

STERLING INTERNATIONAL ENTERPRISES LIMITED

Regd. Office: 43, Atlanta Building, Nariman Point, Mumbai – 400 021.

CIN No. L72300MH2003PLC142575

Tel. No. +91 22 66306732/33 Website : sterinternational.com

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the members of the Company will be held at Sheetal – I Hall, Land Mark, Link Road, Mith Chowkey, Malad (West), Mumbai – 400 064 on Thursday, the 31st December 2015 at 9.00 A.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 30th June 2015 and the Profit and Loss Account for the year ended on that date along with the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri Nitin Sandesara (DIN 00255496), who retires by rotation and being eligible, offers himself for re-appointment in terms of Section 152(6) of the Companies Act, 2013.
3. To appoint a director in place of Shri Rajbhushan Dixit (DIN 00025484), who retires by rotation and being eligible, offers himself for re-appointment in terms of Section 152(6) of the Companies Act, 2013.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

To appoint Ms. Mayuri Patel (DIN 00090549), as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

“RESOLVED that pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Clause 49 of the listing agreement, Ms. Mayuri Patel (DIN 00090549), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 25th March, 2015 in terms of Section 161 (1) of the Act and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the date of this Annual General Meeting.”

6. CHANGE OF ACCOUNTING YEAR

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 2 (41) and all other applicable provisions, if any, of the Companies Act, 2013, the financial year of the Company, which ends on 30th June 2016, beginning from the 1st July, 2015 be close on the 31st March, 2016 so that balance-sheet and the profit and loss account giving effect to such change shall be complied with for a period of nine months from 1st July, 2015 to 31st March, 2016 for the financial year ended on 31st March, 2016 and thereafter the financial year commence on 1st April and ends on 31st March every year.

RESOLVED FURTHER THAT Copy of the said resolution certified to be true be submitted to Registrar of Companies, Maharashtra, Mumbai, Stock Exchanges and such other Government Authorities as may be required to note the said change.

By Order of the Board
For Sterling International Enterprises Ltd.

Place : Mumbai
Date : 25th November, 2015

Nitin J. Sandesara
Director
(DIN-00255496)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE LODGED WITH THE COMPANY AT ANY TIME NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING. A FORM OF PROXY IS ENCLOSED.

In terms of Section 105 of the Companies Act, 2013, and rules thereunder, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such other person shall not act as a proxy for any other person or member. Proxies submitted on behalf of the limited companies, societies etc. must be supported by appropriate resolution/authority, as applicable.

2. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the special business under item No. 5 & 6 are annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, the 24th December, 2015 to Thursday, the 31st December 2015 (both days inclusive).
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat account. Members holding shares in physical form can submit their PAN details to the Company.
5. Details under clause 49 of the listing agreement with the stock exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
6. Electronic copy of the Annual Report for 2015 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report for 2015 is being sent in permitted mode.
7. Electronic copy of the notice of the 31st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and proxy form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the notice of 31st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in permitted mode.

8. Members holding shares in physical form are requested to notify immediately any change in their address with PIN code to the Company's Share Transfer Agents and in case of Members holding shares in electronic form, this information should be passed on directly to their respective Depository Participants and not to the Company.

9. Dematerialisation of shares and liquidity

Equity shares of your Company can be traded in electronic form only by all the investors. Your Company has established connectivity with both the depositories viz. NSDL and CDSL through its Share Transfer Agent Link Intime India Private Limited. Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialisation of their shareholding so as to avoid inconvenience in future.

10. Members, holding shares in physical form, may avail of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the Form-SH 13 as prescribed in the Companies (Share Capital & Debenture) Rule, 2014, any person to whom their shares in the Company shall vest on occurrence of events stated in the Form. Those holding shares in physical form may obtain Form-SH 13 and send the same in duplicate to the RTA. In case of Shares held in dematerialised form, the nomination has to be lodged with the respective DP.

11. Members desirous of obtaining any information on the Annual Accounts to be explained at the Meeting are requested to write to the Company at an early date to facilitate compilation of information.

12. The Companies are required to transfer the dividend remaining unpaid for the 7 years to the Investor Education and Protection Fund Account.

As the Company has not declared dividend during last 7 Years, no unpaid dividend is due for transfer to the Investor education and protection fund.

13. Voting Options

1. Voting through Electronic Means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company / Depository Participant(s)]:

- a) Open email and open PDF file viz: "Sterling International Enterprises Limited e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.
- b) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- c) Click on Shareholder – Login
- d) Put user ID and password as initial password / PIN noted in step (a) above. Click Login.
- e) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f) Home page of e-voting opens. Click one-voting: Active Voting Cycles.
- g) Select "EVEN" of Sterling International Enterprises Limited.
- h) Now you are ready for e-voting as Cast Vote page opens.

- i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - k) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to mekuladvocate@rediffmail.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of AGM and Attendance Slip [for members whose email IDs are not registered with the Company / Depository Participants(s)] or requesting physical copy:
- a. Initial password is provided at the bottom of the Attendance Slip for the AGM:
EVEN (E-voting Event Number) USER ID PASSWORD/PIN.
 - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) Above, to cast vote.
2. Voting at AGM: The members who have not cast their vote by remote e-voting can exercise their voting rights at the AGM. The Company will make arrangements of ballot papers in this regards at the AGM Venue.

OTHER INSTRUCTIONS

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
- II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password /PIN for casting your vote.
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 24th December, 2015, are entitled to vote on the Resolutions set forth in this Notice.
- V. The remote e-voting period will commence at 9.00 a.m. on Monday, 28th December, 2015 and will end at 5.00 p.m. on Wednesday, 30th December, 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th December, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24th December, 2015.
- VII. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 24th December, 2015 may obtain the login ID and password by sending an email to investorscompsiel@rediffmail.com or evoting@nsdl.co.in by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on www.evoting.nsdl.com.
- VIII. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.

- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the meeting through ballot papers.
- X. Mr. Mehul Vyas, Advocate has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- XI. The Scrutiniser shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall within 3 days of conclusion of the meeting submit a consolidate scrutiniser report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorised by him in writing.
- XII. The results along with the Scrutinisers Report shall be placed on the website of the Company and on the website of NSDL and shall be communicated to BSE Limited.

By Order of the Board
For Sterling International Enterprises Ltd.

Place : Mumbai
Date : 25th November, 2015

Nitin J. Sandesara
Direct
(DIN-00255496)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013 AND THE INFORMATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT IS AS FOLLOW:

Item No. 2

Shri Nitin J. Sandesara

Shri Nitin Sandesara, aged 55 years, is a qualified Chartered Accountant and Commerce Graduate from Mumbai University. Shri Sandesara is a first generation entrepreneur with over 33 years of experience in implementing and managing several businesses. He has played a major role by diversifying the Sandesara group of companies in several businesses successfully such as tea, Gelatin, engineering, oil and gas, special economic zones, infrastructure and ports. He is responsible for the Company's strategy and business development. He is a Director in the following companies.

Sr.No.	Name of Company
1	American Biotech Limited
2	Antariksha Capital & Finance (India) Pvt. Ltd.
3	Charismatic Trading Pvt. Ltd.
4	Eminence Trading Pvt. Ltd.
5	Helicopter Services Pvt. Ltd.
6	Modi Capital Finance (India) Limited
7	Navseema Properties & Securities Pvt. Ltd.
8	PMT Engineering Limited
9	PMT Machines Limited
10	PMT Oil Rigs Private Limited

11	Rollstar Finance & Investment Pvt. Ltd
12	Sealord Erections Pvt. Ltd.
13	Sterling Energy Limited
14	Sterling Free Trade And Warehousing Zone Pvt. Ltd.
15	Sterling Gelatin Limited
16	Sterling Healthcare Limited
17	Sterling Biotech Limited
18	Sterling Natural Resources Private Limited
19	Sterling Oil Resources Limited
20	Sterling Port Limited
21	Sterling SEZ Amenities Limited
22	Sterling SEZ And Infrastructure Limited
23	Sterling SEZ Developers Limited
24	Sterling SEZ Gas Distributors Limited
25	Sterling SEZ Power Distribution Company Limited
26	Sterling SEZ Tele Services Limited
27	Sterling SEZ Transportation Developers Ltd.
28	Sterling Vadodara International Airport Pvt. Ltd.
29	Sterling Vayudut Pvt. Ltd.
30	Sterling Wines Private Limited
31	Swadeshi Finvest Pvt. Ltd.
32	Sterling Waste Management Ltd.
33	Hizin Mercantile Private Limited
34	Pious Mercantile Private Limited

Item No. 3

Reappointment of Shri Rajbhushan Dixit

Name : Shri R. B. Dixit

Age : 53 Years

Qualification : Commerce Graduate

Experience : Mr. R. B. Dixit has 28 years of experience and exposure in handling commercial and Financial matters. He is also Director of Sterling Biotech Limited, PMT Machines Limited, Ensa Steel Industries Limited, Planatium Infrastructure Private Limited.

Item No. 5

Appointment of Ms. Mayuri Patel

Ms. Mayuri patel was appointed as independent director w.e.f 25th March, 2015.

