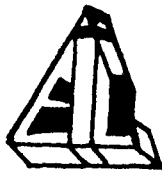


ANNUAL REPORT

2010 - 2011



ENTERPRISE INTERNATIONAL LTD.

ENTERPRISE INTERNATIONAL LIMITED

Board of Directors

Mr. GOPAL DAS SARDA (*Chairman*)
Mr. ADITYA SARDA (*Executive Director*)
Mr. JAI NARAYAN NATHANY
Mr. ANJAN KUMAR DUTTA
Mr. SHIBNATH MAZUMDAR

Auditors :

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

Bankers :

BANK OF INDIA
STATE BANK OF INDIA
CITI BANK NA
ING VYSYA BANK LTD.
ALLAHABAD BANK

Registered Office :

"MALAYALAY"
UNIT NO. 2A(S), 2ND FLOOR
3, Woodburn Park, Kolkata - 700 020
Ph. : 40447872 / 8394
Fax: 40448615
E-mail : contact@eilgroup.com

Registers & Transfer Agents :

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor,
Kolkata - 700 001
Ph. : 2243-5029 / 5809

ENTERPRISE INTERNATIONAL LIMITED

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 22nd 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 21st day of September, 2011** at 10.00 A.M. to transact the following business :

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the Profit & Loss Account for the Financial Year ended 31st March, 2011 and the Balance Sheet as on that date togetherwith 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.

SPECIAL BUSINESS :

4) **Issue of 1,40,000 Equity Shares To Promoters**

To consider and if thought fit to pass with or without modification(s), the following Resolution as an special Resolution ;

"RESOLVED THAT pursuant to that to the provisions of section 81(IA) and all other applicable provisions, if any, of the Companies Act, 1956 (including statutory modification(s), amendments or re-enactment thereof) and in accordance with the enabling provisions in the Memorandum and Articles of Association of the company and the Listing Agreement entered into between the Company with the stock Exchanges where the shares of the Company are listed, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the subsisting guidelines, regulations and clarifications issued by the Government of India, Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) or any other relevant authority and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to the Board of Directors of the Company, consent of the Company be and is hereby accorded to the Boards of Directors of the Company and/or a duly authorized Committee thereof for the time being exercising the powers conferred by the Board of Directors (hereinafter referred to as the Board") in its absolute discretion, to offer/issue and allot not more than 1,40,000 (one Lakh forty thousand) Equity Share of Rs.10/- each, at par to the Promoters of the Company as mentioned in the Explanatory Statement, on a preferential basis, as the Board may in its absolute discretion decide, on such terms and conditions, as the Board considers fit, subject to the following :

ENTERPRISE INTERNATIONAL LIMITED

- i. The Equity Shares to be offered and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.
- ii. The Equity Shares to be allotted shall rank pari-pasu with the existing Equity Shares of the Company in all respect including rights to vote and dividend.
- iii. The allotment of Equity Shares to be allotted shall be subject to the lock-in-clause as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2009.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/issue, allotment and utilization of the proceeds.

FURTHER RESOLVED THAT the Board is hereby authorized to accept such terms and conditions as the Government of India, SEBI, RBI, Financial Institutions and/or Stock Exchanges may stipulate in that behalf.

FURTHER RESOLVED THAT the Board is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company or to any Director or Directors or any other officers(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this resolution."

- 5) To consider and if thought fit to pass with or without modification, the following Resolution as an ordinary Resolution;

"RESOLVED THAT Sri Shibnath Mazumdar, who was appointed as an Additional Director of the Company be and is hereby appointed as a Director of the Company liable to retirement by rotation.:

Regd. Office :

"MALAYALAY"

UNIT NO. 2A(S), 2ND FLOOR
3, Woodburn Park, Kolkata - 700 020

By Order of the Board
For ENTERPRISE INTERNATIONAL LIMITED

Date : 27.05.2011

GOPAL DAS SARDA
Chairman

ENTERPRISE INTERNATIONAL LIMITED

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 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.
- 3) The Register of Members and Share Transfer Books shall remain closed from Thursday, the 15th September, 2011 to Wednesday, the 21st September, 2011 (Both days inclusive) in connection with the **22nd 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 seven days prior to 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 filed in and signed and handover the same at the entrance of the hall.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956

1. Resolution 4

Issue of 1,40,000 Equity Shares to Promoters

It is proposed to offer, issue and allot not more than 1,40,000 Equity Share of Rs.10/- each, at par on a preferential basis vide Resolution No. 4 of the Notice.

The information as required in terms of Regulation 73 of the SEBI (issue of Capital & Disclosure Requirements) Regulations 2009 are given below :-

a) Objects of the issue :

The object of the issue is to augment the working capital requirements of the Company and to enhance the business model of the Company.

b) Intention of the Promoters to subscribe to the Equity Shares :

The Promoters/Promoter Group/Proposed allottees as mentioned below had conveyed to the Company in writing of their respective intention to subscribe to the Equity Share on preferential basis.

ENTERPRISE INTERNATIONAL LIMITED

Sl. No.	Name of the Proposed Allottee (s)	Maximum Number of Shares to be allotted
1.	Smt. Rishu Sarda	1,40,000
	Total	1,40,000

c) Shareholding pattern before and after the Issue :

The information on shareholding pattern before and after the preferential issue is given hereunder.

CATEGORY	Pre-Issue		Issue	Post-Issue	
	No. of Shares	%	No. of Shares	No. of Shares	%
A. Promoters Holding					
1. Indian Promoters					
Individuals / Hindu Undivided Family	493424	16.4475	140000	633424	20.1727
Bodies Corporate					
Sub Total - A	493424	16.4475	140000	633424	20.1727
B. Public Shareholding					
1. Institutions					
(a) Mutual Funds / UTI	—	—	—	—	—
(b) Central Government / State Government (s)	—	—	—	—	—
Sub Total - B.1					
B.2. Non - Institutions					
(a) Bodies Corporate	1086179	36.206	—	1086179	34.5917
(b) Individuals - Resident	1420342	47.3447	—	1420342	45.2338
Any Other	55	.0018	—	55	.0017
Sub Total - B.2	2506576	83.5525	—	2506576	79.8273
Total Public Shareholding					
Grand Total A+B	3000000	100	140000	3140000	100

Note : The above post Issue Shareholding Pattern is based on the assumption of full subscription of the Equity Shares

ENTERPRISE INTERNATIONAL LIMITED

d) Proposed time within which the allotment shall be completed :

The allotment shall be completed within 15 days from the date of passing of the resolution in the general meeting.

e) Issue Price :

The Issue price of the Equity Shares to be allotted has been determined as per Chapter VII of SEBI (Issue of capital and Disclosure Requirements) Regulations 2009.

f) Identity of the proposed allottees and percentage of pre and post preferential Issue are as under :-

Sl. No.	Name of the Proposed Allottee (s)	Pre-Issue		Further Allotment	Post-Issue	
		No. of Shares	%	No. of Shares	No. of Shares	%
A.	Promoters					
1	Smt. Rishu Sarda	NIL	—	1,40,000	1,40,000	4.4586
	TOTAL			1,40,000	1,40,000	4.4586

Note : The above post Issue Shareholding Pattern is based on the assumption of full subscription of the Equity Shares.

g) Change in the control or composition of the Board

There will be no change in the control or composition of the Board after the preferential allotment.

