Other Current Liabilities

Particulars	31.03.2012	31.03.2011
a) Unpaid dividend	41,057	41,057
b) Creditors for Capital Goods	7,981,185	1,467,782
c) Other Payable	154,220	269,946
d) Expenses Payable to related parties	9,000	9,000
	8,185,462	1,787,785

Notes

- i) Expenses Payable to Related Parties includes dues to a firm in which directors are partners ₹ 9,000/- (P.Y. ₹ 9,000)

Note 7 Short-Term Provisions

Particulars	31.03.2012	31.03.2011
a) Provision for Taxation	6,855,000	3,935,000
b) Provision for Employee Benefits	3,597	-
	6,858,597	3,935,000

Notes to the Financial Statements
Note 8 Fixed Assets

(Amount in ₹)

Description	Gross Block			Depreciation/Amortisation			Net Block		
	As at 01.04.2011	Additions	Deletions	As at 01.04.2012	Up to 31.03.2011	For the Year	Up to 31.03.2012	Total as at 31.03.2012	Total as at 31.03.2011
I. Tangible Assets									
Land	473,618,970	-	-	473,618,970	-	-	-	473,618,970	473,618,970
Office Equipment	184,115	25,000	-	209,115	23,633	8,911	32,544	176,571	160,482
Computers	154,708	139,400	-	294,108	40,994	35,681	76,675	217,433	113,714
Motor Cycle	-	48,750	-	48,750	-	1,649	1,649	47,101	-
Sub-Total (A)	473,957,793	213,150	-	474,170,943	64,627	46,241	110,868	474,060,075	473,893,166
Tangible Assets pertaining to Capital Work in Progress									
Office Equipment	91,900	27,500	-	119,400	5,300	4,494	9,794	109,606	86,600
Computers	76,550	-	-	76,550	11,181	12,409	23,590	52,960	65,369
Furniture	68,376	-	-	68,376	5,063	4,328	9,391	58,985	63,313
Motor Vehicles	1,472,584	-	-	1,472,584	348,876	139,895	488,771	983,813	1,123,708
Transformer	1,238,660	-	-	1,238,660	128,281	58,836	187,117	1,051,543	1,110,379
Sub-Total (B)	2,948,070	27,500	-	2,975,570	498,701	219,962	718,663	2,256,907	2,449,369
Total (I)	476,905,863	240,650	-	477,146,513	563,328	266,203	829,531	476,316,982	476,342,535
Previous Year	481,081,700	4,108,402	8,284,239	476,905,863	249,123	314,205	563,328	476,342,535	
II. Capital W.I.P.									
Capital Work in Progress	215,492,097	19,801,600	-	235,293,697	-	-	-	235,293,697	215,492,096
Total (II)	215,492,097	19,801,600	-	235,293,697	-	-	-	235,293,697	215,492,096
Previous Year	-	215,492,096	-	215,492,096	-	-	-	215,492,096	
Gross Total (I+II)	692,397,960	20,042,250	-	712,440,210	563,328	266,203	829,531	711,610,679	691,834,631
Previous Year	481,081,700	219,600,498	8,284,239	692,397,959	249,123	314,205	563,328	691,834,631	

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED****Notes to the Financial Statements**

(Amount in ₹)

Note 9 Non Current Investment

Particulars	31.03.2012	31.03.2011
(A) Quoted		
a) Investment in Equity Instruments		
Nil shares of Andhra Cement Limited (Previous Year : 250) of FV 10 each.	-	8,076
100 shares of Apple Credit Corporation Ltd (Previous Year : 100) of FV 10 each.	3,633	3,633
50 shares of Chokani International Ltd (Previous Year : 50) of FV 10 each.	500	500
200 shares of Chokani Global Express Ltd (Previous Year : 200) of FV 10 each.	2,000	2,000
8,700 shares of Cogent Ventures (I) Ltd (Previous Year : 8,700) of FV 10 each.	52,907	52,907
150 shares of Global Boards Ltd (Previous Year : 150) of FV 10 each.	60,459	60,459
200 shares of Indo Count Fin. & Lease Ltd (Previous Year : 200) of FV 10 each.	1,514	1,514
Nil shares of Link Pharma Chem. Ltd (Previous Year : 3900) of FV 10 each.	-	20,190
200 shares of Mewar Marbles Ltd (Previous Year : 200) of FV 10 each.	2,000	2,000
Nil shares of N.E.P.C. (Previous Year : 635) of FV 10 each.	-	3,810
40 shares of Saurashtra Chemicals Ltd (Previous Year : 40) of FV 10 each.	2,367	2,367
14,730 shares of Washington Software Ltd (Previous Year : 14,730) of FV 10 each.	438,476	438,476
	563,856	595,932
Less: Provision for diminution in value of Investment	563,856	563,818
Sub Total(A)	-	32,114
Aggregate Market Value of Quoted Investment	-	97,567
(B) Unquoted		
a) Investment in Subsidiary	-	-
1,49,200 Equity Shares of Helmet Traders Ltd	1,492,000	1,492,000
Sub Total (B)	1,492,000	1,492,000
Total (A+B)	1,492,000	1,524,114