Ms. Mayuri Patel is a Commerce Graduate and having 23 years experience in Accounting, Management and liaison works. She is also Director of Panoramic Investments Pvt. Ltd., Sterling Fitness and Wellness Pvt. Ltd., Jangpriya Properties Pvt. Ltd., Shameek Mercantile Pvt. Ltd., Succor Mercantile Pvt. Ltd., Osmund Properties Pvt. Ltd., Alltrade Marketing Pvt. Ltd., Sterling Port Ltd., Sterling Biotech Limited and Sterling International and Infrastructure Ltd.

She is not holding any shares of the Company.

Section 149 and section 152 of the Companies Act, 2013, inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the annual general meeting.

The new provisions further provide that the Independent Directors shall give a confirmation of independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013.

In terms of section 149 and other applicable provisions of the Companies Act, 2013, Ms. Mayuri Patel being eligible and offering herself for appointment is proposed to be appointed as an Independent Director for five consecutive years from the date of this Annual General Meeting.

The Company has received from Ms. Mayuri Patel:

- (i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub section (2) of section 164 of the Companies Act, 2013.
- (ii) A declaration to the effect that she meets the criteria of independence as provided under sub section (6) of section 149 of the Companies Act, 2013.

In the opinion of the Board, Ms. Mayuri Patel fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Ms. Mayuri Patel as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Mayuri Patel as an Independent Director.

This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing agreement with the Stock Exchanges.

None of the Directors or KMPs of the Company or their relatives except Ms. Mayuri Patel herself is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.5 for your consideration and approval.

Item No. 6

As per The Companies Act, 2013 The financial year of the company must be ended on 31st March, every year. As our company has follow accounting year ended on 30th June every year, we have to change the accounting year which will ended on 31st March every year so the next financial statements will be prepared for a period of nine month starting from 1st July, 2015 and ended on 31st March, 2016 and there after every year the financial year commence on 1st April and ended on 31st March of the following year

None of the Directors, Key Managerial Personnel and relatives of Directors / Key Managerial Personnel of the Company is in any way concerned or interested in this Special Resolution.

The Board of Directors recommends resolution set out at item no.6 for your consideration and approval.

By Order of the Board
For Sterling International Enterprises Ltd.

Place : Mumbai
Date : 25th November, 2015

Nitin J. Sandesara
Director
(DIN-00255496)

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	L72300MH2003PLC142575
Name of the Company	:	Sterling International Enterprises Limited
Registered Office	:	43, Atlanta Building, Nariman Point, Mumbai, Maharashtra – 400 021
Name of the member (s)	:	
Registered Address	:	
E-mail Id	:	
Folio No / Client Id	:	
DP Id	:	

I / We, being the Member(s) holding _____ shares of the above named Company, hereby appoint;

- | | | | |
|-----|-----------|-----------|-----------------------|
| (1) | Name: | Address | |
| | E-mail Id | Signature | or failing him / her; |
| (2) | Name: | Address | |
| | E-mail Id | Signature | or failing him / her; |
| (3) | Name: | Address | |
| | E-mail Id | Signature | |

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 31st Annual General Meeting of the Company, to be held on Thursday, the 31 December, 2015 at 9:00 a.m. at Sheetal – I Hall, Land Mark, Link Road, Mith Chowkey, Malad (West), Mumbai – 400 064 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolu- tion No.	Resolutions
	Ordinary Business:
1.	Adoption of Financial Statement for the financial year ended 30 th June, 2015
2.	Re-appointment of Shri Nitin Sandesara (DIN 00255496), Director Who retires by rotation.
3.	Re-appointment of Shri Rajbhushan Dixit (DIN 00025484), Director who retires by rotation.
4.	To appoint and fix remuneration of Auditors of the Company for the financial year ended 31 st March, 2016
	Special Business:
5.	Appointment of Ms. Mayuri Patel (DIN 00090549) as an Independent Director for a period of five years
6.	Change of Accounting Year

Signed this _____ day of _____ 2015

Signature of Shareholder _____

Signature of Proxy holder(s) _____

AFFIX 1/- REVENUE STAMP

Notes:

This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.

STERLING INTERNATIONAL ENTERPRISES LIMITED

Regd. Office: 43, Atlanta Building, Nariman Point, Mumbai – 400 021.

CIN No. L72300MH2003PLC142575

Tel. No. +91 22 66306732/33 Website : sterinternational.com

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Joint shareholders may obtain additional Attendance Slip at the venue of the meeting

DP ID*	
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Regd. Folio No.	
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Client ID*	
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NAME AND ADDRESS OF THE SHAREHOLDER

No. of Share(s) held: _____

I hereby record my presence at the 31st ANNUAL GENERAL MEETING of the company held on Thursday, the 31st December, 2015 at 9:00 a.m. at Sheetal-I Hall, Land Mark, Link Road, Mith Chowkey, Malad (W), Mumbai – 400 064.

Signature of the shareholder or proxy

*Applicable for investors holding shares in electronic form.

STERLING INTERNATIONAL ENTERPRISES LIMITED

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DP ID*	
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Regd. Folio No.	
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Client ID*	
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Signature of the shareholder or proxy

*Applicable for investors holding shares in electronic form.



**31st
ANNUAL REPORT
2014-2015**



STERLING INTERNATIONAL ENTERPRISES LIMITED
Translating Growth into Success

BOARD OF DIRECTORS

Nitin J. Sandesara
Director

Chetan J. Sandesara
Director

Rajbhushan Dixit
Director

Mayuri Patel
Director

Ronald D'souza
Director

BANKERS

Andhra Bank

AXIS Bank

State Bank of India

HDFC Bank

Allahabad Bank

The Catholic Syrian Bank

AUDITORS

H. S. Hathi & Co.

Chartered Accountants

REGISTERED OFFICE

43, Atlanta Building,

Nariman Point,

Mumbai – 400 021.

Members are requested to bring their
copy of the Annual Report with them
to the Annual General Meeting.

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DIRECTORS' REPORT

To the Members,
Sterling International Enterprises Limited

Your Directors have pleasure in presenting the 31st Annual Report together with the Audited Statement of Accounts of the Company for the year ended 30th June, 2015.

FINANCIAL RESULTS

(` in Lacs)

Particulars	Year Ended 30-06-2015	Year Ended 30-06-2014
Income from Operations	156.58	128.81
Other Income	34.35	130.51
Total Income	190.93	259.31
Earning before Depreciation, Interest & Tax	90.19	171.57
Less : Depreciation	60.27	63.43
Interest	0.00	76.01
Profit Before Tax	29.92	32.13
Provision for Taxation	7.15	9.95
Net Profit / (Loss) for the year	22.77	22.18

DIVIDEND

The Directors do not recommend any dividend for the current year with a view to conserve the resources.

OPERATIONS & FUTURE OUTLOOK

The total income of the company on stand alone basis has been ` 190.93 lacs as compare to ` 259.31 lacs in the current year whereas the total income of the company on the consolidated basis has increased from ` 44,929.57 lacs in the previous year to ` 56,802.96 lacs the current year.

The Company's Substantial Investment is in the overseas subsidiaries, which are in the business of Oil related activities. The Major Income of the Company is due to the operations of the subsidiaries in Oil related activities, which are reflected in the Consolidated Financial Statements.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

The Company has the following four direct and indirect overseas subsidiary companies as on 30th June, 2015:

British Oil & Gas Exploration Private Limited, Mauritius (BOGEPL)

BOGEPL is 100 per cent owned subsidiary of the Company which is a Holding Company of British Oil Resources Limited.

British Oil Resources Limited, Mauritius (BORL)

BORL is 100 per cent owned subsidiary of BOGEPL and holds the entire issued share capital of SORL & GGL and 99.96 per cent of the entire issued share capital of BOGEL.

British Oil & Gas Explorations Limited, British Virgin Islands (BOGEL)

BOGEL is 99.96 per cent owned subsidiary of BORL. The Company is engaged in business of oil rigs and associated services, which involves the purchase of oil rigs and letting it on hire by deployment of rigs on oil fields for drilling.

Sterling Oil Resources Limited, British Virgin Islands (SORL)

Sterling Oil Resources Ltd is a 100 per cent subsidiary of BORL. The company is engaged in the business of oil trading and other related products.

Geodynamics Geospectra Limited, British Virgin Islands (GGL)

Geodynamics Geospectra Limited (GGL) is 100% owned subsidiary of BORL. The company provides services in the collection and interpretation of seismic data. It is capable of acquiring both two-dimensional and three-dimensional seismic data. Seismic data is collected by causing an explosion in the area beneath a shot-hole and then capturing the resulting resonance by a geophone and a telemetry system. Interpretation of the seismic data collected helps in identifying the precise points for well drilling.

During the year, the Board of Directors (the Board) reviewed the affairs of material subsidiaries. We have, in accordance with Section 129(3) of the Companies Act, 2013 prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. Further, the report on the performance and financial position of each of the subsidiary, associate and joint venture and salient features of the financial statements in the prescribed Form AOC-1 is given.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited financial statements of each of the subsidiary will be available on our website www.sterlinginternational.com. These documents will also be available for inspection during business hours at the registered office of the Company.

CHANGE IN ACCOUNTING YEAR

Our Company has financial year ends on June 30 every year. Pursuant to Section 2(41) of the Companies Act, 2013, we are required to change the financial year from June to March. Therefore our next financial statement will be prepared for a period of Nine months starting from 1st July, 2015 and ended on 31st March, 2016.

