

ANNUAL REPORT

2000 - 2001



ENTERPRISE INTERNATIONAL LTD.

BOARD OF DIRECTORS

Mr. GOPAL DAS SARDA (Chairman)

Mr. BIJOY KUMAR SARDA

Mr. BIMAN CHATTERJEE

Company Secretary :

Mr. JAMUNA PRASAD

AUDITORS :

M/S. K. M. TAPURIAH & CO.

Chartered Accountants

BANKERS :

BANK OF INDIA

STATE BANK OF INDIA

CITI BANK NA

REGISTERED OFFICE :

"SARDA HOUSE"

61, Jatindra Mohan Avenue,

Kolkata - 700 005

CORPORATE OFFICE :

"Amar Sudha Building"

3rd Floor

5A/1A, Lord Sinha Road,

Kolkata - 700 071

ENTERPRISE INTERNATIONAL LIMITED

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 12th Annual General Meeting of the Company will be held at BIRLA PLANETARIUM HALL, M. P. BIRLA PLANETARIUM, 96, JAWAHARLAL NEHRU ROAD, KOLKATA - 700 071 on Wednesday, the 26th day of September, 2001 at 10.00 A.M. to transact the following business :

- 1) To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2001, and the Director's Report and Auditor's Report thereon.
- 2) To appoint a Director in place of Sri Gopal Das Sarda who retires by rotation and being eligible offer himself for re-appointment.
- 3) To appoint Auditors and to fix their remuneration.

Regd. Office :
61, Jatindra Mohan Avenue,
Kolkata - 700 005

Date : 31st May, 2001

By Order of the Board
For **ENTERPRISE INTERNATIONAL LIMITED**

G. D. SARDA
Chairman

Notes :

- 1) A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself/herself and the Proxy need not to be a member of the Company. The Proxy in order to be effective must be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The Register of Members and Share Transfer Register will remain closed from Monday, the 10th September, 2001 to Wednesday, the 26th September, 2001 (Both days inclusive) in connection with the 12th Annual General Meeting.
- 3) Members are requested to intimate to the Company queries, if any, regarding these Accounts at least 7 (Seven) days before the meeting to enable the Management to keep the information ready at the Meeting.
- 4) Members are requested to bring the attendance slips alongwith copies of Annual Report to the Meeting.

ENTERPRISE INTERNATIONAL LIMITED**DIRECTORS' REPORT TO THE MEMBERS :-**

Your Directors have pleasure in presenting herewith their 12th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2001.

	Year ended 31.03.2001	(Rupees in Lacs) Year ended 31.03.2000
1. FINANCIAL RESULTS		
Total Income	1748.89	1427.68
Profit before Interest		
Depreciation & Tax	7.66	4.08
Less : Interest	1.46	0.98
Profit before Depreciation & Tax	6.20	3.10
Less : Depreciation	4.45	2.14
Profit before Tax	1.75	0.96
Less : Provision for Tax	0.45	0.10
Profit after Tax	1.30	0.86
Add : Surplus brought forward	123.86	123.00
Surplus carried to Balance Sheet	125.16	123.86

2. OPERATIONS :

Turnover during the year increased by 22.5% to Rs. 1748.89 lacs. Despite stiff competition in Raw Silk market the domestic sales has shown considerable increase. Commensurate to the increase in turnover profit before interest, depreciation and tax has also increased by 87.7%. The out look for current year is encouraging.

3. DIVIDEND :

Your Directors do not recommend dividend due to marginal profits.

4. DIRECTORS :

Sri Gopal Das Sarda retire from the Board of Directors by rotation in accordance with the Provisions of Articles of Association of the Company and being eligible offer himself for re-appointment.

5. AUDITORS :

M/s K M Tapuriah & Co., Chartered Accountants, Auditor of the Company retires at the ensuring Annual General Meeting and being eligible offers themselves for re-appointment.

6. PERSONNEL :

The Board continued to have cordial relations with its employees and wishes to express its deep appreciation to them for extending their full co-operation.

Information as per Sub-Section (2-A) of Section 217 of the companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company.

ENTERPRISE INTERNATIONAL LIMITED**7. AUDITORS REPORT :**

The Directors are of the view that the notes appended to the Accounts and referred to by the Auditors in their report are self explanatory and need no further elucidation.

8. STATUTORY INFORMATION :

The Company has no activities requiring disclosures relating to conservation of Energy etc. The Technology is indigenous based on hand process. During the year under review the earnings in Foreign Currency was Rs. 17.15 Lacs and the Expenditure in Foreign Currency was Rs. 1046.71 Lacs.

9. CORPORATE GOVERNANCE :

Prusuant to the Provisions of Sub-Section (2AA) of Section 217 of the Companies Act, 1956, your Directors confirm :

- i) that in the preparation of the Annual Accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are 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 as on 31st March, 2001 and of the profit of the Company for the period;
- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) that the Directors had prepared the annual accounts on a going concern basis.

10. SUBSIDIARY COMPANY

As required under Section 212 of the Companies Act, 1956 the Audited Balance sheet and Profit & Loss Account alongwith the Directors Report for the year ended on 31st March, 2001 of ENTERPRISE FINANCE LIMITED, the wholly owned subsidiary of the Company, are annexed hereto.