Consent of the members is being sought by a Special Resolution pursuant to the provisions of Section 81 (1A) and other applicable provisions of the Companies Act, 1956, for preferential allotment of Equity Shares. The Special Resolution of the Notice, if passed, will have the effect of allowing the Board to issue and allot Shares to the persons on the terms and conditions as necessary for implementing this Resolution.

Auditors' Certificate

It is proposed to obtain a certificate from M/s. K. M. Tapuria & Co., Chartered Accountants, Statutory Auditors of the Company, certifying that the price for issuing Equity Shares is calculated in accordance with requirements of SEBI Regulations. This certificate will be available for inspection on any working day between 11.00 a.m. to 4.00 p.m. up to the date of Annual General Meeting.

None of the Directors except Shri Gopal Sarda and Aditya Sarda, is interested or concerned in this preferential issue.

ENTERPRISE INTERNATIONAL LIMITED

2. Resolution 5

Mr. Shibnath Mazumdar was appointed by the Board of Directors as an Additional Director on 1st July, 2011. He holds office upto the date of this Annual General Meeting. As required by Section 257 of the Companies Act, 1956 the Company has received a Notice in writing alongwith deposit from a member signifying his intention to propose his as a candidate for the office of Director.

Mr. Shibnath Mazumdar born in 13th February 1953 is B. com. He has around 25 years experience in business. He does not hold any share in the company.

Mr. Shibnath Mazumdar is interested in the Resolution relating to his appointment. None of the other Directors of your Company is interested in the Resolution.

Regd. Office :
"MALAYALAY"
UNIT NO. 2A(S), 2ND FLOOR
3, Woodburn Park, Kolkata - 700 020

By Order of the Board
For ENTERPRISE INTERNATIONAL LIMITED

Date : 27.05.2011

GOPAL DAS SARDA
Chairman

ENTERPRISE INTERNATIONAL LIMITED

BABU LAL PATNI
COMPANY SECRETARY

51, NALINI SETT ROAD
5th FLOOR, ROOM NO. 19
KOLKATA 700007
TEL. NO :2259-7715/6

COMPLIANCE CERTIFICATE

Registration No. of the Company : 21-47832
Nominal Capital : Rs.35000000/-

To

The Members,
Enterprise International Limited
"Malayalay" Unit No. 2A (S)
3, Woodburn Park, 2nd Floor
Kolkata - 700020

I have examined the registers, records, books and papers of ENTERPRISE INTERNATIONAL LIMITED (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st. March, 2011 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all the entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder except as otherwise stated.
3. The Company being a public limited company, comments are not required.
4. The Board of Directors duly met THIRTY TWO times respectively on 01.04.10, 09.04.10, 16.04.10, 30.04.10, 15.05.10, 31.05.10, 15.06.10, 30.06.10, 12.07.10, 15.07.10, 31.07.10, 16.08.10, 31.08.10, 02.09.10, 15.09.10, 20.09.10, 30.09.10, 08.10.10, 12.10.10, 18.10.10, 30.10.10, 30.11.10, 15.12.10, 31.12.10, 01.01.11, 12.01.11, 15.01.11, 31.01.11, 15.02.11, 28.02.11, 15.03.11, 31.03.11 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 17th. September, 2010 to 24th. September, 2010 and necessary Compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31st. March, 2009 was held on 24th. September, 2010, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.

ENTERPRISE INTERNATIONAL LIMITED

iv) That the annual accounts had been prepared on a going concern basis.

9. SECRETARIAL COMPANY CERTIFICATE :

Pursuant to provision of Section 383 A (1) of the Companies Act, 1956, the Company has obtained Secretarial Compliance Certificate from a Company Secretary in whole time practice. A copy of the Compliance Certificate is annexed herewith with the Directors Report.

10. DEMATERIALIZATION OF SHARES :

The Company has tied up with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The ISIN No. allotted to the Company is INE439G01019. Investor can exercise dematerialization of shares through a recognised Depository Participant (DP) who is connected to NSDL or CDSL.

11. ACKNOWLEDGEMENT :

Your Directors would like to place on record their sincere appreciation for the support and continued co-operation extended by Government Authorities, the Shareholders, Banks, Customers.

For and on behalf of the Board

Place : Kolkata

GOPAL DAS SARDA

Date : 27.05.2011

Chairman

Information required to be furnished under the listing Agreement.

The names and Address of the Stock Exchanges where Company's share are listed.

1. The Calcutta Stock Exchange Association Ltd.

7, Lyons Range, Kolkata 700001

2. The Stock Exchange, Mumbai,

Phiroze Jeejeebhoy Towers,

Dalai Street, Mumbai - 400001

The listing fees for the year 2011-2012 has ben paid in time to all the Stock Exchanges.

Memorandum of Abstract under Section 302(2) of the Companies Act, 1956

Sri Gopal das Sarda, Chairman and Executive Director and Sri Aditya Sarda, Executive Director were appointed as such w.e.f. 1st April, 2008, for a period of 5 years on a monthly remuneration of Rs.18000 and Rs.15000 respectively.

Considering their contribution to the Company and time devoted by them to the affairs of the Company, the Board of Directors, in their meeting held on 22nd August, 2011 based on the recommendation of the Remuneration Committee has approved the following increased remuneration payable to them w.e.f. 1st August, 2011 for their remaining term of appointment.

Sri Gopal Das Sarda Rs. 50000 per month

Sri Aditya Sarda Rs. 45000 per month

Other terms and conditions of their appointment as remain same.

Except Sri Gopal Das Sarda and Sri Aditya Sarda wh are related to each other, none of the Director is interested in the increased remuneration.

Regd. Office :

"MALAYALAY"

UNIT NO. 2A(S), 2ND FLOOR

3, Woodburn Park, Kolkata - 700 020

Date : 22.08.2011

By Order of the Board

For ENTERPRISE INTERNATIONAL LIMITED

ANJAN KUMAR DUTTA

DIRECTOR

CORRIGANDUM :

IN PAGE NOS.3 AND PAGE NOS. 7 DATE WOULD BE READ AS 22.08.2011 INSTEAD OF 27.05.2011.