MANAGEMENT DISCUSSION AND ANALYSIS

A separate report on Management Discussion and Analysis relating to business and economic environment surrounding your company is enclosed as a part of the Annual Report.

CORPORATE GOVERNANCE

We believe Corporate Governance is at the heart of Stakeholder value creation. In pursuance of the system of Corporate Governance instituted by SEBI, forming part of the Listing Agreement with the Stock Exchange, a report thereon is separately attached to this report.

DIRECTORS

Shri Nitin Sandesara and Shri Rajbhushan Dixit, Directors of the Company, retire by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment. The Board recommends re-appointment of Shri Nitin Sandesara and Shri Rajbhushan Dixit.

During the year, Shri Ramani Iyer and Shri Hitesh Patel, Directors of the Company resigned from the Board. Shri Ramani Iyer and Shri Hitesh Patel were on the Board of the company for many years. The Directors would like to place on record their sincere appreciation for their commitment and contribution made by them during their tenure on the Board.

Ms. Mayuri Patel was appointed as independent director w.e.f 25th March, 2015. As per Companies Act, 2013, Independent Directors shall hold office for a term of upto five consecutive years. Ms. Mayuri Patel being eligible and offering herself for appointment is proposed to be appointed as an Independent Director for five consecutive years for a term five years from the date of this Annual General Meeting.. Ms. Mayuri Patel submitted to the Board a declaration that she meets criteria of independence as provided in Section 149 (6) of the Companies Act, 2013. The Board recommends appointment of Ms. Mayuri Patel as independent director to the members.

During the year, the Board met four times.

INDEPENDENT DIRECTORS DECLARATION

The Company has received the necessary declaration from each Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

RELATED PARTY TRANSACTIONS

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company does not have any loan, guarantee or investments except as stated in Note No. 24 forming part of financial statements.

NOMINATION AND REMUNERATION COMMITTEE

The Board at its meeting held on May 14, 2014, Constituted Nomination & Remuneration Committee, in accordance with section 178 of the Companies Act, 2013. The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal, framing an evaluation framework for the evaluation of the performance of the Directors and the Board, evaluation of performance of every Director, recommending to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees, formulating the criteria for determining qualifications, positive attributes and independence of a Director, framing policy on Board diversity and other functions assigned by the Board.

PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The Company with the approval of remuneration and Nomination Committee has put in place an evaluation framework for evaluation of the Board of Directors. The Board also carries out an evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Risk Management Committee etc.

The evaluation of the Committees is based on the assessment of the compliance with the terms of reference of the Committees. The evaluations for the Directors and the Board were done through circulation of two questionnaires, one for the Directors and the other for the Board which assessed the performance of the Board on select parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors was based on their participation, contribution and offering guidance to and understanding of the areas which are relevant to them in their capacity as members of the Board.

SELECTION OF NEW DIRECTORS AND BOARD MEMBERSHIP CRITERIA

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. Characteristics expected of all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability to participate constructively in deliberations and willingness to exercise authority in a collective manner.

RISK MANAGEMENT COMMITTEE

The Company has also constituted Risk Management Committee to oversee the operational risk management in the Company. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with regard to enterprise risk management. The Committee reviews the risk management practices and actions deployed by the Management with respect to identification, impact assessment, monitoring, mitigation and reporting of key risks while trying to achieve its business objectives.

CORPORATE SOCIAL RESPONSIBILITY

The Company's vision is to be a global benchmark in value creation and corporate citizenship and the Company's long-term Corporate Social Responsibility (CSR) objective, is to improve the quality of life of the communities through long-term value creation for all stakeholders.

The Company have CSR committee consisting of Shri R. B. Dixit, Shri Ronald D'souza and Smt. Mayuri Patel. The average annual net profit for the past three years amounting to ` 389,875. As the committee is of the opinion that the amount of net profit is so meager that the amount required to be spent on CSR would not have any effectiveness and therefore it was decided not to spend the amount.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuance to Section 134 of the Companies Act, 2013, the directors hereby states that :

- i) in the preparation of the Annual Accounts for the year ended 30th June, 2015, the applicable Accounting Standards had been followed along with proper explanation relating to material departures.
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period.
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the Annual Accounts for the year ended 30th June, 2015 on a going concern basis.
- v) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FIXED DEPOSITS

The Company did not accept any deposits from the Public during the year under review.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure A.

AUDITORS

Statutory Auditors

As recommended by the Audit Committee, the Board has proposed the re-appointment of M/s. H. S. Hathi & Co., Chartered Accountants as statutory auditors for the financial year from 01-07-2015 to 31-03-2016. The appointment is accordingly proposed in the Notice of the current AGM vide item no. 4 for approval by Members. There are no qualifications, reservation or adverse remarks made by the statutory auditors in the audit report.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company with the approval of its Board, appointed M/s. S. Bhattbhatt & Co. a Company Secretaries in Practice to undertake the Secretarial Audit of

the Company for the financial year ended June 30, 2015. The Secretarial Audit Report is annexed herewith as Annexure B. There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge of their professional obligation.

PERSONNEL

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not given as there is no employee drawing salary in excess of prescribed limit.

INTERNAL CONTROL AND ITS ADEQUACY

The Company has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 the required information relating to conservation of energy, technology absorption is not required to be given as Company do not have any manufacturing activities. There is no foreign exchange earnings or outgo during the year.

ACKNOWLEDGEMENT

Your Directors appreciate the valuable co-operation extended by the Central and State Government authorities and are extremely grateful to the Financial Institutions and the Company's Bankers for their continued assistance, guidance and support. Your Directors are also grateful to the Employees, Shareholders, Customers and the General Public for their support and confidence reposed in the Management.

Place: Mumbai
Date: August 28, 2015

For and on behalf of the Board of Directors

Chetan J. Sandesara Director (DIN - 00255671)	Nitin J. Sandesara Director (DIN - 00255496)
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Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 30th June, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L72300MH2003PLC142575
ii)	Registration Date	06-08-1984
iii)	Name of the Company	Sterling International Enterprises Limited
iv)	Category / Sub-Category of the Company	Company limited by shares / Indian Non-Government Company
v)	Address of the Registered office and contact details	43, Atlanta Building, Nariman Point, Mumbai – 400 021. Tel.: +91-22- 66306732 Fax.:+91-22- 22041954 Email.: sinternational8@gmail.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup, Mumbai – 400 078. Tel.: +91-22- 25946970 Fax.:+91-22- 25946969 Email.: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the product / service	% to total turnover of the Company
1	Services incidental to on shore oil extraction	09102	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding Subsidiary / Associate	% of shares held	Applicable Section
1	British Oil & Gas exploration Private Limited, Mauritius	C1 / GBL 75493	Subsidiary	100	2 (46)
2	British Oil Resources Limited, Mauritius	C1/GBL 078835	Subsidiary	100	2 (46)
3	British Oil & Gas exploration Limited, British Virgin Island	1026736	Subsidiary	99.96	2 (46)
4	Sterling Oil Resources Limited, British Virgin Island	1427071	Subsidiary	100	2 (46)
5	Geodynamics Geospectra Limited, British Virgin Island	1064803	Subsidiary	100	2 (46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/ HUF	14150000	0	14150000	5.21	14150000	0	14150000	5.21	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	95257340	0	95257340	35.10	95257340	0	95257340	35.10	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	109407340	0	109407340	40.31	109407340	0	109407340	40.31	0.00
2) Foreign									
a) NRIs - Individual	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	109407340	0	109407340	40.31	109407340	0	109407340	40.31	0.00
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	4898867	0	4898867	1.81	42455728	0	42455728	15.64	13.83
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0
Sub-total (B)(1):-	4898867	0	4898867	1.81	42455728	0	42455728	15.64	13.83

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2) Non-Institutions									
a) Bodies Corp.									
i) Indian	46611339	715250	47326589	17.44	41545573	715250	42260823	15.57	(1.87)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	11903545	5682520	17586065	6.48	14986991	5682520	20669511	7.62	1.14
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	7689884	0	7689884	2.83	10121064	0	10121064	3.73	0.90
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
c-i) Clearing Member	1804142	0	1804142	0.66	14655340	0	14655340	0.54	(0.12)
c-ii) NRI (Repatriable)	1031526	0	1031526	0.38	1126996	0	1126996	0.42	0.04
c-iii) NRI (Non-Repatriable)	285587	0	285587	0.11	231759	0	231759	0.09	(0.02)
Sub-total (B)(2):-	69326023	6397770	75723793	29.71	70330142	6397770	76727912	28.27	1.44
Total Public Shareholding (B) = (B)(1)+(B)(2)	74224890	6397770	80622660	29.71	112785870	6397770	119183640	43.91	14.20
C. Shares held by Custodian for GDRs & ADRs	81373068	0	81373068	29.98	42812088	0	42812088	15.77	(14.21)
Grand Total (A + B + C)	265005298	6397770	271403068	100.00	265005298	6397770	271403068	100.00	0.00