Note 10 Long Term Loans & Advances

Particulars	31.03.2012	31.03.2011
Unsecured, considered good		
a) Capital Advances	61,940,000	61,940,000
b) Security Deposits	1,031,000	1,031,000
c) Cenvat Credit Receivable	15,308,860	14,418,855
d) Vat Receivable	25,000	25,000
	78,304,860	77,414,855

Note 11 Net Deferred Tax Assets

Particulars	31.03.2012	31.03.2011
a) Fixed Assets	467,118	562,033
b) Amalgamation Expenses	708,367	222,648
c) Employee Benefits Expenses	53,482	64,052
d) Finance Lease Income	3,496,859	4,113,952
	4,725,826	4,962,685

Notes to the Financial Statements

(Amount in ₹)

Note 12 Cash and Cash Equivalent

Particulars	31.03.2012	31.03.2011
a) Balance with banks		
- Currents Account Balances	1,216,372	6,039,770
- Unpaid Dividend	41,057	41,057
b) Cash on Hand	135,521	508,193
c) Foreign Currency in Hand	-	34,354
	<u>1,392,951</u>	<u>6,623,374</u>

Note 13 Short Term Loans and Advances

Particulars	31.03.2012	31.03.2011
Unsecured, considered good		
a) Loans & Advance to related parties	8,546,300	8,991,300
b) Advance Income Tax	6,403,873	3,347,442
c) Staff Advances	98,000	20,000
d) Excess TDS Paid Refundable	316,986	-
e) Others	39,995	52,893
	<u>15,405,154</u>	<u>12,411,635</u>

Notes

- (i) Loan & Advances to related parties includes advance to its subsidiary Helmet Traders Ltd of ₹ 85,46,300/- (P.Y. ₹ 89,91,300/-)

Note 14 Other Current Assets

Particulars	31.03.2012	31.03.2011
a) Prepaid Expenses	10,634	9,501
	<u>10,634</u>	<u>9,501</u>

Note 15 Revenue from Operations

Particulars	31.03.2012	31.03.2011
Sale of Products	-	499,300
	<u>-</u>	<u>499,300</u>

Note 16 Other Income

Particulars	31.03.2012	31.03.2011
Interest on Others	37,777	93,011
Dividend Income	240	48,050
Exchange Rate Fluctuation	3,558	(377)
Assignment of Keyman Insurance Policy	19,300,000	13,000,000
Sundry Balances Written Back	-	585,130
	<u>19,341,575</u>	<u>13,725,814</u>

Note 17 Increase / (Decrease) in Stock

Particulars	31.03.2012	31.03.2011
Opening Stocks	-	317,505
Less: Closing Stocks	-	-
	<u>-</u>	<u>317,505</u>

Note 18 Personnel Expenses

Particulars	31.03.2012	31.03.2011
Salaries and Wages	2,448,988	276,227
Leave Encashment	(54,038)	81,231
Gratuity	19,827	126,059
Staff Recruitment expenses	-	82,692
	<u>2,414,777</u>	<u>566,209</u>

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED****Notes to the Financial Statements**

(Amount in ₹)

Note 19 Administrative and Other Expenses

Particulars	31.03.2012	31.03.2011
Amalgamation Expenses	3,090,733	900,678
Travelling & Conveyance	2,135,436	11,784
Legal & Professional Charges	601,504	214,007
Insurance	309,633	1,454,768
Communication Expenses	185,305	15,416
Advertisement	133,534	47,645
Depository Charges	105,016	83,941
Printing & Stationery	84,753	30,438
Audit Fees	73,034	68,605
Business Promotion	56,252	-
Rates and Taxes	43,500	41,000
Miscellaneous Expenses	31,934	3,477
Directors Sitting Fees	23,000	20,000
Office Expenses	29,505	26,280
Loss on Sale of Investments	3,622	-
Bank Charges	8,506	8,478
Provision for diminution in value of Investments	1,514	-
Fixed Assets Written Off	-	623,088
Loss on Sale of Assets	-	337,680
Pre Operative Expenses	-	61,643
	6,916,780	3,948,928

Note 20 Payment to Statutory Auditors

Particulars	31.03.2012	31.03.2011
a) Audit Fees	73,034	68,605
	73,034	68,605

Note 21 Contingent Liabilities and Commitments (to the extent not provided for)

i)	Estimated amount of contracts remaining to be executed		
	Particulars	31.03.2012	31.03.2011
	Commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	980,323,995	991,007,000
		980,323,995	991,007,000
ii)	The Company has mortgaged its part Land at Panvel of ₹ 218.42 Lacs to a Bank towards the Credit Facilities sanctioned to Associate Concern.		