ENTERPRISE INTERNATIONAL LIMITED

DIRECTORS' REPORT TO THE MEMBERS :-

Your Directors have pleasure in presenting their Twenty Second Annual Report together with Audited Accounts of the Company for the Financial year ended on 31st March, 2011.

1. FINANCIAL RESULTS

The summarised Financial results are as under :

	Year ended 31.03.2011	(Rupees in Lacs) Year ended 31.03.2010
Total Income	3942.76	1905.90
Profit before Interest		
Depreciation & Tax	26.42	18.80
Less : Interest	3.30	0.37
Profit before Depreciation & Tax	23.12	18.43
Less : Depreciation	8.29	6.61
Profit before Tax	14.83	11.82
Less : Provision for Tax	2.16	1.59
Profit after Tax	12.67	10.23
Adjustment relating to earlier year taxation	—	0.04
Add : Surplus brought forward	140.71	130.52
Surplus carried to Balance Sheet	153.38	140.71

2. OPERATIONS :

Due to recession and wild fluctuation in exchange rates, the demand and prices of Silk Fabrics as well as Silk Yarn were very erratic. Your Company has posted a net Profit after tax of Rs. 12.67 Lacs for the year. Efforts are being made to improve the profitability.

3. DIVIDEND :

In view of Marginal Profit the Board does not recommend any dividend.

4. AUDITORS :

M/s K M Tapuria & Co., Chartered Accountant, Kolkata, the Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made, shall be within the limits prescribed U/s 224 (1B) of the Companies Act, 1956.

5. PERSONNEL :

Your Directors are place on record their appreciation for the dedication and contribution made by Employees. Particulars of Employees as per Section 217(2A) 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 provision of the Act.

6. AUDITORS REPORT :

The notes to the Accounts referred to in the Auditor's Report are self explanatory and, therefore, do not call for any further comment under Section 217(3) of the Companies Act, 1956.

7. 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 Rupees NIL and the Expenditure in Foreign Currency was Rs. 1243.23 Lacs.

8. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the Provisions of Sub-Section (2-A) 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 accounting Policies selected had been applied consistently and judgements and estimates made 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 on 31st March, 2011 and of the Profit Loss of the Company for that year;
- iii) That proper and sufficient care had been taken 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

ENTERPRISE INTERNATIONAL LIMITED

10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors Members or Central Government.
12. The Company has not issued any duplicate share Certificate during the financial year.
13.
 - i. The Company has delivered all the certificates on lodgement thereof for transfer / transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the financial year.
 - ii. The Company has not deposited any amount in separate bank account as no dividend was declared during the financial year.
 - iii. The Company was not required to post warrants to any member of the Companies as no dividend was declared during the financial year.
 - iv. The Company has not transferred a sum of Rs. 70570, lying in application money due for refund which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - v. The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors is duly constituted and the appointment of directors, additional directors, alternate directors and directors to fill casual vacancy have been duly made.
15. The company has not appointed any Managing Director/Whole time Director / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of companies and/ or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in the other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any Preference Shares or Debentures.
22. There were no transactions necessitating the Company to keep in abeyance any rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by the Company from directors, members, public financial institutions, banks and others during the financial year ended 31st March, 2011 are within the limits prescribed under section 293(1)(d) of the Act.
25. The Company has made loans and investments in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.

ENTERPRISE INTERNATIONAL LIMITED

26. The Company has not altered the provisions of the Memorandum with respect of situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any Contribution towards Provident Fund during the financial year.

PLACE: KOLKATA
DATED : 27th May, 2011

Signature:
Name of the : BABU LAL PATNI
Company Secretary
C.P.No : 1321

ENTERPRISE INTERNATIONAL LIMITED**ENTERPRISE INTERNATIONAL LIMITED****ANNEXURE 'A'****LIST OF REGISTERS MAINTAINED BY THE COMPANY**

<u>S.N</u>	<u>PARTICULARS</u>	<u>UNDER SECTION</u>
01.	Register of Charges	143
02.	Register of Members	150
03.	Index of Members	151
04.	Directors' Minute Book	193
05.	Shareholders' Minute Book	193
06.	Register of Contracts (Part I)	301
07.	Register of Contracts (Part II)	301
08.	Register of Directors	303
09.	Register of Directors Shareholdings	307
10.	Register of Investments	372A
11.	Register of Transfer.	

ANNEXURE 'B'

Forms and Returns as filed by the Company with Registrar of Companies Regional Director, Central Government or other authorities during the financial year ended 31st March, 2011.

S.N.	Form No./Return	Filed Under Section	For	Date of filing	Whether filed within prescribed Time YES/NO	If delay in filing whether requisite additional fee paid YES/NO
01.	Form No 23AC	220	Balance Sheet as at 31.03.2010	23.10.10	YES	N.A.
02.	Form No 20B	159	Annual Return made upto 24.09.2010	02.12.10	No	YES
03.	FormNo 66	Provision to Section 383A	Compliance Certificate	19.10.10	YES	N.A.
04.	FormNo 32 dated 15.05.10	303	Appointment of Director	27.05.10	YES	N.A.
05.	Form No 18 dated 01.01.11	146	Change of Registered Office	10.01.11	YES	N.A.
06.	Form No 17 dated 20.12.10	138	Satisfaction of Charge	29.12.10	YES	N.A.

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 2011 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. 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 the 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 mis-statement. 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 the 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 by the companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and according to the information and explanations given to us and on the basis of such checks as we considered appropriate, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments made in the Annexure referred to 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 purposes of our audit.
 - (ii) 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.
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes as given in Schedule "K" give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) in the case of Cash Flow statement, of the cash flows for the year ended on that date.

For **K. M. TAPURIAH & CO.**
FIRM REGISTRATION NO. 314043E
Chartered Accountants

(K. M. TAPURIAH)
Partner
Membership No. - 51509
Place : Kolkata
Date : 27th May, 2011

ENTERPRISE INTERNATIONAL LIMITED

ANNEXURE TO THE AUDITOR'S REPORT (REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE)

Re : Enterprise International Limited

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) All fixed assets have been physically verified by the management during the year, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As informed, no material discrepancies were noticed on such verifications.
(c) In our opinion there was no substantial disposal of fixed assets during the year affecting the going concern status of the company.
- 2) (a) As informed the management has conducted physical verification of inventory at reasonable intervals during the year.
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and according to the information and explanations given to us the company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- 3) As informed to us, the Company has neither granted taken any loans, secured or unsecured to/ from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly clause 4 (iii) of the Order is not applicable to the company.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and Fixed assets and for the sale of goods and services. During the course of our audit, no continuing failure to correct major weakness has been noticed in the internal controls system.
- 5) To the best of our knowledge and belief and according to the information and explanations provided by the management, we are of the opinion that the Company has not entered into any contract or arrangement referred to in section 301 of the Companies Act, 1956. Therefore, this clause is not applicable.
- 6) The Company has not accepted any deposits from the public covered u/s 58A, 58AA or any other relevant provisions of the Act and rules framed there under.
- 7) In our opinion, the Company has an internal audit system, commensurate with the size of the Company and the nature of its business.
- 8) According to the informations and explanations given to us the Central Government has not prescribed for maintenance of cost records by the company under section 209 (1) (d) of the Act.
- 9) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, custom duty, cess and other material statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Customs duty and Cess were in arrears, as at 31.03.2011 for a period of more than six months from the date they became payable.
(c) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Customs duty and Cess which have not been deposited on account of any dispute.