ii. Share holding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Chetan Sandesara	7025000	2.59	0.00	7025000	2.59	0.00	0.00
2	Nitin Sandesara	7125000	2.63	0.00	7125000	2.63	0.00	0.00
3	Anula Properties Pvt. Ltd.	7833750	2.89	0.00	7833750	2.89	0.00	0.00
4	Helicopter Services Pvt. Ltd.	8000000	2.95	1.29	8000000	2.95	1.29	0.00
5	Jangpriya Investments Pvt. Ltd.	5760000	2.12	0.00	5760000	2.12	0.00	0.00
6	Modi Capital Finance (India) Ltd.	8075000	2.98	0.00	8075000	2.98	0.00	0.00
7	Prabal Investrade Pvt. Ltd.	8905000	3.28	1.47	8905000	3.28	1.47	0.00
8	Richmond Investment Pvt. Ltd.	5813000	2.14	0.00	5813000	2.14	0.00	0.00
9	Rollstar Finance & Investment Pvt. Ltd.	6300000	2.32	0.00	6300000	2.32	0.00	0.00
10	Hizin Trading Company Pvt. Ltd.	1202500	0.44	0.00	1202500	0.44	0.00	0.00
11	Soham Proteins Pvt. Ltd.	2373500	0.87	0.00	2373500	0.87	0.00	0.00
12	Titanic Investment and Consultants Pvt. Ltd.	5760000	2.12	0.00	5760000	2.12	0.00	0.00
13	Swadeshi Finvest Pvt. Ltd.	8300000	3.06	0.00	8300000	3.06	0.00	0.00
14	Sealord Erections Pvt. Ltd.	7115000	2.62	0.00	7115000	2.62	0.00	0.00
15	Antariksha Capital And Finance (India) Pvt. Ltd.	4380000	1.61	0.00	4380000	1.61	0.00	0.00
16	Eminence Trading Pvt. Ltd.	1849590	0.68	0.00	1849590	0.68	0.00	0.00
17	Antariksha Securities Pvt. Ltd.	5070000	1.87	0.00	5070000	1.87	0.00	0.00
18	Marut Apparels Pvt. Ltd.	8520000	3.14	0.00	8520000	3.14	0.00	0.00
	Total	109407340	40.31	2.76	109407340	40.31	2.76	0.00

iii. Change in Promoters' Shareholding (please specify, if there is no change) : No Change

iv. *Shareholding Pattern of top Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):*

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	LTS Investment Fund Ltd.	0	0.00	24146516	8.90
2	Albula Investment Fund Ltd.	2400	0.00	14414464	5.31
3	Embio Trading Private Limited	8630500	3.18	8630500	3.18
4	Gatsby Trading Private Limited	7461390	2.75	7461390	2.75
5	Turin Trading Private Limited	5101500	1.88	5101500	1.88
6	Babita Fiscal Pvt. Ltd.	4439250	1.64	4439250	1.64
7	Viel Insurance Services Pvt. Ltd.	3831500	1.41	3831500	1.41
8	Leman Diversified Fund	3097748	1.14	3097748	1.14
9	Lazor Financial Services Pvt. Ltd.	2817582	1.04	2817582	1.04

v. *Shareholding of Directors and Key Managerial Personnel :*

Sr. No.	Name of the Director / KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Nitin Sandesara At the beginning of the year	7125000	2.63	7125000	2.63
	At the end of the year	7125000	2.63	7125000	2.63
2	Chetan Sandesara At the beginning of the year	7025000	2.59	7025000	2.59
	At the end of the year	7025000	2.59	7025000	2.59

V. Indebtedness of the Company including interest outstanding / accrued but not due for payment : NIL

VI. Remuneration of Directors and Key Managerial Personnel : NIL

VII. Penalties / Punishment / Compounding of Offences : NIL

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended on 30th June, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 30/06/2015

To,

The Members,

Sterling International Enterprises Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sterling International Enterprises Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Sterling International Enterprises Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 30/06/2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Sterling International Enterprises Limited ("the Company") for the financial year ended on 30/06/2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Mumbai Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year, Shri Ramani Iyer and Shri Hitesh Patel, Directors of the Company resigned from the Board. Ms. Mayuri Patel was appointed as independent director w.e.f. 25th March, 2015.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above has occurred.

This report is to be read with Annexure attached herewith.

SUHASH BHATTBHATT
(Company Secretary in practice)
ACS No. 11975
C P No.:10427

Place : Vadodara

Date : 24/08/2015

'Annexure A'

To,

The Members

Sterling International Enterprises Limited

Our secretarial Audit report of 24/08/2015 is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

SUHASH BHATTBHATT
(Company Secretary in practice)
ACS No. 11975
C P No.:10427

Place : Vadodara

Date : 24/08/2015

REPORT ON CORPORATE GOVERNANCE

Progress is measured not by the distance travelled, but the distance travelled in the right direction. Governance has a critical role in determining the right direction. In the corporate world, the primary responsibility for governance is in the hands of the Board of Directors, who set the direction for the company within the charter selected by the shareholders. The management in alignment with the Board of Directors accelerates the pace of progress, moving the company forward. The main role of Board of Directors is to see how management serves the interest of all stakeholders.

i) Corporate Governance Philosophy :

The Company views sound corporate governance as an integral part of its efforts to enhance shareholders' value. The Company endeavours to safeguard the interests of investors, customers, suppliers and lenders and build the confidence of the society in general. The company believes in adopting the philosophy of professionalism, transparency and accountability in all areas.

ii) Board of Directors (Board) :

Presently, the Board comprises of 5 Directors, out of which 2 Directors are Promoter and Non Executive and 3 other Directors being Non-executive Directors. All the Directors are eminent industrialists and/or professionals with experience in overall management, finance and law, who bring a wide range of skills and experience to the Board.

a. Composition of the Board

Name	Category	No. of other Directorships and Committees Memberships / Chairmanships			Relationships with other Directors
		Other Directorships	Committee Memberships	Committee Chairmanships	
Nitin J. Sandesara	Promoter/ Non-executive	34	-	-	Brother of Shri Chetan J. Sandesara
Chetan J. Sandesara	Promoter/ Non-executive	61	-	-	Brother of Shri Nitin J. Sandesara
R. B. Dixit	Independent / Non-executive	4	2	3	None
Ronald D'souza	Independent/ Non-executive	-	-	-	None
Mayuri Patel	Independent/ Non-executive	10	-	-	None

b. Number of Board Meetings

During the year under review the Board of Directors met four times on the following dates: 28/08/2014 (Adoption of Annual Accounts), 13/11/2014, 14/02/2015 and 14/05/2015.

c. Attendance of Directors

Name	Meetings Attended	Attended last AGM on 31-12-2014
Nitin J. Sandesara	4	NO
Chetan J. Sandesara	4	YES
R. B. Dixit	4	YES
Ronald D'souza	4	YES
Mayuri Patel	1	NO
Hitesh Patel (upto 25 th March, 2015)	3	YES
Ramni Iyer (upto 25 th March, 2015)	2	NO

iii) Code of Conduct

The Board lays down code of conduct for Board Members and senior management of the Company and is posted on the website of the Company. The Board members and senior management personnel affirm compliance to the code of conduct.

iv) Committee of Directors

Audit Committee of Sterling International Enterprises Limited consists of three Non-Executive Independent Directors. The terms of reference to the Audit Committee mainly to see the effectiveness of the company's financial reporting process, disclosure norms, internal control systems, accounting policies and practices, reports of the Company's internal Auditors, quarterly / yearly financial statements as well as its financial risk policies. It also recommends appointment of statutory auditors, fixes audit fees and reviews internal control systems, scope for observations of the auditors and adequacy of the internal audit function.

During the year under review, the committee met four times on 28/08/2014 (Adoption of Annual Accounts), 13/11/2014, 14/02/2015 and 14/05/2015. The meeting was attended by all the members of the Audit Committee.

Stakeholders Relationship Committee

The name of Investors / Shareholders Grievance Committee changed to Stakeholders Relationship Committee. The committee consists of three non executive Directors. The Committee redresses shareholder and investors complaints like a delay in transfer of shares, non-receipt of balance sheet, etc. The Committee met one times and the meeting was attended by all the Members of the Stakeholders Relationship Committee namely Shri R. B. Dixit, Shri Ronald D'Souza and Smt. Mayuri Patel.

Nomination and Remuneration Committee

The Board at its meeting held on May 14, 2014, constitute Nomination and Remuneration Committee consisting of three non-executive Directors in accordance with section 178 of the Companies Act, 2013. The functions of the Committee include recommendation and review of the remuneration package of Directors based on performance, industry practice and defined criteria. During the year the Committee met two times.

The aggregate value of salary and perquisites payable for the year ended on 30th June, 2015 is Nil.

v) General Body Meetings :

Year	Venue	Date	Time	Any special Resolution	Kind of Meeting
2014	Sheetal – I Hall, Land Mark, Link Road, Mith Chowkey, Malad (W) Mumbai - 400 064	31-12-2014	9.00 a.m.	No	AGM
2013	Sheetal – I Hall, Land Mark, Link Road, Mith Chowkey, Malad (W) Mumbai - 400 064	28-12-2013	9.00 a.m.	No	AGM
2012	Sheetal – I Hall, Land Mark, Link Road, Mith Chowkey, Malad (W) Mumbai - 400 064	31-12-2012	9.30 a.m.	No	AGM

Special Resolution if any passed by postal ballot : NIL

vi) Disclosures :

1. As required under the Companies Act, the Directors disclose the name of the Companies / Parties in which they are interested. In terms of Accounting Standard AS-18, details of related party transaction during the year have been set out in notes annexed to the Balance Sheet and Profit and Loss Account. However, they are not having any potential conflict with the interests of Company at large.
2. There was no non-compliance during the last three years by the Company on any matter related to Capital Market.