Note 22 Earning Per Share

Particulars	31.03.2012	31.03.2011
Weighted average number of equity shares of ₹ 10/- each		
Number of shares at the beginning of the year	35,476,853	35,476,853
Number of shares at the end of the year	35,476,853	35,476,853
Weighted average number of Eq Shares outstanding during the year	35,476,853	35,476,853
Net Profit after tax available for equity shareholders	6,802,305	6,435,202
Basic and diluted earning per share	0.19	0.18

Note 23 Expenditure in Foreign Currency

Particulars	31.03.2012	31.03.2011
Travelling Expenses	37,912	80,079
	37,912	80,079

Note 24

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

Notes to the Financial Statements

(Amount in ₹)

Note 25 Prior Period Items

Particulars	31.03.2012	31.03.2011
Depository Charges	3,309	4,286
Legal & Professional Charges	10,000	-
Communication Cost	(10,826)	-
Motor Vehicle Expenses	1,500	-
	3,983	4,286

Note 26

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

Note 27

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 provision for all known liabilities are adequate.

Note 28

Cenvat Credit Receivable of ₹ 1,53,08,860/- includes ₹ 1,37,28,580/- which is not eligible for Cenvat Credit in terms of "Cenvat Credit (Amendment) Rules 2011". However, the management believes that such taxes would be available as Cenvat Credit in the future and therefore the entire amount is shown as Cenvat Credit Receivable.

Note 29 Related Party Disclosures

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

A Subsidiary Company

- 1 Helmet Traders Limited

B Key Management Personnel

- 2 Vinod Kumar Jatia
- 3 Prateek Jatia

C Entities Controlled by Key Management Personnel or their relatives

- 4 Subhkaran & Sons
- 5 Dilshad Trading Co Pvt Ltd

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	
	C.Y.	P.Y.	C.Y.	P.Y.	C.Y.	P.Y.
Loans Taken	-	-	-	-	7,240,000	5,907,922
Repayment Made	-	-	-	-	7,240,000	5,907,922
Assignment of Keyman Policy	-	-	19,300,000	13,000,000	-	-
Receipt of Proceeds on assignment	-	-	19,300,000	13,000,000	-	-
Rent	-	-	-	-	36,000	36,000
Loan Given	-	-	-	-	2,780,000	127,469,196
Loan Recovered	445,000	515,000	-	-	2,780,000	140,565,235
Interest Paid	-	-	-	-	159,580	-
Outstanding as at year end						
Rent Payable	-	-	-	-	9,000	9,000
Loans Receivable	8,546,300	8,991,300	-	-	-	-
Investment	1,492,000	1,492,000	-	-	-	-

Note 30

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

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED****Notes to the Financial Statements**

(Amount in ₹)

Note 31

During the year, the company has provided ₹ 19,827/- (P.Y. ₹ 1,26,059/-) as gratuity as per Accounting Standard 15 Employees Benefits issued by ICAI, taking into consideration following assumptions:-

Particulars	Assumptions
Discount Rate	8.50%
Mortality	LIC (1994-96)
Future Salary Increase	5%
Attrition	2%
Retirement	60
Actuarial assumption may vary in light of economic conditions.	

Further ₹ 54,038/- (P.Y. ₹ 81,231/- provided) has been reversed for leave encashment during the year.

Note 32

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.

Particulars	Balance as at 31.03.2012	Maximum Balance during the year
A. Loans & Advances in the nature of loans to Subsidiary Co-Helmet Traders Ltd	8,546,300	8,991,300
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 372A of the Companies Act, 1956	Nil	Nil
D. Loans & Advances in the nature of Loans to Firm/Co 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 and on behalf of the Board

For K C P L & Associates**R.G.N.Swamy****Chairman**

Chartered Accountants

Firm No. 119223W**Vinod Jatia****Managing Director****Paras Mal Jain****Prateek Jatia****Director**

Partner

M.No. :134160**Kailash Sharma****Company Secretary**

Place : Mumbai

Place : Mumbai

Date : 30th May, 2012Date : 30th May, 2012

Auditors' Report on Consolidated Financial Statements

To,

The Board of Directors,

Supreme Holdings & Hospitality (India) Limited.

We have audited the attached Consolidated Balance Sheet of Supreme Holdings & Hospitality (India) Limited (hereinafter referred as "the Company"), the holding company, and M/s Helmet Traders Limited (hereinafter referred as "the Group"), as at 31st March 2012, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date prepared in accordance with the accounting principles generally accepted in India.

1. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the 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" issued by the Institute of Chartered Accountants of India and on basis of the separate audited financial statements of the Company, and of its subsidiaries included in the consolidated financial statements.
3. We did not audit the financial statements of the subsidiary for the financial year ended on 31st March 2012, whose Financial Statements reflects total assets of ₹ 161.83 Lacs and total revenue of ₹ 4.50 Lacs. These financial statements have been audited by Anil Kedia & Co. Chartered Accountants and for the purpose of our examination we have placed reliance on their report.
4. In our opinion and to the best of our information and according to the explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of Supreme Holdings & Hospitality (India) Limited and its aforesaid subsidiary, the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) In case of the consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March 2012;
 - b) In case of the consolidated Profit and Loss Account, of the consolidated results of operations 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 K C P L & Associates,
Chartered Accountants
Firm Reg. No. 119223W.

