

STERLING GROUP

Report and Accounts 1999

Report  junction.com

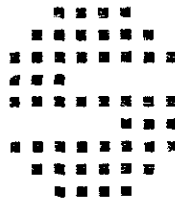


Sterling Enterprises Limited

Report  junction.com

CONTENTS

BOARD OF DIRECTORS	1
FROM THE CHAIRMAN	2
NOTICE CALLING THE MEETING	3
DIRECTORS REPORT	4
AUDITORS' REPORT	6
BALANCE-SHEET	8
PROFIT & LOSS ACCOUNT	7
SCHEDULES FORMING PART OF THE ACCOUNTS	10
BALANCE SHEET ABSTRACT	21



STERLING GROUP

STERLING ENTERPRISES LIMITED

ANNUAL REPORT & ACCOUNTS 1999

BOARD OF DIRECTORS	:	B. Kumar Chairman
	:	S. S. Ringwala Managing Director
	:	Kusum B. Kumar Whole Time Director
	:	Meeta Mathur Whole Time Director
	:	M. N. Khericha Director
	:	Ashwin Lalbhai Shah Director
	:	Umesh Lavingia Director
	:	OM Kumar Director
	:	Kunal Mathur Director
LEGAL ADVISER	:	Ashwin Lalbhai Shah

AUDITORS	:	M/s Dinesh M. Mehta & Co.
	:	Vijay Complex, Vasna,
	:	Ahmedabad.

BANKERS	:	The Ahmedabad Peoples Co-op. Bank Ltd.
	:	The Visnagar Nagrik Sahakari Bank Ltd.
	:	Bank of Maharashtra
	:	Global Trust Bank Ltd.
	:	Bank of India

REGISTERED OFFICE	:	STERLING ENTERPRISES LIMITED
	:	Sunrise Center, Opp. Drive-in Cinema,
	:	Ahmedabad - 380 054.


STERLING ENTERPRISES LTD.

STERLING GROUP

FROM THE CHAIRMAN

Dear Shareholders,

During the year 98-99 the industrial scene of the country in general witnessed a further downtrend and particularly the real estate sector was severely hit with extremely poor demand despite lowering of prices. Your company also was severely affected by the above scenario and its real estate sales fell by 38% over the last year's figure.

In fact, it would be difficult to venture any positive forecast for real estate even for the next year as the scene in Ahmedabad is not showing any sign of recovery despite a boom in the Stock Market and slight improvements in the real estate noticed in larger cities like Bombay, Delhi etc.

COST REDUCTION

The energetic steps taken by the company towards reduction of cost in overheads have yielded good results. Moreover, the company stepped up its efforts in obtaining various pending revenue permissions and completed the various pending documentation.

The above measures are expected to be reflected further in the coming year.

GREENWOODS LAKE RESORT

The Resort performance was satisfactory which recorded a higher turnover of 24% over the previous year despite a general downturn in occupancy/profitability in the hotel industry all over the country.

During the year, additional 12 rooms were completed and put into operation and various other items under the expansion scheme were in progress... The benefits of the same are expected to accrue in next year's accounts.

SCHEME OF GREENWOODS CLUB AND TIME SHARE

It is proposed to launch a new scheme of club memberships along with time share holidays. Looking to the popularity of Greenwood's and the smooth operation of the company's old time share scheme, this should improve the cash flow of the company in a big way.

PROFITABILITY/ DIVIDEND

During the year, the income of the company decreased by 9%. The Profit before tax decreased by 87%. The Board of Directors at their meeting held on 30th November, 1999 have decided to skip the dividend for the year under consideration in view of the unsatisfactory performance.

ACKNOWLEDGEMENT

I thank my colleagues in the Board and also express gratitude to the team of the company's officers and staff for their unstinted support during difficult times.

Place : Ahmedabad.

Date : 30.11.1999

Yours sincerely,

B. Kumar

(2)

ANNUAL REPORT 1998-99**NOTICE**

Notice is hereby given that the seventh Annual General Meeting of the members of Sterling Enterprises Limited will be held on Thursday, 30th December 1999 at 11.00 A.M. at the company's Greenwood Lake Holiday Resort, Chharodi Farm Complex, off Sarkhej-Gandhinagar Highway, Opp. Village Chharodi, Ahmedabad to transact the following business :

ORDINARY BUSINESS

- 1). To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March 1999 and Profit & Loss A/c. for the year ended on that date and the report of Directors and Auditors thereon.
- 2). a). To appoint a director in place of Smt. Meeta Mathur, who retires by rotation and being eligible offers her self for reappointment.
b). To appoint a director in place of Shree Kunal Mathur, who retires by rotation and being eligible offers himself for reappointment.
- 3). To appoint Auditors to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board
For **STERLING ENTERPRISES LTD.**

Place : Ahmedabad. S.S. RINGWALA
Date : 30.11.1999 **MANAGING DIRECTOR**

NOTES

- 1) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll, to vote instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy shall be deposited at the Regd. Office of the company not later than 48 hours before the time fixed for holding the meeting. In default, the instrument of proxy shall not be treated as valid.
- 2) The Register of Members and the Share Transfer Books of the company will remain closed from 23rd Dec. 99 to 30th Dec. 99 (both days inclusive).
- 3) Members are requested immediately to intimate any changes in their addresses registered with the company.
- 4) The members are requested to bring their copies of report and accounts to the meeting.
- 5) Members desirous of any information on the accounts at the meeting are requested to send their queries atleast 10 days before the meeting, to the Regd. Office of the company.
- 6) The company will provide transport arrangement at 10.00 A.M. at the Registered office to take the shareholders to the venue of the meeting.