ENTERPRISE INTERNATIONAL LIMITED

- 10) The Company does not have accumulated losses as at the end of the financial year and it has not incurred any cash losses in the current financial year and immediately preceding financial year.
- 11) The company has neither obtained any loan from financial institutions or bank, nor has issued any debentures. Therefore, this clause is not applicable.
- 12) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Order, are not applicable to the Company.
- 14) Based on our examination of documents and records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transactions and contracts in respect of dealing and trading in shares and timely entries have been made therein. The shares have been held by the Company in its own name.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- 16) The Company did not have any term loans outstanding during the year.
- 17) According to information and explanations given to us and based on our all examination of the Balance Sheet of the company, in our opinion, the funds raised on short term basis have not been used for long-term investment. No long term funds have been used to finance short term assets except permanent working capital.
- 18) The Company has not made any preferential allotment of shares during the year.
- 19) The Company has not issued any debentures.
- 20) The Company has not raised any money through a public issue during the year.
- 21) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on

For **K. M. TAPURIAH & CO.**
FIRM REGISTRATION NO. 314043E
Chartered Accountants

(K. M. TAPURIAH)
Partner
Membership No. - 51509
Place : Kolkata
Date : 27th May, 2011

ENTERPRISE INTERNATIONAL LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

(Amount in Rupee)
As at 31.03.2010

	Sch. No.	As at 31.03.2011	As at 31.03.2010
I. SOURCES OF FUNDS			
1. Shareholder's Funds			
a) Share Capital	A	29942250	29942250
b) Reserves & Surplus	B	38391425	37124821
2. Loan Funds	C	9360098	—
TOTAL :		<u>77693773</u>	<u>67067071</u>
II. APPLICATION OF FUNDS :			
1. Fixed Assets			
a) Gross Block	D	16617101	7049732
b) <u>Less</u> : Depreciation		<u>4251723</u>	<u>3574272</u>
c) Net Block		12365378	3475460
2. Investments	E	7739832	16051284
3. Current Assets, Loans & Advances			
a) Inventories	F	6402791	940369
b) Sundry Debtors		10141620	6811530
c) Cash & Bank Balances		17675279	12861990
c) Loans & Advances		<u>40939366</u>	<u>49534361</u>
		<u>75159056</u>	<u>70148250</u>
Less : Current Liabilities & Provisions			
a) Current Liabilities	G	17138253	22392019
b) Provisions		<u>432240</u>	<u>215904</u>
		<u>17570493</u>	<u>22607923</u>
Net Current Assets		<u>57588563</u>	<u>47540327</u>
TOTAL :		<u>77693773</u>	<u>67067071</u>

SIGNIFICANT ACCOUNTING POLICIES

NOTES ON ACCOUNTS K

The Schedule referred to above form an integral part of the balance sheet.

As per our attached report of even date

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

Firm Regn. No. 314043E

Chartered Accountants

(K. M. TAPURIAH)

Partner

Membership No. 51509

Kolkata, the 27th May, 2011

G. D. SARDA
A. SARDA
J. N. NATHANY
A. K. DUTTA
S. MAZUMDAR
Directors

ENTERPRISE INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Amount in Rupee)

	Sch. No.	Year ended 31.03.2011	Year ended 31.03.2010
INCOME			
Sales		388515240	185465944
Customs Duty Refund		717463	—
Other Income	H	5043111	5124153
Closing Stock		6402791	940369
		<u>400678605</u>	<u>191530466</u>
EXPENDITURE			
Opening Stock		940369	732342
Purchases		354808793	150004028
Manufacturing & Other Exp.	I	31794733	34551202
Administrative & Selling Exp.	J	10467692	4337910
Interest to Bank		33098	37256
Interest to Others		296756	—
Auditors Remuneration		25000	25000
Depreciation		829224	661237
		<u>399195665</u>	<u>190348975</u>
PROFIT BEFORE TAX		1482940	1181491
Less : Provision for Current Taxation		216336	158638
PROFIT AFTER TAX		1266604	1022853
Income Tax adjustment relating to earlier year		—	(3947)
		<u>1266604</u>	<u>1018906</u>
Balance b/f		14071071	13052165
Balance Carried Forward		<u>15337675</u>	<u>14071071</u>

Significant Accounting Policies &

NOTES ON ACCOUNTS K

The Schedules referred to above from an integral part of the Profit and loss account

As per our attached report of even date

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

Firm Regn. No. 314043E

Chartered Accountants

(K. M. TAPURIAH)

Partner

Membership No. 51509

Kolkata, the 27th May, 2011.

G. D. SARDA

A. SARDA

J. N. NATHANY

A. K. DUTTA

S. MAZUMDAR

Directors

ENTERPRISE INTERNATIONAL LIMITED

SCHEDULES REFERRED TO AND FORMING PART OF THE ACCOUNTS

(Amount in Rupee)

	As at 31.03.2011	As at 31.03.2010
SCHEDULE - "A"		
SHARE CAPITAL		
Authorised :		
35,00,000 Equity Shares of Rs. 10/- each	3,50,00,000	3,50,00,000
Issued, Subscribed & Paid up		
30,00,000 (P.Y. 30,00,000) Equity Shares of Rs. 10/- each (Out of above Equity Shares 17,28,125 Shares allotted as fully paid up Bonus Shares by Capitalisation of Profits/Reserves.)	<u>3,00,00,000</u>	<u>3,00,00,000</u>
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	26,50,000	26,50,000
Share Premium Account		
On Equity issue	205,00,000	205,00,000
Less : Calls in arrears	<u>96,250</u>	<u>96,250</u>
Profit & Loss Account	204,03,750	204,03,750
	<u>15337675</u>	<u>140,71,071</u>
	<u>38391425</u>	<u>371,24,821</u>
SCHEDULE - "C"		
LOAN FUNDS		
Unsecured Loan	<u>9360098</u>	<u>NIL</u>
(From Body Corporates)		

