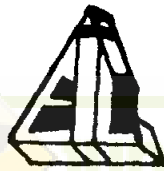



ANNUAL REPORT
2001 - 2002



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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

ICICI BANK

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 13th 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 Friday, the 27th day of September, 2002 at 10.00 A.M. to transact the following business:

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2002 and the Profit and Loss Account for the financial year ended 31st March, 2002 together with the Director's Report and Auditor's Report thereon.
- 2) To appoint a Director in place of Sri Bijoy Kumar Sarda who retires by rotation and being eligible offer himself for re-appointment.
- 3) To appoint Auditors to hold Office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

- 4) To consider and if thought fit to pass with or without modification the following resolution as special resolution:

"Resolved that pursuant to Section 31 of the Companies Act, 1956, the Articles of Association of the Company be altered in the following manner:

After the existing Article 48 the following new Article together with the marginal note thereto be inserted under the caption "DEMATERIALISATION/REMATERIALISATION".

Dematerialisation
of Securities

48A.

The provision of this Article shall apply notwithstanding in any other Article of these Articles.

Definitions

48B.

- i) For the purpose of this Article: 'Beneficial Owner' means a person whose name is recorded as such with a depository.

'SEBI' means the Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.

'Depository' means a Company which has been granted a Certificate of Registration Act as a depository under the Securities & Exchange Board of India Act, 1992 and wherein the Securities of the Company are dealt with in accordance with the provisions in the Depositories Act, 1996.

'Security' means such security as may be specified by "SEBI" from time to time.

Dematerialisation of
Securities

ii)

Notwithstanding anything contained in these Articles the Company shall be entitled to dematerialise its securities

ENTERPRISE INTERNATIONAL LIMITED

		and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.
Option for Investors	iii)	<p>Every holder of or subscribers to securities of the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is beneficial owner of the securities can at any time may opt out of depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for securities.</p> <p>If a person opts to hold the Security with a depository, the Company shall intimate such depository the details of a allotment of security.</p>
Securities on depositories to be in fungible form	iv)	<p>All securities of the Company held by a depository shall be dematerialized and be in fungible form.</p> <p>Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a depository in respect of the securities of the company held by it on behalf of the beneficial owners.</p>
Rights of depositories and beneficial owners	v)	<p>a) Notwithstanding anything to the contrary contained in the Act a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security of the Company on behalf of the beneficial owner.</p> <p>b) Save as otherwise as provided in (a) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the securities held by it.</p> <p>c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.</p>
Service of documents	vi)	<p>Notwithstanding anything contained in the Act to the Contrary, where securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or disk.</p>

ENTERPRISE INTERNATIONAL LIMITED

Transfer or securities	vii)	Nothing contained in section 108 of the Act shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
Allotment of securities dealt with in a Depository	viii)	Notwithstanding anything in the act, where securities are dealt by a depository, the Company shall intimate the details thereof to the depository immediately on an allotment of such securities.
Distinctive numbers of securities held in a depository	ix)	Nothing contained in the Act regarding the necessity of securities issued by the Company shall apply to Securities held with a depository.
Register and Index of beneficial owners	x)	The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.
Nomination	48C.	Notwithstanding anything contained in these articles, every holder of shares or debentures of the Company may, at any time, nominate, in the prescribed manner, a person to whom these shares or debentures shall vest in the event of his death and the provisions of Section 109A and 109B of the Act shall apply in respect of such nomination.

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

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

Date : 31st May, 2002

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.
- 2) Proxies in order to be effective should be completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.

ENTERPRISE INTERNATIONAL LIMITED

- 3) The Register of Members and Share Transfer Books shall remain closed from Monday, the 16th September, 2002 to Monday, the 30th September, 2002 (Both days inclusive) in connection with the 13th Annual General Meeting.
- 4) Members desirous of obtaining any information concerning the Accounts and operations of the Company are requested to send their queries to the Company at least 7 (Seven) days before the date of the meeting so that the required information can be made available at the Meeting.
- 5) Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the Meeting hall.
- 6) Members are requested to note regarding dividend for 1995-96 that pursuant to the provisions of section 205 C of the Companies Act, 1956, the dividend remaining unclaimed/unpaid for a period of seven years from the date they became due for payment shall be credited to the Investors Education and Protection Fund, set up by the Central Government. Members who have so far not claimed the dividend are requested to make claim with the Company as no claim shall be against the Fund or the Company in respect of individual amount once credited to the said Fund.

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

ITEM NO. 4

Consequent to the introduction of the Depositories Act, 1996 and the depository System, the Securities and Exchange Board of India notified that shares of the Companies as may be specified shall be dealt with only in electronic form. The Company proposes to approach the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in the matter and request them to take necessary steps to conduct the securities of the Company in depository system, to offer the benefits of scrip less trading to the members, certain provisions of the Company's Articles of Association pertaining to issue, holding, transfer and transmission and dealing in shares and other securities as also Certificates thereof which are framed on the basis of the relevant provisions of the Companies Act, 1956, need to be suitably altered.