RISK MANAGEMENT

The Company's activities expose it to a variety of risks including market risk, sales risk, regulatory risk, product liability and liquidity risk etc. The Company's overall risk management seeks to minimise potential adverse effects on its performance.

A Risk Management Steering Committee of the Company has been formed headed Mr. Chetan Sandesara as Chairman of the Committee and also represented by the functional heads as Chief Risk officers. The Committee embraces the identification, assessment, mitigation, monitoring and reporting of material risks faced by the Company.

vii) Means of Communications :

- a. The quarterly/annual financial results of the Company are published in the newspapers within 48 hours from the conclusion of the Board meeting.
- b. No representation were made to the Institutional Investors or to any analysts.
- c. Management Discussion & Analysis Report forms part of Annual Report as an annexure to the Director's Report.

viii) General Shareholder Information :

a. Annual General Meeting

Date : 31st December, 2015

Time : 9.00 A.M.

Venue : Sheetal – I Hall, Land Mark, Link Road,
Mith Chowkey, Malad (W), Mumbai – 400 064.

Date of Book Closure: Thursday, the 24th December, 2015 to Thursday, the 31st December, 2015 (Both days inclusive)

b. Financial Calendar 2015 – 2016 :Annual General Meeting September 2016 (next year)

Board Meeting

Unaudited Results – Qtrly. September, 2015 November, 2015

Unaudited Results – Qtrly. December, 2015 February, 2016

Audited Accounts March, 2016 May, 2016

c. Stock Exchanges where securities are listed

The Company's equity shares are Listed on the Bombay Stock Exchange Limited (BSE).

Name of Stock Exchange	Code
Bombay Stock Exchange Limited (BSE)	508998
Luxembourg Stock Exchange	CUSIP No. : 85935N1000 Common Code: 037422037 ISIN : US85935N1000

d. Stock Price Data

Month	High (BSE) `	Low (BSE) `
July – 2014	18.85	13.00
August - 2014	14.98	11.00
September - 2014	13.50	7.20
October - 2014	8.42	6.51
November - 2014	7.74	6.05
December – 2014	8.39	3.63
January - 2015	4.97	3.42
February - 2015	7.39	3.36
March - 2015	6.03	6.03
April - 2015	5.90	5.90
May – 2015	5.47	5.47
June - 2015	4.70	4.70

e. Share Transfer System

The share transfers are affected within 15 days from the date of lodgement of transfer, transmission, sub-division, renewal etc. Such modified share certificates are delivered to the shareholders immediately.

The total number of shares transferred in the non-dematerialised segment during year 2014-2015 was Nil Shares.

All requests for dematerialisation of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time. Upto 30-06-2015, 97.63 % equity shares of the company have been dematerialized.

f. Shareholding Pattern – as on 30th June 2015

Sl. No	Category	No. of Shareholder	%	No. of Equity Shares	%
1.	Resident Individuals	4002	93.20	30,790,575	11.34
2.	Indian Companies	182	4.24	42,260,823	15.57
3.	Indian Promoters	18	0.42	109,407,340	40.31
4.	NRIs/FPIs/FIIs/FCs	52	1.21	44,666,902	16.46
5.	Clearing Members	39	0.91	1,465,340	0.54
6.	Underlying Shares out of GDRs	1	0.02	42,812,088	15.78
	TOTAL	4294	100.00	271,403,068	100.00

Distribution of Shareholding – as on 30th June 2015

Sl. No	No. of shares Held	No. of Shareholders	% of Holders	Holding	% of Holding
1	1 – 5000	3260	75.87	3380301	1.25
2	5001 – 10000	304	7.07	2300545	0.85
3	10001 – 20000	249	5.80	3790126	1.39
4	20001 – 30000	187	4.35	4595020	1.69
5	30001 - 40000	37	0.86	1300019	0.48
6	40001 – 50000	37	0.86	1679522	0.62
7	50001 - 100000	95	2.21	6849969	2.52
8	100001 & Above	128	2.98	247507566	91.20
	TOTAL	4297	100.00	271,403,068	100.00

g. Outstanding GDRs

The Company has outstanding 10,703,022 GDRs representing in aggregate 42,812,088 equity shares of ₹ 1/- each.

h. International Securities Identification Number (ISIN)

ISIN is an identification number for traded scrip. This number needs to be quoted in each transaction relating to the dematerialised equity shares of the Company. ISIN number for Equity Shares of the Company with NSDL and CDSL is INE696C01021.

i. Dematerialisation of Shares :

Total No. of Shares dematerialized upto 30-06-2015 –	265,005,298
- With NSDL	173,549,908
- With CDSL	6,397,770

j. Location

Software Unit at PMT Complex, Pimpri Chinchwad Road, Pune, 411 018.

k. Address for Correspondence :

Shareholders can correspond at the Registered Office of the Company at Mumbai and / or Registrar & Transfer Agent (RTA) Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup, Mumbai – 400 078.

l. Complaints by Shareholders & their redressal during 1-7-2014 to 30-06-2015 :

Nature of Complaints	Received	Solved
Non-receipt of Annual Report	0	0
Delay in Transfer of Shares	0	0
Change of Address	0	0

WHISTLE BLOWER POLICY

Sterling International believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. In order to inculcate accountability and transparency in its business conduct, the Company has been constantly reviewing its existing systems and procedures. Your Company has approved a whistle blower policy which will enable all employees, directors and other stakeholders to raise their genuine concerns internally in a responsible and effective manner if and when they discover information which they believe shows serious malpractice or irregularity within the Company and/or to report to the management instances of unethical behavior, actual or suspected, fraud or violation of Company's code of conduct or ethics policy.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Sterling International Enterprises Limited
Mumbai

We have examined the compliance of conditions of corporate governance by Sterling International Enterprises Limited, for the year ended 30th June, 2015, as stipulated in clause 49 of the Listing Agreement with Stock Exchanges.

The compliances of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

As per our report of even date

For H. S. Hathi & Co.
Chartered Accountants
Firm Reg. No. : 103596W

Hemant S. Hathi
Proprietor
Membership No. 37109
Place: Mumbai
Date: 28th August, 2015

MANAGEMENT DISCUSSION AND ANALYSIS

ABOUT COMPANY

Sterling International Enterprises Ltd. (SIEL) a company established by Sandesara Group is in the business of providing oil & gas related services. SIEL operates internationally through its step down subsidiaries. Its activities include letting on hire of oil rigs, services in seismic data interpretation and oil trading activities. Following is the brief summary of Operating Companies of SIEL:

British Oil & Gas Exploration Limited (BOGEL) is a company incorporated in British Virgin Island and is engaged in the business of leasing of oil rigs and associated services. Currently it owns and operates four high capacity land rigs. It is deployed in Nigeria. Going forward it is expected to be key business vertical.

Sterling Oil Resources Limited (SORL, BVI) is a company incorporated in British Virgin Island and is engaged in the business of oil trading.

Geodynamics Geospectra Limited (GDGSL), a company incorporated in British Virgin Islands and is engaged in the business of providing services in the collection and interpretation of seismic data. It has its operations mainly in Nigeria.

GLOBAL ECONOMIC SCENARIO

The world economy continues to grow at a modest pace. Growth of world gross product is projected to accelerate slightly from 2.6 per cent in 2014 to 2.8 per cent in 2015—a downward revision by 0.3 percentage points from the forecast presented in the World Economic Situation and Prospects 2015 in January. In 2016, global growth is forecast to improve to 3.1 per cent. There are still considerable downside risks to the baseline forecast, related to the upcoming move towards monetary policy normalization in the United States, ongoing uncertainties in the euro area, and potential spillovers from geopolitical conflicts and persistent vulnerabilities in emerging economies. The overall subdued performance of the world economy since the global financial crisis has raised concerns of lower growth, especially in view of a broad-based weakness in investment.

The prospects for developed economies in 2015 have been projected with average growth of 2.2 per cent in 2015. Almost all major developed economies are expected to see the growth momentum picking up. The upward revision reflects a moderately improved outlook for the euro area owing to a number of factors, including lower energy prices and significant currency depreciation on the back of the European Central Bank's (ECB's) new large-scale asset-buying program. Despite expectations of a more robust recovery, developed economies continue to face considerable headwinds from the legacies of the global financial crisis, including subdued employment levels, elevated private and public sector debt, and financial sector fragilities.