Place : Kolkata

For and on behalf of the Board

GOPAL DAS SARDA

Date : 31st May, 2001

Chairman

Information required to be furnished under the listing Agreement.

The names and addresses of the Stock Exchanges where Company's Share are listed.

1. The Calcutta Stock Exchange Association Ltd.
7, Lyons Range,
Kolkata - 700 001
2. The Stock Exchange, Mumbai,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

The Listing Fees for the year 2000-2001 has been paid on time to all the Stock Exchanges.

ENTERPRISE INTERNATIONAL LIMITED**AUDITOR'S REPORT****TO THE MEMBERS OF ENTERPRISE INTERNATIONAL LIMITED**

We have audited the attached Balance Sheet of ENTERPRISE INTERNATIONAL LIMITED as at 31st March 2001 and the annexed Profit & Loss Account for the year ended on that date which are in agreement with the books of Accounts.

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 and on the basis of such checks of the books and records of the Company as we considered appropriate and the information and explanations given to us during the course of audit, we report that in our opinion :
 - (i) (a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the year at reasonable intervals. To the best of our knowledge, no serious discrepancies have been noticed on verification.
 - (ii) The Fixed Assets of the Company have not been revalued during the year.
 - (iii) The Stock of finished goods, stores, spare parts and raw materials of the Company have been physically verified by the management at reasonable interval.
 - (iv) The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (v) The discrepancies noticed on verification between the physical stocks and book records are not material and have been properly dealt with in the books of accounts.
 - (vi) On the basis of our examination of the valuation of stocks, we are of the opinion that such valuation is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
 - (vii) The Company has not taken any loans secured or unsecured, from Companies, firms or other parties as listed in Register maintained under Section 301 of the Companies Act, 1956 or from the Companies under the same management as defined under Section 370 (1-B) of the Companies Act, 1956.
 - (viii) The Company has not granted any loan, secured or unsecured to firms and other parties listed in the Register maintained under Section 301 of the Companies Act, 1956 or to the Companies under the same management as defined under Section 370 (1-B) of the Companies Act, 1956, except interest free loan to its subsidiary. In our opinion, having regard to the involvement with subsidiary Company and considering the explanations given to us in this regard, the terms and conditions of the above are not prima facie, prejudicial to the interest of the Company.
 - (ix) The Parties including employees to whom loans or advances in the nature of loans have been given by the Company, where applicable, are generally repaying the principal amounts as stipulated and are also regular in the payment of interest.
 - (x) There are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of stores, raw materials including components, plant and machinery, equipments and other assets and for the sale of goods.
 - (xi) The Company has a regular procedure for the determination of unserviceable or damaged stores, raw materials, trading goods and finished goods and necessary adjustments for the loss arising on the items so determined have been made in the accounts.

ENTERPRISE INTERNATIONAL LIMITED

- (xii) The Company has not accepted any Public Deposit.
- (xiii) Reasonable records have been maintained by the Company for the sale and disposal of significant realisable scraps.
- (xiv) The Company has an internal audit system commensurate with the size and nature of its business.
- (xv) Maintenance of cost records under Section 209 (l) (d) of the Companies Act, 1956 is not applicable to the Company.
- (xvi) There are no undisputed amounts payable in respect of income tax, wealth tax, sales tax, excise duty and customs duty as at 31st March 2001 which are outstanding for a period of more than six months from the date they become payable.
- (xvii) During the course of our examination of the books of accounts, we have not come across any personal expenses which have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
- (xviii) The Company is not a sick industrial company within the meaning of clause (O) sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.
- (xix) The Company is maintaining proper records in respect of dealing and trading in shares and debentures. Timely entries have been made therein for transactions and contracts entered in to by the Company. The shares and debentures have been held by the Company in its own name.
- (xx) The other provisions of the Manufacturing and other Companies (Auditor's Report) Order, 1988 are not applicable to the Company.

2. Further to the above we report that :

- (i) 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.
- (ii) In our opinion proper books of accounts have been kept by the Company as required by law so far as appears from our examination of those books.
- (iii) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the requirements of Accounting Standards reported in sub-section (3C) of Section 211 of the Companies Act, 1956.
- (iv) On the basis of the written representations received from the Directors and taken on record by the Board of Directors. We report that none of the Directors is disqualified as at 31.03.2001 from being appointed as a Director in terms of section 274(l)(g) of the Companies Act, 1956.
- (v) In our opinion and to the best of our information and according to the explanations given to us the said accounts read in conjunction with schedules, notes on accounts give the information required by the Companies Act, 1956, in the manner so required and the Balance Sheet gives a true and fair view of the state of the Company's affairs as at 31st March 2001 and the Profit & Loss Account gives a true and fair view of the Profit for the year ended on that date.

