

**SUPREME COMMERCIAL ENTERPRISES LIMITED**

Regd. Office: Regd. Office- 394, Hauz Qazi, First Floor, Delhi-110006  
CIN-L51909DL1983PLC016724, PH. NO. 9350150766,  
E-mail ID-supremecommercial@gmail.com

**Notes forming part of Consolidated Financial Statements**

**Basis of Consolidation and Significant Accounting Policies**

(I)

**Basis of consolidation:**

The consolidated financial statements relates to Supreme Commercial Enterprises Limited (the Company) and its associates. The Company and its associates constitute the Group.

(a)

**Basis of preparation**

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable.

(b)

**Use of estimates**

The preparation of financial statements requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

(c)

**Principles of consolidation:**

The consolidated financial statements have been prepared on the following basis:

i.

The financial statements of the associates used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2016.

ii.

The consolidated financial statements include the share of profit / loss of the associate companies which has been accounted as per the 'Equity method', and accordingly, the share of profit / loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor.

iv.

The excess of cost to the Company of its investments in associates over its share of equity of the associates, at the dates on which the investments in the associates are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the associates as on the date of investment is in excess of cost of investment of the Company, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

For Neeti & Associates  
Chartered Accountants

Place: New Delhi  
Date: 27.08.2016



*Neeti Mittal*  
(Neeti Mittal)  
Director  
Membership No.-502626

Supreme Commercial Enterprises Limited

(Sita Ram Gupta)  
DIRECTOR  
DIN-00053970

(Rekha Gupta)  
DIRECTOR  
DIN-00054073

Director

*Sakshi Gupta*  
(Sakshi Gupta)  
Company Secretary  
ACS-033279

*Avantika Gupta*  
(Avantika Gupta)  
CFO