Land Rigs Drilling Industry

Considering to the current economic conditions, there is a more modest outlook for the land drilling rig market through to 2019. The recent decline in oil price is expected to result in a 19% drop in onshore wells drilled in till the end of 2015, with several operators having announced planned reductions in expenditure. This expected fall in drilling activity is likely to have a significant impact on rig demand, with the global operational and active rig populations forecast to decline by 11% and 12% respectively in 2015. Based on a scenario

The world economy continues to grow at a modest pace. Growth of world gross product is projected at 2.8 per cent in 2015, accelerating to 3.1 per cent in 2016. (Source: UN.ORG)

Global consumption of petroleum & other liquids grew by 1.1 million b/d in 2014, averaging 92.4 million b/d for the year. EIA expects global consumption of petroleum and other liquid to grow by 1.3 million b/d in 2015 and by 1.4 million b/d in 2016. (Source: EIA Outlook)

EIA estimates the non- OPEC petroleum and other liquids production grew by 2.3 million b/d in 2014, which mainly reflects production growth in the United States. EIA expects non-OPEC production to grow by 1.4 million b/d in 2015 and by 0.2 million b/d in 2016. (Source: EIA Outlook)

EIA forecasts OPEC crude oil production to increase by 0.6 million b/d in 2015 and decrease by 0.2 million b/d in 2016. OPEC non-crude liquids production, which averaged 6.3 million b/d in 2014, is expected to increase by 0.1 million b/d in 2015 and 0.2 million b/d in 2016. (Source: EIA Outlook)

Standard & Poor's and Moody credit rating for Nigeria is B+ & Ba3 respectively with stable outlook

in which the oil price returns to pre-crisis levels of \$70-80 per barrel in 2016, the number of operational rigs is expected to rise by 19% over 2015-2019 as drilling activity recovers. Asia-Pacific is expected to see the largest regional increase in capable fleet size, with 230 units forecast to be added in 2015-2019. Increased well depths and drilling complexity have resulted in rising demand for high horsepower (HP) rigs, with the global number of active rigs rated over 1,250 HP having risen by 33% in 2010-2014. This trend is set to continue over the forecast period at a CAGR of 5%. More complex well drilling requirements are also expected to drive an increase in expenditure on components such as top drives over the 2015-2019 period. An increase in the number of rigs being converted to AC power, as well as the use of technologies such as pad drilling, is expected as operators seek to maximize the efficiency of drilling operations. The possibility of a further decline in oil price remains a potential downside risk to the forecast. Although the risk to conventional onshore drilling is lower, high Capex unconventional projects, including the use of Enhanced Oil Recovery (EOR) techniques could become uneconomic if the current economic conditions continue. In this event, demand for high HP rigs is likely to be impacted.

Oil & Gas Industry

Declining oil prices have taken a toll on the global oil and gas industry. WTI (West Texas Intermediate) Crude Prices have dropped from over \$100 per barrel to less than \$50 per barrel, with Brent following suit. This slide has persisted unabated, with oil prices even dipping below \$45 per barrel threshold before making modest recoveries, the oil glut amidst declining demand is a major source of concern for traditional suppliers as well as their host governments. In 2014, world crude oil production averaged at 73.4 million barrels/day, increasing by 0.7 per cent, over 2013. Noticeable increases originated in North America, particularly the US, as well as in Western Europe, more specifically Norway. Crude oil production declined year-on-year in Africa and the Middle East, and remained relatively flat in other regions. World oil demand averaged at 91.3m b/d in 2014, up by 1.1 per cent year-on-year, with the largest increases taking place in China, the Middle East — particularly in Saudi Arabia, Islamic Republic of Iran, Qatar and the United Arab Emirates, — and in non-OECD Asia. The oil prices

World natural gas consumption grew by just 0.4%, well below the 10-year average of 2.4%. Growth was below average in both the OECD and emerging economies. Global natural gas production grew by 1.6%, below its 10-year average of 2.5%. Growth was below average in all regions except North America. EU production fell sharply (-9.8%) to its lowest level since 1971. Global natural gas trade registered a rare contraction in 2014, falling by 3.4%.

NIGERIAN ECONOMIC SCENARIO & OUTLOOK

The economy has enjoyed sustained economic growth for a decade, with annual real GDP increasing by around 7%; it was 6.3% in 2014. The non-oil sector has been the main driver of growth, with services contributing about 57%, while manufacturing and agriculture, respectively contributed about 9% and 21%. The economy is thus diversifying and is becoming more services-oriented, in particular through retail and wholesale trade, real estate, information and communication. The 2015 outlook is for moderate growth of 5%, due to vulnerability to slow global economic recovery, oil-price volatility and global financial developments. The low oil price will lead to a sharp decline in fiscal revenues. However, the overall impact on non-oil sector GDP will be relatively muted. The sector is, thus, expected to remain the main driver of growth over the medium term and, in the light of the recent macroeconomic challenges, the government has adopted an adjustment strategy that hinges on tightening government spending and shoring up non-oil revenues to compensate for dwindling oil revenues.

Strategy

o Operational Excellence

The Company is investing in technologies that provide better control over the drilling phases and also trying to develop a software used by drilling engineers beginning in the design phase, which improves safety and reduces the time/cost of drilling activities.

o Financial Improvement

Generally adequate liquidity to support the business operations was a challenge but due to strong financial management skill, the company achieved the growth in business compare to last year even in negative atmosphere of oil & gas industry. Further, the Company is planning to reduce the existing debts and expects higher cash flow to support the financial requirements.

- o Customer Focus

The Company is conducting the business with well known & reliable customers of Oil & Gas industry. The company's well-trained employees are able to offer customers premium service support for all of their drilling needs.

- o Innovation

Technology plays a pivotal role in in the Oil & Rigs industry. Although with tradition of innovation, the Company uses the latest technologies in all of its dealings, whether it's any software or engineering programs, and strives to be the leader of technology.

- o Human Resources

The Company is dynamically engaged in identifying people/ employees with high skill & performance & also continued to emphasis the training for enriching its employee's skills. The various measures have been put to reduce the risk of losing of skilled employees to its competitors.

FINANCIAL PERFORMANCE

During the year, Sterling International Enterprises Limited (SIEL) witnessed increase in revenue mainly due to higher level of oil trading & seismic data interpretation service related activities. The highlights of SIEL's consolidated financial performance for FY 2014-15 are as follows:

- o Revenue from Operations was Rs. 5,676.86 million
- o Profit Before taxation was Rs. 88.22 million
- o Profit after taxation was Rs. 87.50 million
- o Net Worth as at June 30, 2015 stood at Rs. 21,531.37 million

TOTAL INCOME

SIEL's total income from operations for the current year is Rs. 5,676.86 Million, which is increased by 26.7% as compared to the total income of Rs. 4,479.91 Million in the previous year. The reason for such increase in revenue of the company is due to higher level of Oil Trading & Seismic Studies related activities. During the year, revenue from Oil trading activities increased by 26.7% & Seismic Studies activities increased by 21.7%. The company is focusing more towards its business of leasing drilling rigs considering the potential of this business.

PROFIT AFTER TAX

Profit after tax for the current year stood at Rs. 87.5 million i.e. 1.54% of revenue as compare to Rs. 80.56 Million i.e. 1.80% of revenue. The slight reduction in PAT margin is due to higher Employee Cost, Depreciation cost and marginal rise in finance cost.

Balance sheet Overview:

- o Networth

During the year, Share capital of SIEL remained unchanged at Rs. 271.40 million divided into fully paid equity shares of Re. 1 each. Networth of the company for the current year increased to Rs. 21,531.37 million due to increase in Reserves & Surplus by Rs. 1,200.46 Million on account of transfer of net profit for the year and Foreign Currency Translation Reserve.

- o Net Fixed Assets

The Company's consolidated net fixed assets and capital work in progress stood at Rs. 17,484.73 Million, decreased by Rs. 694.33 Million compare to Rs. 18,179.06 Million previous year mainly on account of depreciation.

Opportunities & Threat

- o Macro-Economic Environment

From a global macro-economic prospective, two major factors are affecting the oil exploration activities, (i) the general economic slowdown in the emerging economics and (ii) reduction in oil prices. The majority of the Company's assets are deployed with the small-medium terms contacts, mitigating the business from the economic volatility.

- o Industry Cyclicalities

Slowdown in the global economy & reduction in oil prices have not lead to a complete stoppage in oil exploration industry, validating the inherent industry vitality. Rig day rates did not decline proportionately with the decline in crude prices. But in the event if oil prices persisting at low rates for an extended period, oil exploration majors may be forced to cut explorations and drilling activities to conserve the liquidity.

As long as onshore oil exploration continues, there will be sufficient opportunities to the rig industry and will also create opportunities for services related to collection and interpretation of seismic data.

- o Price Volatility

The feasibility of global oil exploration & drilling industry is directly depended on crude oil prices. The last year was marked as bad year for oil market and Oil's plunge below \$50/bbl from triple digits a year ago has seen demand react more swiftly than supply.

- o Health Safety & Environment Rights

All our operations are carried out in strict compliance with relevant health, safety and environmental regulations coupled with compliance of all statutory obligations concerning human resources. The company has a well-defined Preventive Maintenance System (PMS) in place to ensure optimum utilization of equipment.

- o Technology

Normally, oil rigs is having a life span of longer years. Presently, the Company is operating four high capacity land rigs. We are also developing the new technologies to reduce the environmental impact, with the aim of reducing costs related to remediation and waste disposal.

- o Financing

Nigeria has one of the most liquid capital markets in the region, second only to South Africa. In the wake of the oil-price decline, the government adopted a fiscal contingency plan and intends to step up efforts to improve the efficiency of expenditure and service delivery; leakages will need to be contained and the capital-investment programme rationalized. The Company does not foreknow any major funding in the next years.