For **K. M. TAPURIAH & CO**
Chartered Accountants

Place : Kolkata
Date : 31st May, 2001

M. S. TAPURIAH
Proprietor

ENTERPRISE INTERNATIONAL LIMITED**BALANCE SHEET AS AT 31ST MARCH, 2001**

		(Amount in Rupee)	
I. SOURCES OF FUNDS	Sch. No.	As at 31.03.2001	As at 31.03.2000
1. Shareholder's Funds			
a) Capital	A	29942250	29942250
b) Reserves & Surplus	B	35558512	35439863
2. Loan Funds			
a) Unsecured Loan	C	165165	3074083
Total :		<u>65665927</u>	<u>68456196</u>
II. APPLICATION OF FUNDS :			
1. Fixed Assets	D		
a) Gross Block		4659368	1996815
b) Less : Depreciation		<u>1242881</u>	<u>1109560</u>
c) Net Block		3416487	887255
2. Investments	E	1273800	1774300
3. Current Assets, Loans & Advances	F		
a) Inventories		8831642	15815432
b) Bills Receivable		1711200	—
c) Sundry Debtors		936099	—
d) Cash & Bank Balances		5643694	9111305
e) Loans & Advances		46396887	40740569
		<u>63519522</u>	<u>65667306</u>
Less : Current Liabilities & Provisions	G		
a) Liabilities		3473738	1164291
b) Provisions		<u>54321</u>	<u>20610</u>
		<u>3528059</u>	<u>1184901</u>
Net Current Assets		59991463	64482405
4. Miscellaneous Expenditure	H	984177	1312236
(To the extent not written off or adjusted)			
Total :	L	<u>65665927</u>	<u>68456196</u>

NOTES ON ACCOUNTS

As per our attached report of even date

For **K. M. TAPURIAH & CO.**
Chartered Accountants**(M. S. TAPURIAH)**
Proprietor

Kolkata, the 31st May, 2001

G. D. SARDA
B. K. SARDA
B. CHATTERJEE
Directors**JAMUNA PRASAD**
Secretary

ENTERPRISE INTERNATIONAL LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001**

		(Amount in Rupee)	
INCOME	Sch. No.	Year ended 31.03.2001	Year ended 31.03.2000
Sales		168191845	137796235
Duty Draw Back		98023	116752
Other Income	I	6599059	4855566
Stock in trade		8831642	15815432
		<u>183720569</u>	<u>158583985</u>
EXPENDITURE			
Opening Stock		15815432	8345463
Purchase		125630705	138923257
Manufacturing & Other Exp.	J	36961826	7649460
Administrative & Selling Exp.	K	4287449	3244338
Loss on Sale of Investment		245205	—
Loss on Sale of Fixed Assets		1078	—
Interest		146032	98024
Depreciation		444907	214348
Auditors Remuneration		13000	13000
		<u>183545634</u>	<u>158487890</u>
PROFIT/ (LOSS) BEFORE TAX		174935	96095
Less : Provision for Tax		<u>44711</u>	<u>9610</u>
PROFIT/ (LOSS) AFTER TAX		130224	86485
Adjustment relating to earlier year Taxation		(11575)	—
Balance b/f		<u>12386113</u>	<u>12299628</u>
PROFIT AVAILABLE FOR APPROPRIATION		12504762	12386113
Appropriation :			
Transfer to General Reserve		<u> </u>	<u> </u>
Balance carried Forward		<u>12504762</u>	<u>12386113</u>
NOTES ON ACCOUNTS	L	<u> </u>	<u> </u>

As per our attached report of even date

For **K. M. TAPURIAH & CO.**
Chartered Accountants**(M. S. TAPURIAH)**
Proprietor

Kolkata, the 31st May, 2001

G. D. SARDA
B. K. SARDA
B. CHATTERJEE
Directors**JAMUNA PRASAD**
Secretary

ENTERPRISE INTERNATIONAL LIMITED**SCHEDULES REFERRED TO AND FORMING PART OF THE ACCOUNTS.**

	As at 31.03.2001	(Amount in Rupee) As at 31.03.2000
SCHEDULE - "A"		
SHARE CAPITAL		
Authorised :		
35,00,000 Equity Shares of Rs. 10/- each	<u>3,50,00,000</u>	<u>3,50,00,000</u>
Issued, Subscribed & Paid up		
30,00,000 (P. Y 30,00,000) Equity Shares of Rs. 10/- each	3,00,00,000	3,00,00,000
(Out of above Equity Shares 17,28,125 Shares allotted as fully paid up Bonus Shares by Capitalisation of Profits/Reserves.)		
Less : Calls in arrears (Due from others)	57,750	57,750
	<u>2,99,42,250</u>	<u>2,99,42,250</u>
SCHEDULE - "B"		
RESERVES & SURPLUS		
General Reserve		
As per last a/c	2650000	2650000
Add : Transfer from P & L a/c	<u>—</u>	<u>—</u>
	2650000	2650000
Share Premium Account		
On Equity issue	2,05,00,000	2,05,00,000
Less : Calls in arrears	<u>96250</u>	<u>96250</u>
	20403750	20403750
Profit & Loss Account	12504762	12386113
	<u>35558512</u>	<u>35439863</u>
SCHEDULE - "C"		
Unsecured Loan		
From Body Corporate including interest accrued and due	<u>1,65,165</u>	<u>30,74,083</u>