STERLING GROUP

STERLING ENTERPRISES LTD.**DIRECTORS REPORT**

To,

Members

We have pleasure in presenting the Seventh Annual Report together with the audited accounts for the year ended, 31st March 1999.

FINANCIAL RESULTS

Particulars.	For the Financial Year	
	1998-99 Rs. in lacs	1997-98 Rs. in Lacs
a) Income from Sales & Operations	231.17	242.08
b) Other Income	33.99	51.36
c) Total Income	265.16	293.44
d) Expenditure during the year.	245.20	256.35
e) Net surplus from operations.	19.96	37.09
f) Depreciation	17.98	22.48
g) Profit before Taxes.	1.98	14.61
h) Provisoin for taxes.	0.25	1.55
Profit after taxation	1.73	13.06
Add : Balance brought forward from previous year	140.78	126.66
Profit available for apropration.	142.51	139.72
Appropriation		
Dividend proposed	-	-
Tax on Dividend	-	-
Excess provision written back	7.95	1.06
Balance Profit carried forward to Balance sheet.	150.46	140.78

PERFORMANCE :

During the year, the real estate business of the company showed a decline in comparison to the performance during the previous year. In fact, during the financial year 98-99, there was a substantial decline in the performance of industries as a whole in the country and real estate business has borne the Brunt of slackness in demand, low sale volume and fall in prices. Expert opinion indicates that there is possibility of revival of demand and upward price movement in the real estate business in future.

We are, however, happy to report that the resort business of the company has been showing an encouraging growth as last year. The growth in income during the year was 24% over the income of the previous year and accordingly the profit on this activity has also shown a healthy upward movement.

There is a decration of profit in unaudited Profit & Loss A/c. dated as on 30th Oct'99 by Rs.9.15 Lacs because of decrease in income of land by Rs. 1.73 lacs and increase in expenditure in administration at the time of finalising the accounts which has been for corrective accounting entries in course of audits.

DIVIDEND :

In view of the low profit occurred during the year, the directors regret that they could not declare any dividend for the year 98-99.

EXPANSION PROJECT :

In our report for the year 96-97, we had made a brief mention of the expansion program to be undertaken by the company in the greenwood

ANNUAL REPORT 1998-99

Lake Resort of the company. We are happy to report that the expansion program has been taken on hand and conference room and road forming part of the expansion program is in progress and the work for the 12 Additional rooms is completed.

The financial institutions have sanctioned an aggregate loan of Rs. 220.00 lacs for the expansion project of the company. The disbursement of Rs. 61 lacs has taken place and remaining amount would be disbursed very shortly. With the release of fund by the financial institution, we expect that the expansion Program at our Greenwoods Lake Resort Would gain momentum and would be completed by March 2000.

PUBLIC DEPOSITIS :

During the year, the company received no public deposits and as on 31.3.99, the company held no public deposits on its books. There are no unclaimed deposits and no deposits which matured for payment during the year and were not repaid.

DIRECTORS :

Smt. Meeta Mathur, whole time Director, retires by rotation and is eligible for reappointment.

Shri Kunal Mathur, Director, retires by rotation and is eligible for re-appointment.

AUDITORS :

M/s. Dinesh M. Mehta & CO., Chartered Accountants, Ahmedabad, the present auditors hold office until the conclusion of this General Meeting. M/s. Dinesh M. Mehta & Co. have furnished certificate under Section 224(1)(b) of the Companies Act 1956 and are eligible for re-appointment.

AUDITORS REMARKS :

In regard to the remarks of the Auditors in para 9 of the Annexure to their report, note 6 & 7 of the Notes on Accounts in Schedule 22, is self-explanatory of the position. Interest on the advances, which are not doubtful of recovery, is charged to the Parties and will be payable on redemption of the principal amounts.

PARTICULARS OF EMPLOYEES :

There were no employees who were employed during the year and were in receipt of remuneration exceeding Rs. 3,60,000/- per annum or who were employed for a part of the year and were in receipt of remuneration exceeding Rs. 30,000/- per month.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO :

The company has no activity relating to conservation of energy or technology absorption. The foreign exchange inflow/outgo during the year was NIL.

ACKNOWLEDGEMENT :

The Board wishes to place on record its gratitude for the cooperation and assistance extended to the Company by the various government departments (GSFC) & Bankers.

The Board of Directors also wishes to place on record its appreciation of the dedicated services rendered by the employees of the company at all levels.

FOR AND ON BEHALF OF THE BOARD

Place: Ahmedabad.

(S.S. RINGWALA)

Date : 30.11.1999

MANAGING DIRECTOR