Paras Mal Jain

Partner

M. No. 134160

Place : Mumbai
Date : 30th May, 2012

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED**

Consolidated Balance Sheet as at 31st March, 2012

(Amount in ₹)

Particulars	Note	As at 31.03.2012	As at 31.03.2011
<u>I. EQUITY AND LIABILITIES</u>			
Shareholder's Fund			
(a) Share Capital	2	354,768,530	354,768,530
(b) Reserves & surplus	3	397,018,685	389,781,228
Non -Current Liabilities			
(a) Long Term Provisions	4	169,482	207,290
Current Liabilities			
(a) Short Term Borrowings	5	52,075,537	50,000,000
(b) Other Current Liabilities	6	8,196,698	1,798,815
(c) Short-Term Provisions	7	6,858,597	3,935,000
		<u>819,087,529</u>	<u>800,490,863</u>
<u>II. ASSETS</u>			
Non -Current Assets			
(a) Fixed Assets	8		
(I) Tangible Assets		476,316,982	476,342,535
(II) Capital Work in progress		235,293,697	215,492,097
(b) Non-Current Investments	9	16,159,060	16,191,174
(c) Long Term Loans & Advances	10	78,304,860	77,414,855
(d) Deferred Tax Assets	11	4,725,826	4,962,685
Current Assets			
(a) Cash and Cash Equivalents	12	1,417,616	6,657,681
(b) Short -Term Loans and Advances	13	6,858,854	3,420,335
(c) Other Current Assets	14	10,634	9,501
		<u>819,087,529</u>	<u>800,490,863</u>

As per our Report of even date

For and on behalf of the Board

For K C P L & Associates**R.G.N.Swamy****Chairman**

Chartered Accountants

Firm No. 119223W**Vinod Jatia****Managing Director****Paras Mal Jain****Prateek Jatia****Director**

Partner

M.No. :134160**Kailash Sharma****Company Secretary**

Place : Mumbai

Place : Mumbai

Date : 30th May, 2012Date : 30th May, 2012

Statement of Consolidated Profit and Loss for the Year Ended on 31st March, 2012

(Amount in ₹)

Particulars	Note	Year Ended 31.03.2012	Year Ended 31.03.2011
Revenue from Operations	15	-	499,300
Other Income	16	19,791,641	14,257,709
Total Revenue		19,791,641	14,757,009
Expenses :			
Increase / (Decrease) in Stock	17	-	317,505
Personnel Expenses	18	2,414,777	566,209
Depreciation	8	46,241	103,312
Administrative and Other Expenses	19	6,931,694	3,963,434
Total Expenses		9,392,712	4,950,460
Profit before Extraordinary Items and Taxes		10,398,929	9,806,549
Extraordinary Items			
a. Prior Period Items	25	(3,983)	(4,286)
b. Depreciation Reversal on change of accounting policy		-	347,150
Profit Before Tax		10,394,946	10,149,413
Tax Expenses			
1) Current Tax		2,920,000	2,640,000
2) Deferred Tax		236,859	555,184
3) Taxes of Earlier Years		630	1,638
Profit for the year		7,237,457	6,952,591
Earning per Equity Share	22		
Basic & Diluted		0.20	0.20

As per our Report of even date

For and on behalf of the Board

For K C P L & Associates
R.G.N.Swamy
Chairman

Chartered Accountants

Vinod Jatia
Managing Director
Firm No. 119223W
Paras Mal Jain
Prateek Jatia
Director

Partner

M.No. :134160
Kailash Sharma
Company Secretary

Place : Mumbai

Place : Mumbai

 Date : 30th May, 2012

 Date : 30th May, 2012

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED****Consolidated Cash Flow Statement for the Year Ended 31st March, 2012**