ENTERPRISE INTERNATIONAL LIMITED

SCHEDULE - "D"

FIXED ASSETS

ITEMS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	Cost As On 31.3.10	Additions	Sales/Adjustment	Cost As On 31.3.11	Up to 31.3.10	For the Year	Up to 31.3.11	As At 31.3.11	As At 31.3.10
Plant & Machinery	106203	—	—	106203	91935	1985	93920	12283	14268
Office Equipments	395344	254035	—	649379	300236	24701	324937	324442	95108
Electric Installation	9694	—	—	9694	8975	100	9075	619	719
Furniture & Fittings	310064	17000	—	327064	152530	29770	182300	144764	157534
Computer & Printer	555455	67009	—	622464	533371	18497	551868	70596	22084
Generator	22509	—	—	22509	21129	192	21321	1188	1380
Motor Vehicles	3271420	—	239280	3032140	1534660	433859	1816746*	1215394	1736760
Office Premises	2379043	9468605	—	11847648	931436	320120	1251556	10596092	1447607
Total :-	7049732	9806649	239280	16617101	3574272	829224	4251723	12365378	3475460
Previous :-	6582006	1204612	736886	7049732	3594614	661237	3574272	3475460	2987392

* After adjustment of Rs. 1,51,773/- (P.Y. 6,81,579/-) on account of depreciation on sale.

ENTERPRISE INTERNATIONAL LIMITED

SCHEDULE - "E"

INVESTMENTS

LONG TERM INVESTMENTS OTHER THAN TRADE (AT COST)

(Amount in Rupee)

Name	Face Value	As at 31.03.2011		As at 31.03.2010	
		Qty.	Amount	Qty.	Amount
a) Quoted - Fully paid up					
<u>Equity Shares :</u>					
Tribeni Glass Works Ltd	10/-	1950	1,95,000	1950	1,95,000
J S W Steel Ltd	10/-	1	1138	26	29600
India Glycols Ltd.	10/-	—	—	4,733	513419
Indian Hotels Ltd.	1/-	—	—	2800	293270
Alka India Ltd	1/-	—	—	25000	46044
Celestial Labs Ltd	10/-	—	—	6500	263540
Gillanders Arbuthnot & Co Ltd	10/-	—	—	2000	133200
Godfrey Philip Ltd	10/-	—	—	38	27541
Himadri Chemicals Industries Ltd	10/-	—	—	300	138784
Ispat Industries Ltd	10/-	—	—	3000	72810
Jubilant Organo Ltd	1/-	—	—	100	34152
Reliance Industries Ltd	10/-	—	—	468	205616
Raisaheb Rechchand Ltd	10/-	27500	1956850	27500	1956850
JSL Ltd	2/-	—	—	1500	135930
Larsen & Toubro Ltd	2/-	—	—	100	149588
Ace India Ltd	10/-	—	—	2500	116541
APIL Ltd	10/-	—	—	100	54664
Apollo Tyres Ltd	1/-	—	—	2000	97100
Ballarpur Industries Ltd	2/-	—	—	1500	40770
Bharti Airtel Ltd	5/-	—	—	1600	550837
Bharti Shipyard Ltd	10/-	—	—	550	144309
Blue Star Ltd	2/-	—	—	267	95872
Cairn India Ltd	10/-	—	—	2300	665991
Cords Cable Industries Ltd	10/-	—	—	3000	157488
Deccan Chronicle Holdings Ltd	2/-	—	—	2000	332300
Deepak Fertilizer & Petrochem Ltd	10/-	—	—	5000	506961
Dishman Pharmaceuticals Ltd	2/-	—	—	2180	514828
Electra Steel Casting Ltd	1/-	—	—	33000	1226191
Eveready Industries India Ltd	5/-	—	—	100	7086
Fag Bearing India Ltd	10/-	—	—	950	560971
Finolex Industries Ltd	10/-	—	—	6000	329238
Graphite India Ltd	2/-	—	—	3000	149974
GVK Power & Infrastructure Ltd	1/-	2000	96480	2000	96480
Hawkins Cooker Ltd	10/-	—	—	100	91968
Idea Cellular Ltd	10/-	—	—	5500	436360
IFB Industries Ltd	10/-	—	—	1500	97150
IFCI Ltd	10/-	—	—	8000	403121

ENTERPRISE INTERNATIONAL LIMITED

Name	Face Value	As at 31.03.2011		As at 31.03.2010	
		Qty.	Amount	Qty.	Amount
India Bulls Financial Services Ltd	2/-	—	—	1500	223455
India Infoline Ltd	2/-	1000	135760	1000	135760
India Steel Works Ltd	1/-	2000	28420	2000	28420
Jagaran Prakashan Ltd	2/-	—	—	5000	655980
Jai Prakash Associates Ltd	2/-	1000	139745	1000	139745
Kingfisher Airlines Ltd	10/-	—	—	5000	294877
Maruti Suzuki India Ltd	5/-	—	—	100	148589
Network 18 Media & Investments Ltd	5/-	—	—	500	74362
N H P C Ltd	10/-	2000	74120	2000	74120
Pantaloon Retail Ltd	2/-	—	—	500	214140
Praj Industries Ltd	2/-	—	—	2000	186523
Punjilloyd Ltd	2/-	—	—	1000	189970
Reliance Communications Ltd	5/-	—	—	300	81243
Satyam Computer Ltd	2/-	—	—	2000	192780
Shree Digvijay Cement Co Ltd	10/-	5000	92800	7500	142200
Srei Infrastructure Finance Ltd	10/-	—	—	1000	79840
Suzlon Energy Ltd	2/-	—	—	500	46840
Tamilnadu Newsprint & Papers Ltd	10/-	—	—	3000	256380
Varun Shipping Company Ltd	10/-	—	—	2000	123360
Wire & Wireless India Ltd	1/-	—	—	2000	40820
Wyeth Ltd	10/-	—	—	250	180827
b) Unquoted - Fully paid up					
Equity Shares					
Madanlal Brijlal Pvt. Ltd.	1000/-	76	5016000	—	—
		42527	7736313	199312	14387765
c) Mutual Fund					
ICICI Prudential Liquid Plan		16.4011	3519	16.4011	3519
HDFC Prudence Fund Growth		—	—	2239.591	300000
ICICI Prudential Indo Asia Fund		—	—	19559.902	200000
Sundaram BNP Paribas STF Energy		—	—	20000.000	200000
HDFC Top 200 Fund (HT200)		—	—	1465.870	240000
ICICI Prudential Infrastructure		—	—	7195.125	240000
Reliance Vision Fund		—	—	886.699	240000
Birla Sunlife Frontline Equity		—	—	3445.800	240000
			3519		1663519
			7739832		16051284