- o Geo Political

Nigeria, Africa's most populous nation and largest economy, continues to face challenges that tend to complicate and increase the cost of regulatory processes of which physical infrastructure and regulation are foremost. Over the years, the Company gained the experience by operating in Nigeria and overcoming geographical and socio-economic barriers for achieving inclusive growth and sustainable development.

Internal Control System

The Company has satisfactory system of internal controls commensurate with size and the nature of business activities. These have been designed to monitor & update and to ensure that the assets are safeguarded from unauthorized uses or losses. The Company has internal audit system and it meets the Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control system in the Company. It also assesses the Company's strategic risk management policy and suggests risk mitigation measures for all the key operations.

Human Resources, Industrial Relation & Statutory Compliances

The Company always recognized the important role their employees in the organization. The Company is providing modern workplace considering the health & safety measures to improve the productivity of human capital. The training, incentives and appraisals programs are conducted on regular basis.

The industrial relation was harmonious and friendly throughout the year.

The Company is regular in statutory compliances.

WAY FORWARD

The drilling industry is based on certain external key factors like fluctuating oil and gas prices and changes in the exploration and development budgets of field developers. Based on a scenario in which the oil price returns to pre-crisis levels of \$70-80 per barrel in 2016, the number of operational rigs is expected to rise by 19% over 2015-2019 as drilling activity recovers and demand is expected to continue to be strong for conventional heavy capacity drilling rigs. The increased exploration and production activity in countries like Nigeria, Angola, Gabon, Uganda, Sudan, Kenya, Egypt, etc. will increase demand for land drilling rigs.

Considering the E&P spending is on the rise, the rig industry is expected to continue its growth significantly in Latin America, Africa and the Middle East in the coming years. More complex well drilling requirements are also expected to drive an increase in expenditure on components such as top drives over the 2015-2019 period. Accordingly, the company will continue to focus on operations at Africa region.

AUDITOR'S REPORT TO THE SHAREHOLDERS

To,
The Members of
STERLING INTERNATIONAL ENTERPRISES LIMITED

Report on the Financial Statements

I have audited the accompanying financial statements of STERLING INTERNATIONAL ENTERPRISES LIMITED, which comprise the Balance Sheet as at 30th June, 2015, the Statement of Profit & Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit.

I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

I conducted my audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 30th June, 2015, and its profit and its Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the companies (Auditor's Report) Order, 2015, ("the order") issued by the Central Government of India in terms of sub Section (11) of section 143 of the Companies Act 2013, I give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, I report that:
 - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - b) In my opinion proper books of account as required by law have been kept by the Company so far as appears from my examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 30th June, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 30th June, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit & Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The company did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf of
M/s. H. S. HATHI & Co.
Chartered Accountants
Firm Registration No.103596W

Hemant S. Hathi
Proprietor
Membership No.37109

Place: Mumbai
Dated: 28th August, 2015

ANNEXURE Referred to in paragraph 1 under Report on other Legal and Regulatory Requirements of my Report of even date to the members of Sterling International Enterprises Limited on the accounts as at and for the period ended 30th June, 2015

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management based on a phased program of verification of all the assets during the year, which in my opinion is reasonable having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such verification.
- (ii) In respect of the inventories of the company:
 - (a) As per the information and explanations given to me, there is no trading or manufacturing activities in the company during the year, as a result there are no inventories in the company during the year. Therefore the clause is not applicable.
 - (b) The clause is not applicable to the company as explained above.
 - (c) The clause is not applicable to the company as explained above.
- (iii) The Company has not granted any secured or unsecured loans to any company or party covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the company and nature of its business for the purchase of inventory and fixed assets and sales of Goods and Services.
- (v) The Company has not accepted any deposits from public and does not have any unclaimed deposits.
- (vi) The provisions of clause 3(vi) of the order are not applicable to the company as the company is not covered by the companies (Cost Record and Audit) Rules, 2014.
- (vii) (a) According to the records of the company, the company has been regular in depositing with appropriate authorities, Undisputed statutory dues including Provident Fund, Income tax, Sales tax, Wealth tax, Service Tax, Custom duty, Cess and other statutory dues, applicable to the company.
- (b) According to the information and explanations given to me, no undisputed amounts payable in respect of such statutory dues were outstanding as at the 30th June, 2015 for a period of more than six months from the date they became payable.
- (c) The amount required to be transferred to Investor Education & Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
- (viii) The Company neither has accumulated losses nor it has incurred any cash losses during the year and in the immediately preceding financial year.
- (ix) According to the information and explanations given to me by the management, and on the basis of records examined by me, the company has not defaulted in the repayment of the dues to financial institutions or banks or debenture holders.
- (x) In my opinion, the terms and conditions on which the company has given co-guarantee for loans taken by other from banks or financial institutions are not prejudicial to the interest of the company.

- (xi) According to the information and explanations given to me by the management, the company did not avail any term loan during the year.
- (xii) To the best of my knowledge and belief and according to the information and explanations given to me, no fraud by the company and no material fraud on the company has been noticed or reported during the year.

For and on behalf of
M/s. H. S. HATHI & Co.
Chartered Accountants
Firm Registration No.103596W

Hemant S. Hathi
Proprietor
Membership No.37109

Place : Mumbai.

Dated : 28th August, 2015

BALANCE SHEET AS AT JUNE 30, 2015

PARTICULARS	NOTE NO.	As at June 30, 2015	As at June 30, 2014
(Amount in `)			
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	2	271,403,068	271,403,068
Reserves & Surplus	3	9,379,394,794	9,460,943,290
		9,650,797,862	9,732,346,358
Non-Current Liabilities			
Deferred Tax Liabilites (Net)	4	17,495,000	17,350,000
		17,495,000	17,350,000
Current Liabilities			
Trade Payables	5	746,496	1,742,440
Other Current Liabilites	6	57,658,378	80,046,678
		58,404,874	81,789,118
TOTAL		9,726,697,736	9,831,485,476
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	7	204,202,386	210,276,801
Non-Current Investments	8	9,167,787,567	9,146,903,971
Long Term Loans & Advances	9	6,441,852	6,392,041
		9,378,431,805	9,363,572,813
Current Assets			
Trade Receivables	10	1,558,393	750,116
Cash & Cash Equivalents	11	1,620,053	10,528,556
Short Term Loans & Advances	12	345,087,484	456,633,991
		348,265,931	467,912,663
TOTAL		9,726,697,736	9,831,485,476
Notes forming part of the financial statements	1	-	-

As per our report of even date attached

For H.S.HATHI & CO.
Chartered Accountants
Firm Registration No. 103596W

HEMANT S. HATHI
Proprietor
MEMBERSHIP NO. 37109

Place : Mumbai.
Dated : 28th August, 2015

For and on behalf of the Board of Directors

Nitin J. Sandesara - Director (DIN 00255496)
Chetan J. Sandesara - Director (DIN 00255671)
R. B. Dixit - Director (DIN 00025484)
Mayuri H. Patel - Director (DIN 00090549)
Ronald D'souza - Director (DIN 02097343)

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED JUNE 30, 2015

PARTICULARS	NOTE NO.	For the Year Ended June 30, 2015	For the Year Ended June 30, 2014
(Amount in `)			
INCOME			
Revenue from Operations	13	15,658,393	12,881,058
Other Income	14	3,434,946	13,050,192
Total Revenue		19,093,339	25,931,250
EXPENSES			
Employee Benefits Expense	15	3,593,354	2,357,822
Finance Costs	16	-	7,601,218
Depreciation	17	6,027,139	6,343,144
Other Expenses	18	6,480,694	6,416,288
Total Expenses		16,101,187	22,718,472
PROFIT BEFORE TAX			
Tax Expense			
- Current Tax		570,000	615,000
- Deferred Tax		145,000	380,000
PROFIT FOR THE YEAR	3	2,277,152	2,217,778
EARNINGS PER SHARE (Face Value of ` 1)			
- Basic & Diluted	22	0.01	0.01
Notes forming part of the financial statements	1		

As per our report of even date attached

For H.S.HATHI & CO.
Chartered Accountants
Firm Registration No. 103596W

HEMANT S. HATHI
Proprietor
MEMBERSHIP NO. 37109

Place : Mumbai.
Dated : 28th August, 2015

For and on behalf of the Board of Directors

Nitin J. Sandesara - Director (DIN 00255496)
Chetan J. Sandesara - Director (DIN 00255671)
R. B. Dixit - Director (DIN 00025484)
Mayuri H. Patel - Director (DIN 00090549)
Ronald D'souza - Director (DIN 02097343)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

1 SIGNIFICANT ACCOUNTING POLICIES

A) Basis of preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

B) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure related to contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include estimates of expected contract costs to be incurred to complete software development, provision for doubtful debts, and the useful life of fixed assets. Actual results could differ from these estimates.

C) Revenue recognition

Revenue from fixed-price contracts is recognized principally on the basis of completed milestones as specified in the contracts, on a percentage of completion basis. Where milestones are not representative of the percentage of completion method, estimates of work completed to the Balance Sheet date are used to recognize revenue on fixed-price contracts. Revenue from software developed on a time-and-materials basis is recognized as per the terms of specific contracts.

D) Fixed Assets

Fixed assets are stated at the cost of acquisition or construction, less accumulated depreciation. Direct costs are capitalized until the assets are ready to be put to use.