Particular	(Amount in ₹)	
	Year Ended 31.03.2012	Year Ended 31.03.2011
(A) Cash Flow from Operating Activities		
Net Profit before Tax and extra-ordinary items	10,398,929	9,806,549
Adjustment for:		
Depreciation	46,241	103,312
Discard of Fixed Assets	-	623,088
Loss on Sale of Motor Car	-	337,680
Loss on Sale of Investments	3,622	-
Preliminary Expenses	-	6,800
Pre-Operative Expenses	-	59,987
Dividend	(450,306)	(579,945)
Assignment of Keyman Insurance Policy	(19,300,000)	(13,000,000)
Provision for diminution in value of Investments	1,514	-
Prior Period Items	(3,983)	(4,286)
Operating Profit Before Working Capital Changes	(9,303,983)	(2,646,815)
Adjustment for :		
Other Current Assets	(1,133)	459
Short Term Loans and Advances	(382,088)	13,280,614
Inventories	-	317,505
Long Term Provisions	(37,808)	-
Other Current Liabilities	8,477,017	48,141,892
Cash Generated from Operations	(1,247,995)	59,093,655
Direct Taxes Paid	(3,057,061)	(2,043,984)
Net Cash from operating activities	(A) (4,305,056)	57,049,671
(B) Cash Flow from Investing Activities		
Purchase / Addition of Fixed Assets	(240,650)	(4,108,402)
Sale of Fixed Assets	-	100,000
Sale of Shares	26,978	-
Addition in Capital WIP	(19,581,638)	(56,733,739)
Assignment of Keyman Insurance Policy	19,300,000	13,000,000
Addition in Service Tax Receivable (Refer Note No.28)	(890,005)	(4,318,319)
Dividend Received	450,306	579,945
Net Cash used in investing activities	(B) (935,009)	(51,480,514)
(C) Cash Flow from Financing Activities	-	-
Net Cash used in Financing Activities	(C) -	-
Net increase (decrease) in Cash & Cash Equivalents	(A)+(B)+(C) (5,240,065)	5,569,157
Cash and Cash Equivalents:		
Opening Balance at the beginning of the year	6,657,681	398,758
Cash and Cash Equivalents acquired on amalgamation	-	689,766
Closing Balance at the end of the year	1,417,616	6,657,681

Note: Figures in brackets represent Cash Outflow

Note:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standards -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India

2 Cash and Cash Equivalents at the end of the year consists of Cash in Hand and Balances with Banks and are net of Short Terms Loans and Advances from Banks as follows

Particulars	As at 31.3.2012
Cash in Hand	152,761
Balances with Banks	1,264,855
	1,417,616

3 The Previous years figures have been regrouped and rearranged where ever necessary in order to confirm to current years presentations.

As per our Report of even date

For and on behalf of the Board

For K C P L & Associates
Chartered Accountants
Firm No. 119223W

R.G.N.Swamy

Chairman

Vinod Jatia

Managing Director

Paras Mal Jain
Partner
M.No. :134160

Prateek Jatia

Director

Kailash Sharma

Company Secretary

Place : Mumbai
Date : 30th May, 2012

Place : Mumbai
Date : 30th May, 2012

Notes to the Consolidated Financial Statements

Note 1 Significant Accounting Policies

Supreme Holdings & Hospitality (India) 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 Statement:

The consolidated financial statements comprise the financial statement of Supreme Holdings & Hospitality (India) 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.

Other Significant Accounting Policies:

These are set out in the Notes to Accounts under the "Note 1" of Supreme Holdings & Hospitality (India) Ltd. & Helmet Traders Ltd.

Note 2 Share Capital

Particulars	31.03.2012	31.03.2011
a) Authorized Share capital 4,00,00,000 number of Equity Shares (Previous Year 1,20,10,000) of ₹ 10 each.	400,000,000	120,100,000
b) Issued, Subscribed & Paid up 3,54,76,853 (Previous Year 87,94,300) Equity Shares of ₹ 10 each (Previous Year ₹ 10 each) fully subscribed and paid up.		87,943,000
Opening Balance	87,943,000	
Issued during the year	266,825,530	
Closing Balance	354,768,530	-
Share Capital Pending Allotment	-	266,825,530
	354,768,530	354,768,530

Notes

(i) Following shareholders are holding more than 5% shares:

a) Jumbo Bright Group Ltd	-	9,005,885
b) Vinod Jatia	-	5,187,200
c) Nita Jatia	-	5,045,950
d) Prateek Jatia	-	4,755,800
e) Vinod Kumar Jatia HUF	-	4,663,600

(ii) Aggregate number of equity shares issued for consideration other than cash during the period of five year immediately preceding the year in which balance sheet Prepared :
Pursuant to amalgamation of Jatia Hotels & Resorts Private Limited and Royalways Trading & Investment Service Private Limited with the company, the company has allotted 2,66,82,553 Equity Share of ₹ 10 Each during the year 2011-12 to the share holders of Jatia Hotels & Resorts Private Limited and Royalways Trading & Investment Services Private Limited.

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED****Notes to the Consolidated Financial Statements**

(Amount in ₹)

Note 3 Reserve and Surplus

Particulars	31.03.2012	31.03.2011
a) Capital Reserves	277,150	277,150
b) <u>Securities Premium Account</u>		
Balance as per last financial statement	331,835,750	87,593,416
Add : Addition on account of Amalgamation	-	570,771,645
Less :Deduction as per Scheme of Amalgamation	-	326,529,310
Closing Balance	331,835,750	331,835,750
c) General Reserve	9,028,595	9,028,595
d) <u>Profit & Loss Account</u>		
Balance as per last Financial Statement	48,639,733	41,804,164
Add : Profit for the year	7,237,457	6,952,591
Less : Debit Balance on account of amalgamation		117,022
Closing Balance	55,877,190	48,639,733
	397,018,685	389,781,228

Note 4 Long term Provisions

Particulars	31.03.2012	31.03.2011
a) Provision for Employee Benefits	169,482	207,290
Total	169,482	207,290