	As at 31.03.2011	(Amount in Rupee) As at 31.03.2010
Aggregate of Quoted Investments in Shares		
Cost	2720313	14387765
Market Value	4066771	16052361
Aggregate of Unquoted Investments in Shares		
Cost	5016000	—
Aggregate of Investments in Mutual Fund		
Cost	3519	1663519
Net Assets Value	3519	1749894

ENTERPRISE INTERNATIONAL LIMITED

(Amount in Rupee)

As at 31.03.2011

As at 31.03.2010

SCHEDULE - "F"

CURRENT ASSETS, LOANS & ADVANCES

Stock in Trade

(As taken, valued and certified by management)

(At lower of cost or net realisable value)

Traded Goods	6402791	934483
Manufactured Goods	—	5886
	<u>6402791</u>	<u>940369</u>

Sundry Debtors

(Unsecured but considered goods)

For a period not exceeding six months

For a period exceeding six months

10141620	6811530
<u>—</u>	<u>—</u>
<u>10141620</u>	<u>6811530</u>

Cash & Bank Balances

Cash in hand

Cheque in hand

With Scheduled Banks

In Current Account

In Deposit Account

In Public Issue Refund Account

(as per contra)

1186699	738724
12462	1647905
5310799	6592071
11094749	3812720
70570	70570
<u>17675279</u>	<u>12861990</u>

Loans & Advances

(Unsecured but Considered goods)

Loan to Others

Security Deposit

Advances recoverable in cash or in kind or
for value to be received

Tax Deducted at Source (Receivable)

5093315	11023972
561495	546495
33864818	36781422
1419738	1182472
<u>40939366</u>	<u>49534361</u>
<u>75159056</u>	<u>70148250</u>

SCHEDULE :- "G"

CURRENT LIABILITIES & PROVISIONS

CURRENT LIABILITIES

Sundry Creditors

For Goods

For Expenses

For Others

Public issue refund Account

(As per Contra)

8476773	16189419
349735	413765
8241175	5718265
70570	70,570
<u>17138253</u>	<u>22392019</u>

Provisions

Income Tax

Fringe Benefits Tax

374974	158638
57266	57266
<u>432240</u>	<u>215904</u>

ENTERPRISE INTERNATIONAL LIMITED

(Amount in Rupee)

SCHEDULE :- "H"

As at 31.03.2011

As at 31.03.2010

OTHER INCOME

Interest Income	2478085	3289363
(T D S Rs. 2,59,898/- P.Y Rs. 5,60,205/-)		
Speculation Profit (net)	878354	48156
Dividend (Gross)	316079	202556
Profit on Sale of DEPB Licence	773	—
Rent Income	10800	32400
Profit on Sale of Investment	1355648	1551678
Others	3372	—
	<u>5043111</u>	<u>5124153</u>

SCHEDULE - "I"

MANUFACTURING & OTHER EXPENSES

Carriage Inward	4874963	3136597
Coolie & Cartage	543692	273264
Customs Duty	26021551	31120266
Dying, Cutting & Sticking Charges	15900	19200
Sample Purchases	338627	—
	<u>31794733</u>	<u>34549327</u>

SCHEDULE - "J"

ADMINISTRATIVE & SELLING EXPENSES

Salaries & Benefits to Staff	1185893	564275
Retainership Charges	6000	30000
Director's Remuneration	396000	396000
Rent, Rates & Taxes	735370	254553
Bank Charges	170857	368296
Postage, Telegraph & Telex	61363	55925
Telephone Charges	256837	101708
Internet Charges	14691	11091
Electric Charges	49229	52410
Travelling & Conveyance	3189070	1078459
Motor Car Expenses	193466	95519
Repair & Maintenance	155918	82186
Printing & Stationery	41336	45572
Legal Expenses	277000	175000
Commission & Discount	2670457	207528
Publicity & Advertisement	58295	44250
Motor Car Insurance Charges	41240	37847
Listing Fees	11030	23729
Service Charges	262515	338419
Sundry Balance Written off	3081	4972
Packing Charges	478258	131577
Demat Charges	3177	10075
Loss on sale of motor vehicles	15506	5307
Miscellaneous Expenses	191103	223212
	<u>10467692</u>	<u>4337910</u>

ENTERPRISE INTERNATIONAL LIMITED

SCHEDULE - "K"

NOTES ON ACCOUNTS :

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of Financial Statements :

The financial statements are prepared under the historical cost convention on the accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) in India, and materially comply with the mandatory accounting standards issued by the Central Government and the provisions of the Companies Act, 1956 (the Act).

b) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from these estimates. Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonable estimated. Actual results could differ from those estimates.

c) Revenue recognition :

The Company recognises sales at the point of despatch of goods to the customers.

d) Fixed Assets and capital work in progress :

Fixed Assets are stated at cost, after deducting accumulated depreciation up to the date of balance sheet. Direct costs are capitalized when the assets are ready for use and include borrowing costs related to the acquisition of qualifying assets for the period up to the completion of installation of such assets.

e) Depreciation :

Depreciation on fixed assets is provided pro-rata to the period of use, using the written down value method based on rates specified in Schedule XIV to the Act.

f) Impairment :

An assets is treated as impaired when the carrying cost of assets exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognised as an expense in the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reserved if there has been an improvement in recoverable amount.

g) Inventories :

Inventories are valued at lower of cost or net realisable value.

ENTERPRISE INTERNATIONAL LIMITED

h) Foreign Currency Transactions and translations :

Transactions in foreign currencies are recorded at a rate that approximates the exchange rate prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions are recognised in the profit and loss account.

i) Duty Draw Back :

These are being accounted for as and when actually received.

j) Investments :

Long term Investments are stated at cost and any decline other than temporary, in the value of such investments is charged to the Profit and Loss Account.

k) Employee benefits :

(i) Short-term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.

(ii) No post employment and other long-term employee benefits are payable by the company.

l) Contingent Liability :

i) Contingent liabilities if any are disclosed by way of notes to the Accounts.

ii) Demands raised by the Custom Authorities disputed by the Company Rs.NIL (Previous year Rs.26,27,309/-)

iii) Bank Guarantee given by a scheduled bank to customs authorities due to duty dispute of Rs.1,02,17,972 (P. Y. Rs. 41,20,256/-)

m) Income taxes, Deferred Tax and Fringe Benefits Tax :

The current charge for Income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences that result between the profit offered for income taxes and the profit as per the financial statements. Deferred tax assets and liabilities are computed using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets in respect of losses carried forward and unabsorbed depreciation are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Other deferred tax assets are recognised only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised and are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

n) Earnings per share :

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

2. In the opinion of the Board of Directors Current Assets, Loans and Advances are approximately of the value Stated, if realised in the ordinary course of business.
3. Fixed Deposit with scheduled Bank have been pledged to a Bank against bank guarantee issued by the Bank to the customs authorities.