Further, by the Companies (Amendment) Act, 1999, the holders of securities of the Company have been given option to nominate persons to whom the rights of the security holders of the Company will vest in the event of their death. It would be beneficial if such a nomination clause is included in the Articles of Association of the Company.

It is, therefore proposed alter the Company's Article of Association, as set out in the resolution of the notice convening this meeting, to reflect the provisions of the Depositories Act, 1996 and also to make provisions for exercise of option by the holders of the securities of the Company to appoint nominees under sections 109A and 109B of the Act as amended with effect from 31st October, 1998.

The Board recommends the passing of this Special Resolution.

None of the Directors is interested/concerned in the resolution except the extent of their shareholding's.

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

Your Directors have pleasure in presenting herewith the Thirteenth Annual Report togetherwith the Audited Accounts of the Company for the Financial Year ended on 31st March, 2002.

1. FINANCIAL RESULTS

The summerised Financial Results for the year are as under :

	Year ended 31.03.2002	(Rupees in Lacs) Year ended 31.03.2001
Total Income	2004.94	1748.89
Profit before Interest		
Depreciation & Tax	3.88	7.66
Less : Interest	0.007	1.46
Profit before Depreciation & Tax	3.87	6.20
Less : Depreciation	5.79	4.45
Profit / (Loss) before Tax	(1.91)	1.75
Less : Provision for Tax	—	0.45
Profit / (Loss) after Tax	(1.91)	1.30
Add : Surplus brought forward	125.04	123.86
Adjustment from earlier taxation	—	0.12
Surplus carried to Balance Sheet	123.13	125.04

2. OPERATIONS :

Despite increase in turnover in domestic market the revenue account has posted a loss of Rs. 1.91 lacs as through out the year the prices of Raw Silk continued under pressure. There has been slight improvement during current period.

3. DIVIDEND :

In view of the loss your Directors do not recommend any dividend on the equity shares.

4. DIRECTORS :

Sri Bijoy Kumar Sarda retire from the Board of Directors by rotation in accordance with the provisions of Articles of Association of the Company and being eligible offers himself for re-appointment.

5. AUDITORS :

M/s K. M. TAPURIAH & CO., Chartered Accountants, Kolkata, the Auditors of the Company hold Office until the conclusion of the ensuing Annual General Meeting. The Company has received a letter from them to the effect that their appointment, if made, by the Company for the year 2002-2003 will be within the limit prescribed under Section 224 (1-B) of the Companies Act, 1956. The Board of Directors commends their re-appointment.

6. PERSONNEL :

Excellent relations were maintained throughout the year. The Directors place on record its appreciation of the continuous efforts put in by all the Employees to consolidate and improve the operations of your company.

ENTERPRISE INTERNATIONAL LIMITED

Particulars of Employees as per Section 217 (2-A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not furnished as there was no employee in receipt of remuneration exceeding the limits fixed under the said provisions of the Act.

7. AUDITORS REPORT :

The notes to the Accounts referred to in the Auditors' Report are self explanatory and, therefore, do not call for any further comment under Section 217 (3) of the Companies Act.

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. 17.96 Lacs and the Expenditure in Foreign Currency was Rs. 1350.62 Lacs.

9. CORPORATE GOVERNANCE :

Prusuant to the Provisions of Sub-Section (2-AA) 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 affairs of the Company at the end of the Financial Year as on 31st March, 2002 and of the profit / (Loss) 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 safeguarding 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, 2002 of ENTERPRISE FINANCE LIMITED, the wholly owned subsidiary of the Company, are annexed hereto.

Place : Kolkata

Date : 31st May, 2002

For and on behalf of the Board

GOPAL DAS SARDA

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 2001-2002 has been paid on time to all the Stock Exchanges.

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

1. We have audited the attached Balance Sheet of ENTERPRISE INTERNATIONAL LIMITED as at 31st March 2002 and the relative Profit & Loss Account for the year ended on that date, both of which we have signed under reference to this report. 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.
2. We have 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 material 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 Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of section 227 (4A) of The Companies Act, 1956 of India (the Act) and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report have been prepared in compliance with the applicable accounting standards referred to in section 211 (3C) of the Act;
 - (e) On the basis of written representations received from the directors, as on 31st March, 2002, and taken on record by the Board of Directors of the Company, none of the directors is disqualified as on 31st March, 2002 from being appointed as a director in terms of clause (g) of sub-section (1) of 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 Balance Sheet and Profit and Loss Account together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act, and also give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2002; and
 - (ii) in the case of the Profit and Loss Account, of the Loss for the year ended on that date.

ENTERPRISE INTERNATIONAL LIMITED**Annexure to the Auditor's Report**

(Referred to in paragraph 3 of our Report of even date)

- (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 preceeding 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 same.