Note 5 Short term Borrowings

Particulars	31.03.2012	31.03.2011
Unsecured Borrowings		
a) Intercompany Deposits from Other Parties	52,075,537	50,000,000
	52,075,537	50,000,000

Note 6 Other Current Liabilities

Particulars	31.03.2012	31.03.2011
a) Unpaid dividend	41,057	41,057
b) Creditors for Capital Goods	7,981,185	1,467,782
c) Other Payable	165,456	280,976
d) Expenses Payable to related parties	9,000	9,000
	8,196,698	1,798,815

Notes

- i) Expenses Payable to Related Parties includes dues to a firm in which directors are partners ₹ 9,000/- (P.Y. ₹ 9,000)

Note 7 Short-Term Provisions

Particulars	31.03.2012	31.03.2011
a) Provision for Taxation	6,855,000	3,935,000
b) Provision for Employee Benefits	3,597	-
	6,858,597	3,935,000

Notes to the Consolidated Financial Statements

(Amount in ₹)

Note 8 Fixed Assets

Description	Gross Block			Depreciation/Amortisation			Net Block	
	As at 01.04.2011	Additions	Deletions	As at 01.04.2012	Up to 31.03.2011 For the Year	Up to 31.03.2012	Total as at 31.03.2012	Total as at 31.03.2011
I. Tangible Assets								
Land	473,618,970	-	-	473,618,970	-	-	473,618,970	473,618,970
Office Equipment	184,115	25,000	-	209,115	23,633	8,911	176,571	160,482
Computers	154,708	139,400	-	294,108	40,994	35,681	217,433	113,714
Motor Cycle	-	48,750	-	48,750	-	1,649	47,101	-
Sub-Total (A)	473,957,793	213,150	-	474,170,943	64,627	46,241	474,060,075	473,893,166
Tangible Assets pertaining to Capital Work in Progress								
Office Equipment	91,900	27,500	-	119,400	5,300	4,494	109,606	86,600
Computers	76,550	-	-	76,550	11,181	12,409	52,960	65,369
Furniture	68,376	-	-	68,376	5,063	4,328	58,985	63,313
Motor Vehicles	1,472,584	-	-	1,472,584	348,876	139,895	983,813	1,123,708
Transformer	1,238,660	-	-	1,238,660	128,281	58,836	1,051,543	1,110,379
Sub-Total (B)	2,948,070	27,500	-	2,975,570	498,701	219,962	2,256,907	2,449,369
Total (I)	476,905,863	240,650	-	477,146,513	563,328	829,531	476,316,982	476,342,535
Previous Year	481,081,700	4,108,402	8,284,239	476,905,863	249,123	314,205	476,342,535	
II. Capital W.I.P.								
Capital Work in Progress	215,492,097	19,801,600	-	235,293,697	-	-	235,293,697	215,492,096
Total (II)	215,492,097	19,801,600	-	235,293,697	-	-	235,293,697	215,492,096
Previous Year	-	215,492,096	-	215,492,096	-	-	215,492,096	
Gross Total (I+II)	692,397,960	20,042,250	-	712,440,210	563,328	829,531	711,610,679	691,834,631
Previous Year	481,081,700	219,600,498	8,284,239	692,397,959	249,123	314,205	691,834,631	

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED****Notes to the Consolidated Financial Statements**

(Amount in ₹)

Note 9 Non Current Investment

Particulars	31.03.2012	31.03.2011
Quoted		
Investment in Equity Instruments		
Nil shares of Andhra Cement Limited (Previous Year : 250) of FV 10 each.	-	8,076
100 shares of Apple Credit Corporation Ltd (Previous Year : 100) of FV 10 each.	3,633	3,633
50 shares of Chokani International Ltd (Previous Year : 50) of FV 10 each.	500	500
200 shares of Chokani Global Express Ltd (Previous Year : 200) of FV 10 each.	2,000	2,000
8,700 shares of Cogent Ventures (I) Ltd (Previous Year : 8,700) of FV 10 each.	52,907	52,907
150 shares of Global Boards Ltd (Previous Year : 150) of FV 10 each.	60,459	60,459
200 shares of Indo Count Fin. & Lease Ltd (Previous Year : 200) of FV 10 each.	1,514	1,514
Nil shares of Link Pharma Chem. Ltd (Previous Year : 3900) of FV 10 each.	-	20,190
200 shares of Mewar Marbles Ltd (Previous Year : 200) of FV 10 each.	2,000	2,000
Nil shares of N.E.P.C. (Previous Year : 635) of FV 10 each.	-	3,810
40 shares of Saurashtra Chemicals Ltd (Previous Year : 40) of FV 10 each.	2,367	2,367
14,730 shares of Washington Software Ltd (Previous Year : 14,730) of FV 10 each.	438,476	438,476
40,915 Shares of Asian Hotels (East) Ltd. (Previous Year: 40,915) of FV 10 each.	5,386,353	5,386,353
40,915 Shares of Asian Hotels (North) Ltd. (Previous Year: 40,915) of FV 10 each.	5,386,354	5,386,354
40,915 Shares of Asian Hotels (West) Ltd. (Previous Year: 40,915) of FV 10 each.	5,386,353	5,386,353
	16,722,916	16,754,992
Less: Provision for diminution in value of Investment	563,856	563,818
	16,159,060	16,191,174
Aggregate Market Value of Quoted Investment	25,371,392	28,909,910