ENTERPRISE INTERNATIONAL LIMITED

4. Information pursuant to the provisions of paragraph 3, 4C & 4D of part II of Schedule VI of the Companies Act, 1956.

A) There is no licensed or installed capacity.

B) Particulars in respect of Raw Materials, production & Sales etc. :

(Amount in Rupee)

TURNOVER, OPENING STOCK & CLOSING STOCK, INCLUDING

QUANTITATIVE INFORMATION IN RESPECT OF GOODS MANUFACTURED

Item	Unit	Opening Stock		Purchase		Consumption	Manuf-acture	Sale		Closing Stock	
		Qty	Value	Qty	Value			Qty	Value	Qty	Value
Silk Yarn (Hank)	Kg.	246.90	316032	202146.75 (134221.80)	196122648 (120247508)	—	—	202393.65 (133974.90)	232170182 (146388675)	—	—
Silk Fabrics	Mtr	1350.8	208451	113501.20 (248734.10)	17029268 (29756520)	4500.00 (8550.00)	—	104044.60 (240961.40)	19811452 (37253725)	6307.40	1016731
Denim Febrics	Mtr	—	—	90276.00 (NIL)	7460025 (NIL)	—	—	90276.00 (NIL)	8669367 (NIL)	—	—
Silk Saree	Pcs	6	5886	— (NIL)	— (NIL)	—	750 (1425)	756 (1419)	959332 (1823544)	—	—
Shares	Pcs	205000	410000	1010642 (NIL)	134196852 (NIL)	—	—	1113611 (NIL)	126904907 (NIL)	103031*	5386060
TOTAL			940369		354808793 (150004028)				388515240 (185465944)		6402791

Npote : * a) Adjusted for Bonus Shares received during the year.

b) Figures in brackets, if any represents figures for previous year.

ENTERPRISE INTERNATIONAL LIMITED

(Amount in Rupee)

C) **CIF value of imports :**

Raw Materials Rs. 12,34,88,137/- (Previous Year Rs.13,75,96,355/-)

D) **Expenditure in Foreign Currency :**

Travelling Rs. 8,34,480/- (Previous Year Rs.7,57,134/-)

E) **Value of Imported/Indigenous Trading Goods :**

	31.03.2011		31.03.2010	
	Value	%	Value	%
IMPORTED	12,34,88,137	34.80	13,75,96,355	91.73
INDIGENOUS	23,13,20,656	65.20	1,24,07,673	8.27

5. **Auditors' Remuneration :**

	31.03.2011	31.03.2010
Statutory Audit	15,000	15,000
Tax Audit	5,000	5,000
Certification Charges	5,000	4,000
	25,000	25,000

6. **Provision For Taxation :**

(a) In accordance with the requirement under the Accounting Standard (AS-22) relating to the deferred tax, the deferred tax Assets at the year end works out to be in the region of Rs.48,012/- (as on 01.04.2010 Asset Rs. 1,98,763/-) and the same has not been recognized in the accounts.

(b) **Composition of deferred tax Assets/(liability) Net :** As at 31.03.2011 As at 31.03.2010

Deferred Tax Assets

Tax impact of unabsorbed depreciation loss as per income tax return

1,09,490

1,06,301

Deferred Tax Liabilities

Tax impact of difference between carrying amount of fixed assets in the financial statements and the Income tax return

(61,478)

92,462

Net Deferred Tax Assets

48,012

1,98,763

7 **Earning per Share :**

(a) Profit / (Loss) after taxation as per Profit & Loss Account

12,66,605

10,22,853

(b) Weighted average number of equity shares outstanding

30,00,000

30,00,000

(c) Basic and diluted earning per share in rupees.

(Face value Rs.10/- per share)

0.42

0.34

8. **Segment Reporting :**

Primary Segment

Based on the guiding principle given in the Accounting Standard - 17 "Segment Reporting" issued by the Central Government the Company's primary segment are Silk Textile, Financial Activities & Synthetic Organic Dyes.

The above business segments have been identified considering :

- The nature of products
- The related risks and returns
- The internal financial reporting systems

Revenue and expenses have been accounted for based on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Expenses". Assets and liabilities which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocable Assets/Liabilities".

ENTERPRISE INTERNATIONAL LIMITED

Description	Textile	Shares	Total
A. Primary Segment Information			
<u>Segment Revenue</u>			
Sales	26,16,10333	12,6904,907	38,85,15,240
<u>Segment Result</u>	72,58,770	(17,19,195)	55,39,575
Other unallocable income net of unallocable expenditure			37,26,781
Interest (expenses)			3,29,853
Profit before tax			14,82,741
Profit after tax			12,66,605
<u>Segments Assets</u>	3,68,15,650	53,96,060	4,22,11,710
<u>Segment Liabilities</u>	83,27,640	1,75,718	85,03,358
Unallocable Assets net of Unallocable Liabilities			4,39,85,421

B. Secondary Segment

The Company caters mainly to the needs of Indian markets. Export turnover during the year being nil of the total turnover, there are no reportable geographical segments.

9. Amount due to MICRO, Small & medium Enterprises as on 31.03.2011 - Nil (P.Y - Nil).
10. The Company has examined carrying cost of its identified Cash Generating Units (CGU) by comparing present value of estimated future cash flow from such CGU in terms of Accounting Standard 28 on impairment of assets according to which no provision for impairment is required as assets of non of C G U are impaired during the financial year ended 31st March 2011.

11. Related Party Disclosure :

(Parties with whom transactions have taken place during the year.)

Name of Related parties :	Nature of Relationship
i) Enterprise Finance Limited	Associates of the Company
(ii) Shree Shelter Private Limited	Associates of the Company
(iii) Ganesh Awas Private Limited	Associates of the Company
(iv) Gopal Das Sarda	Key Management Person
(v) Aditya Sarda	Key Management Person
(vi) Brijlata Sarda	Directors relative
(vii) Rishu Sarda	Directors relative

The above parties are related parties in the broader sense of the term and are included for making the financial statements more transparent.