Note 10 Long Term Loans & Advances

Particulars	31.03.2012	31.03.2011
Unsecured, considered good		
a) Capital Advances	61,940,000	61,940,000
b) Security Deposits	1,031,000	1,031,000
c) Cenvat Credit Receivable (Refer Note No. 28)	15,308,860	14,418,855
d) Vat Receivable	25,000	25,000
	78,304,860	77,414,855

Notes to the Consolidated Financial Statements

(Amount in ₹)

Note 11 Net Deferred Tax Assets

Particulars	31.03.2012	31.03.2011
a) Fixed Assets	467,118	562,033
b) Amalgamation Expenses	708,367	222,648
c) Employee Benefits Expenses	53,482	64,052
d) Finance Lease Income	3,496,859	4,113,952
	4,725,826	4,962,685

Note 12 Cash and Cash Equivalent

Particulars	31.03.2012	31.03.2011
a) Balance with banks		
- Currents Account Balances	1,223,797	6,053,159
- Unpaid Dividend	41,058	41,057
b) Cash on Hand	152,761	529,111
c) Foreign Currency in Hand	-	34,354
	1,417,616	6,657,681

Note 13 Short Term Loans and Advances

Particulars	31.03.2012	31.03.2011
Unsecured, considered good		
a) Advance Income Tax	6,403,873	3,347,442
b) Staff Advances	98,000	20,000
c) Excess TDS Paid Refundable	316,986	-
d) Others	39,995	52,893
	6,858,854	3,420,335

Note 14 Other Current Assets

Particulars	31.03.2012	31.03.2011
a) Prepaid Expenses	10,634	9,501
	10,634	9,501

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED****Notes to the Consolidated Financial Statements**

(Amount in ₹)

Note 15 Revenue from Operations

Particulars	31.03.2012	31.03.2011
Sale of Products	-	499,300
	-	499,300

Note 16 Other Income

Particulars	31.03.2012	31.03.2011
Interest on Others	37,777	93,011
Dividend Income	450,306	579,945
Exchange Rate Fluctuation	3,558	(377)
Assignment of Keyman Insurance Policy	19,300,000	13,000,000
Sundry Balances Written Back	-	585,130
	19,791,641	14,257,709

Note 17 Increase / (Decrease) in Stock

Particulars	31.03.2012	31.03.2011
Opening Stocks	-	317,505
Less: Closing Stocks	-	-
	-	317,505

Note 18 Personnel Expenses

Particulars	31.03.2012	31.03.2011
Salaries and Wages	2,448,988	276,227
Leave Encashment	(54,038)	81,231
Gratuity	19,827	126,059
Staff Recruitment expenses	-	82,692
	2,414,777	566,209

Note 19 Administrative and Other Expenses

Particulars	31.03.2012	31.03.2011
Amalgamation Expenses	3,090,733	900,678
Travelling & Conveyance	2,135,436	11,784
Legal & Professional Charges	605,162	217,407
Insurance	309,633	1,454,768
Communication Expenses	185,305	15,416
Advertisement	189,786	47,645
Depository Charges	105,016	83,941
Printing & Stationery	84,773	30,438
Audit Fees	84,270	79,635
Rates and Taxes	43,500	41,000
Miscellaneous Expenses	31,934	3,477
Directors Sitting Fees	23,000	20,000
Office Expenses	29,505	26,280
Loss on Sale of Investments	3,622	-
Bank Charges	8,506	8,554
Provision for diminution in value of Investments	1,514	-
Fixed Assets Written Off	-	623,088
Loss on Sale of Assets	-	337,680
Pre Operative Expenses	-	61,643
	6,931,694	3,963,434

Notes to the Consolidated Financial Statements

(Amount in ₹)

Note 20 Payment to Statutory Auditors

Particulars	31.03.2012	31.03.2011
a) Audit Fees	84,270	79,635
	84,270	79,635

Note 21 Contingent Liabilities and Commitments (to the extent not provided for)

i) Estimated amount of contracts remaining to be executed		
Particulars	31.03.2012	31.03.2011
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided	980,323,995	991,007,000
	980,323,995	991,007,000

- ii) The Company has mortgaged its part Land at Panvel of ₹ 218.42 Lacs to a Bank towards the Credit Facilities sanctioned to Associate Concern.

Note 22 Earning Per Share

Particulars	31.03.2012	31.03.2011
Weighted average number of equity shares of ₹ 10/- each		
Number of shares at the beginning of the year	35,476,853	35,476,853
Number of shares at the end of the year	35,476,853	35,476,853
Weighted average number of Eq Shares outstanding during the year	35,476,853	35,476,853
Net Profit after tax available for equity shareholders	7,237,457	6,952,591
Basic and diluted earning per share	0.20	0.20

Note 23 Expenditure in Foreign Currency

Particulars	31.03.2012	31.03.2011
Travelling Expenses	37,912	80,079
	37,912	80,079

Note 24

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

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED****Notes to the Consolidated Financial Statements**

(Amount in ₹)

Note 25 Prior Period Items

Particulars	31.03.2012	31.03.2011
Depository Charges	3,309	4,286
Legal & Professional Charges	10,000	-
Communication Cost	(10,826)	-
Motor Vehicle Expenses	1,500	-
	3,983	4,286

Note 26

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

Note 27

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 provision for all known liabilities are adequate.

Note 28

Cenvat Credit Receivable of ₹ 1,53,08,860/- includes ₹ 1,37,28,580/- which is not eligible for Cenvat Credit in terms of "Cenvat Credit (Amendment) Rules 2011". However, the management believes such taxes would be available as Cenvat Credit in the future and therefore the entire amount is shown as Cenvat Credit Receivable.

Note 29 Related Party Disclosures

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

A. Key Management Personnel

- 1 Vinod Kumar Jatia
- 2 Prateek Jatia
- 3 Rurapattana Gunduramiah Narayana Swamy

B Entities Controlled by Key Management Personnel or their relatives

- 4 Subhakaran & Sons
- 5 Dilshad Trading Co Pvt Ltd
- 6 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	
	C.Y.	P.Y.	C.Y.	P.Y.
Loans Taken	-	-	7,240,000	5,907,922
Repayment Made	-	-	7,240,000	5,907,922
Assignment of Keyman Policy	19,300,000	13,000,000	-	-
Receipt of Proceeds on assignment	19,300,000	13,000,000	-	-
Dividend Income			102,288	286,405
Rent			36,000	36,000
Loan Given			2,780,000	127,469,196
Loan Recovered	-	-	2,780,000	140,565,235
Interest Paid	-	-	159,580	-
Outstanding as at year end				
Rent Payable	-	-	9,000	9,000
Investment	-	-	5,386,354	5,386,354

Notes to the Consolidated Financial Statements

Note 30

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

Note 31

During the year, the company has provided ₹ 19,827/- (P.Y. ₹ 1,26,059/-) as gratuity as per Accounting Standard 15 Employees Benefits issued by ICAI, taking into consideration following assumptions:-

Particulars	Assumptions
Discount Rate	8.50%
Mortality	LIC (1994-96)
Future Salary Increase	5%
Attrition	2%
Retirement	60
Actuarial assumption may vary in light of economic conditions.	

Further ₹ 54,038/- (P.Y. ₹ 81,231/- provided) has been reversed for leave encashment during the year.

As per our Report of even date

For and on behalf of the Board

For K C P L & Associates

R.G.N.Swamy

Chairman

Chartered Accountants

Firm No. 119223W

Vinod Jatia

Managing Director

Paras Mal Jain

Prateek Jatia

Director

Partner

M.No. :134160

Kailash Sharma

Company Secretary

Place : Mumbai
Date : 30th May, 2012

Place : Mumbai
Date : 30th May, 2012

Summary of Financial Information of Helmet Traders Ltd as on 31st March,2012

Particulars	₹ in Lacs
Capital	14.92
Reserves	61.34
Total Assets	161.84
Total Liabilities	161.84
Investments	161.59
Turnover / Total Income	4.50
Profit Before Taxation	4.35
Provision for Taxation	-
Profit After Taxation	4.35
Proposed Dividend	-

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**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED**

(FORMERLY KNOWN AS 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 & HOSPITALITY (INDIA) LIMITED, hereby appoint _____

of _____

or failing him _____

_____ of _____ as

my/our Proxy to vote for me/us and on my/our behalf at the 30th Annual General Meeting of the said Company to be held at M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001, on Tuesday, 18th September, 2012 at 3.30 p.m. or at any adjournment thereof.

Signed this _____ day of _____ 2012.

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.

----- TEARHERE -----

**SUPREME HOLDINGS & HOSPITALITY (INDIA) LIMITED**

(FORMERLY KNOWN AS SUPREME HOLDINGS LIMITED)

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

ATTENDANCE SLIPI hereby record my presence at the 30th ANNUAL GENERAL MEETING of the Company to be held at M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001, on Tuesday, 18th September, 2012 at 3.30 p.m.Full name of the Shareholder / Proxy
(in block letters) _____

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

Client ID★ _____

Signature of Shareholder/ Proxy

★ Applicable for members holding shares in Electronic Form.

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30th
ANNUAL REPORT
2011 - 2012



**SUPREME HOLDINGS &
HOSPITALITY (INDIA) LIMITED**
(FORMERLY KNOWN AS SUPREME HOLDINGS LIMITED)