Transactions with related parties	Year ended 31st March, 2011	Year ended 31st March, 2010
a) Advances Received	Rs. 1,25,00,000	Rs. 1,61,00,000
b) Loan Received	Rs. 1,31,75,000	—
c) Rent Paid	Rs. 24,000	Rs. 96,000
d) Advance Payable	Rs. 77,50,000	Rs. 11,60,000
e) Loan Payable	Rs. 50,21,604	—
f) Remuneration to key Management Person	Rs. 3,96,000	Rs. 3,96,000

12. Figures of previous year have been rearranged, regrouped, wherever necessary.

ENTERPRISE INTERNATIONAL LIMITED

13. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :	
Registration No.	47832
State Code	21
Balance Sheet Date	31st March, 2011
II. Capital Raised During the Year : (Rupees)	
Public Issue	-
Rights Issue	-
Bonus Issue	-
Private Placement	-
III. Position of Mobilisation and Deployment of Funds : (Rupees)	
Total Liabilities	7,76,93,773
Total Assets	7,76,93,773
<u>Sources of Funds :</u>	
Paid up Capital	2,99,42,250
Reserves & Surplus	3,83,91,426
Secured Loans	-
Unsecured Loans	93,60,097
<u>Application of Funds :</u>	
Net Fixed Assets	1,23,65,378
Investments	77,39,832
Net Current Assets	5,75,88,563
Miscellaneous Expenditure	-
Accumulated Losses	-
IV. Performance of Company : (Rupees)	
Turnover/Income	40,06,78,605
Total Expenditure	39,91,95,664
Profit/(Loss) Before Tax	14,82,941
Profit/(Loss) After Tax	12,66,605
Earnings per Share (Rs.)	0.42
Dividend Rate	-
V. Generic Names of Principal Products of the Company :	
<u>Product Description</u>	<u>Item Code No.</u>
Raw Silk Yarn	500200 00
Tussah Silk Yarn	500200 01

As per our attached report of even date

For **K. M. TAPURIAH & CO.**
FIRM REGISTRATION NO. 314043E
Chartered Accountants

(K. M. TAPURIAH)
Partner
 Membership No. - 51509
 Place : Kolkata
 Date : 27th May, 2011

G. D. SARDA
A. SARDA
J. N. NATHANY
A. K. DUTTA
S. MAZUMDAR
Directors

ENTERPRISE INTERNATIONAL LIMITED

CASH FLOW STATEMENT

For the year ended 31st March, 2010.

Pursuant to clause 32 of the Listing Agreement with Stock Exchanges

	Year ended 31.03.2011 Amount (Rs.)	Year ended 31.03.2010 Amount (Rs.)
A. Cash Flow from		
<u>Operating Activities</u>		
Net Profit/(Loss) before Tax & Extraordinary items	14,82,940	11,81,491
<u>Adjustment for :</u>		
Add : Depreciation	8,29,224	6,61,237
Loss on Sale of Fixed Assets	<u>15,506</u>	<u>5,307</u>
	8,44,730	6,66,544
Operating Profit/ (Loss) before working Capital changes	<u>23,27,670</u>	<u>18,48,035</u>
<u>Adjustment for :</u>		
Trade & Other receivable	52,64,905	(69,71,454)
Inventories	(54,62,422)	(2,08,027)
Trade payable	<u>(52,53,766)</u>	<u>1,18,34,064</u>
	(54,51,283)	46,54,583
Cash generated from operation before extra ordinary items	(31,23,613)	65,02,618
Prior year Expenses (Net)		(3,947)
Taxes paid (Net of Tax Deducted at Source)		<u>(1,34,741)</u>
		<u>(1,38,688)</u>
Net cash from Operating Activities	<u>(31,23,613)</u>	<u>63,63,930</u>
B. <u>Cash Flow from Investing Activities</u>		
Purchase of Fixed Assets	(98,06,649)	(12,04,612)
Purchase of Investment	(50,16,000)	(2,20,17,903)
Sale of Investment	1,33,27,453	1,72,70,551
Sale of Fixed Assets	72,000	50,000
Net Cash used in Investing Activities	<u>(14,23,196)</u>	<u>(59,01,964)</u>
C. <u>Cash Flow from Financing Activities</u>		
Proceeds from calls in Arrear	—	—
Repayment of short term borrowing	93,60,098	—
Received Short term borrowing		
Dividend Paid	—	—
Net cash used in Financing Activities	<u>93,60,098</u>	<u>Nil</u>
Net increase in cash and cash equivalents (A+B+C)	48,13,289	4,61,966
Opening balance of cash and cash equivalents	1,28,61,990	1,24,00,024
Closing balance of cash and cash equivalents	1,76,75,279	1,28,61,990

Note : Figures in brackets indicate outflow.

Place : Kolkata

Date : 27th May, 2011.

ENTERPRISE INTERNATIONAL LIMITED

Auditor's Certificate

We have checked the attached cash flow statement of Enterprise International Ltd. for the year ended 31st March, 2011 from the audited accounts of the Company and have found it in accordance there with.

For **K. M. TAPURIAH & CO.**
FIRM REGISTRATION NO. 314043E
Chartered Accountants

(K. M. TAPURIAH)
Partner

Membership No. - 51509
Place : Kolkata
Date : 27th May, 2011

ENTERPRISE INTERNATIONAL LTD.

ENTERPRISE INTERNATIONAL LIMITED

"MALAYALAY"
UNIT NO. 2A(S), 2ND FLOOR
3, Woodburn Park, Kolkata - 700 020

ATTENDANCE SLIP

Name of first / Sole & Address	Joint, if any 22ND ANNUAL GENERAL MEETING 21ST SEPTEMBER, 2011 AT 10.00 A.M.
--------------------------------	---

- * A member/proxy wishing to attend the meeting must complete this attendance slip and hand it over at the entrance.
- * If you intend to appoint a proxy, please complete the proxy form and deposit it at the Company's Registered Office at least 48 hours before the meeting.
- * **Please bring your copy of the enclosed Annual Report.**

I record my presence at 22nd A.G.M.

Name of Proxy (if any) in BLOCK LETTERS	Signature of member / proxy
--	-----------------------------

ENTERPRISE INTERNATIONAL LIMITED

"MALAYALAY"
UNIT NO. 2A(S), 2ND FLOOR
3, Woodburn Park, Kolkata - 700 020

PROXY FORM

I/W
ENTERPRISE INTERNATIONAL LIMITED hereby appoint

of as my / our

proxy to attend and vote for me/us and on my/our behalf at the Twenty Second Annual General Meeting of the Company to be held on Wednesday, 21st September, 2011 and at any adjournment thereof.

As witness my/our hand(s) this day of 2011.

Signed by the said Affix Thirty
paise
revenue
stamp here

* This proxy form duly completed must be received at the Company's Registered Office at least 48 hours before the meeting.

BOOK POST

If undelivered please return to :
Enterprise International Ltd.
"MALAYALAY"
UNIT NO. 2A(S), 2ND FLOOR
3, Woodburn Park, Kolkata - 700 020