E) Depreciation

Depreciation is provided on a straight-line method basis over the useful life of assets, which is as stated in Schedule II of the Companies Act, 2013 or based on technical estimate made by the company.

F) Impairment

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired and if such indication exists, the carrying value of such asset is reduced to its recoverable amount and a provision is made for such impairment loss in the profit and loss account.

G) Foreign Currency Transactions

Foreign currency transactions during the period are recorded at the exchange rates prevailing on the date of the transaction. Monetary Foreign Currency Items are translated into rupees at the rates of exchange prevailing at the date of the balance sheet. All exchange differences are dealt with in the statement of profit and loss, except for those relating to the acquisition of fixed assets, which are adjusted in the cost of the fixed assets. Non Monetary Foreign Currency Items are carried at Cost.

H) Borrowing Cost

Borrowing cost attributable to the acquisition of fixed assets is included in the cost of asset. The balance borrowing cost is charged to revenue.

- I) Investments
Long Term Investments are stated at cost. Other investments are stated at the lower of cost or market value. Any decline, other than temporary in the value of long term investments (including investments in subsidiaries) is charged to the Profit & Loss Account.
- J) Income Tax
Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. Deferred tax asset or liability is recorded for the timing differences. The Deferred tax asset or liability is recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.
- K) Export Benefits
The Company accounts for export benefit entitlements under the Duty Entitlement Pass Book Scheme of Government of India, on accrual basis.
- L) Contingent Liabilities
Contingent Liabilities as defined in Accounting Standard-29 are disclosed by way of notes to accounts.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

(Amount in `)					
Note No.	PARTICULARS	As at June 30, 2015		As at June 30, 2014	
2	SHARE CAPITAL:	No. of Shares	Amount	No. of Shares	Amount
	AUTHORISED:				
	Equity Shares of ` 1 each	750,000,000	750,000,000	750,000,000	750,000,000
	ISSUED, SUBSCRIBED AND PAID UP				
	Equity Shares of ` 1 fully paid up	271,403,068	271,403,068	271,403,068	271,403,068
	TOTAL		271,403,068		271,403,068
2.1	8,46,53,068 (8,46,53,068) Shares out of the issued, subscribed and paid up share capital were allotted as equivalent to Global Depository Receipt (GDR).				
2.2	Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period, is as under:				
		No. of Shares	Amount	No. of Shares	Amount
	Equity shares outstanding as at the beginning of the year	271,403,068	271,403,068	271,403,068	271,403,068
	Changes during the year	-	-	-	-
	Equity shares outstanding as at the end of the year	271,403,068	271,403,068	271,403,068	271,403,068
2.3	The Company has only one class of shares referred to as equity shares having par value of ` 1 each. Each holder of equity share is entitled to one vote per share except GDR Holders / Depository. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting except in case of Interim Dividend. In the event of liquidation of the Company the holders will be entitled to receive remaining assets of the Company, after distribution of all preferential distribution in proportion to the number of Equity Shares held by the shareholders.				
2.4	The details of shareholder holding more than 5 % shares				
	Name of Shareholder	As at June 30, 2015		As at June 30, 2014	
		No. of Shares	% held	No. of Shares	% held
The Bank of New York Mellon	42,812,088	15.77%	81,373,068	29.98%	

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

Note No.	PARTICULARS	As at June 30, 2015	As at June 30, 2014
			(Amount in `)
3	RESERVES & SURPLUS:		
	SECURITIES PREMIUM RESERVE		
	As per Last Balance Sheet	9,227,184,412	9,227,184,412
	GENERAL RESERVE		
	As per Last Balance Sheet	50,000,000	50,000,000
	Less : Transferred to Profit & Loss Account	(50,000,000)	-
		-	50,000,000
	PROFIT AND LOSS ACCOUNT		
	As per Last Balance Sheet	183,758,878	181,541,100
	Add : Transferred from General Reserve	50,000,000	-
	Less : Extra Ordinary Items	(83,825,648)	-
	Add : Profit the year	2,277,152	2,217,778
		152,210,382	183,758,878
	GRAND TOTAL	9,379,394,794	9,460,943,290
4	DEFERRED TAX LIABILITIES (NET):		
	Deferred Tax Liabilities	17,495,000	17,350,000
	TOTAL	17,495,000	17,350,000
5	TRADE PAYABLES		
	Others	746,496	1,742,440
	TOTAL	746,496	1,742,440
6	OTHER CURRENT LIABILITIES		
	Other Payables - Statutory Dues	44,378	32,678
	Advance Received	57,614,000	80,014,000
	TOTAL	57,658,378	80,046,678

7. FIXED ASSETS		GROSS BLOCK				DEPRECIATION / AMORTIZATION				NET BLOCK	
		As on 01.07.2014	Additions/ Adjustments	Deductions/ Adjustments	Total 30-06-2015	As on 01-07-2014	Additions / Adjustments	Deductions/ Adjustments	Total 30-06-2015	30-06-2015	30-06-2014
OWN ASSETS											
Land Freehold	42,151,993	-	-	42,151,993	-	-	-	-	42,151,993	42,151,993	
Building Freehold	185,419,667	-	-	185,419,667	33,283,910	3,022,340	-	36,306,250	149,113,417	152,135,757	
Computers & Peripherals	348,020,146	58,638	-	348,078,784	346,548,647	486,282	-	347,034,929	1,043,855	1,471,499	
Office Equipments, Furniture & Fixtures	34,990,586	-	-	34,990,586	24,322,913	1,712,113	-	26,035,026	8,955,560	10,667,673	
Vehicles	12,946,606	-	786,857	12,159,749	9,096,727	806,404	680,943	9,222,188	2,937,561	3,849,879	
GRAND TOTAL	623,528,998	58,638	786,857	622,800,779	413,252,197	6,027,139	680,943	418,598,393	204,202,386	210,276,801	
Previous Year	641,615,579	240,089	18,326,670	623,528,998	406,909,053	6,343,144	-	413,252,197	210,276,801	234,706,526	

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

(Amount in `)

Note No.	PARTICULARS	As at June 30, 2015	As at June 30, 2014
8	NON CURRENT INVESTMENT:		
(A)	INVESTMENT PROPERTY	125,872,746	104,989,150
(B)	OTHER INVESTMENTS		
	Equity Shares - Subsidiaries		
	Unquoted, fully paid up		
	19,51,12,000 British Oil & Gas Exploration Pvt Ltd, Mauritius of \$1 Each (P.Y. 19,51,12,000)	9,039,522,999	9,039,522,999
	SUB TOTAL (A)	9,039,522,999	9,039,522,999
	Equity Shares - Others		
	Unquoted, fully paid up		
	25,000 (P.Y. 25,000) Sterling Exploration & Energy Production Co. Ltd, BVI of \$1 Each	1,469,952	1,469,952
	SUB TOTAL (B)	1,469,952	1,469,952
	Quoted, fully paid up		
	8,293 Andhra Bank of ` 10 Each (P.Y. 8,293)	746,370	746,370
	2,250 Punjab National Bank of ` 2 Each (P.Y. 450 of ` 10 each)	175,500	175,500
	SUB TOTAL (C)	921,870	921,870
	TOTAL (A + B + C)	9,041,914,821	9,041,914,821
	GRAND TOTAL	9,167,787,567	9,146,903,971
	Aggregate amount of quoted investments	921,870	921,870
	Market Value of quoted investments	875,395	1,300,299
	Aggregate amount of unquoted investments	9,040,992,951	9,040,992,951
9	LONG TERM LOANS AND ADVANCES:		
	Security Deposits - Unsecured, considered good	4,116,110	4,135,845
	Other Long Term Loans & Advances		
	- Staff Loans - Unsecured, considered good	1,464,500	884,000
	- Advance Tax (Net of Provisions)	861,242	1,372,196
	TOTAL	6,441,852	6,392,041
10	TRADE RECEIVABLES:		
	Unsecured considered good		
	Over six months	-	-
	Others	1,558,393	750,116
	TOTAL	1,558,393	750,116
11	CASH & CASH EQUIVALENTS :		
	Balance with Banks		
	In Current Accounts	1,513,610	10,421,697
	Cash on Hand	106,443	106,859
	TOTAL	1,620,053	10,528,556

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

(Amount in `)

Note No.	PARTICULARS	For the Year Ended June 30, 2015	For the Year Ended June 30, 2014
12	SHORT TERM LOANS AND ADVANCES:		
	Other Short Term Loans & Advances		
	- Staff Loans - Unsecured, considered good	45,000	198,000
	- Others - Unsecured, considered good	345,042,484	456,435,991
	TOTAL	345,087,484	456,633,991
13	INCOME	For the Year Ended June 30, 2015	For the Year Ended June 30, 2014
	Income from Sales	15,658,393	12,881,058
	Revenue from Operations	15,658,393	12,881,058
14	OTHER INCOME :		
	Interest Income	66,434	1,382,325
	Dividend from Long Term Investments	-	67,237
	Profit on Sale of Assets	3,368,512	9,095,630
	Development Income	-	2,505,000
	TOTAL	3,434,946	13,050,192
15	EMPLOYEE BENEFITS EXPENSE		
	Salary	3,517,729	2,287,146
	Staff Welfare	75,625	70,676
	TOTAL	3,593,354	2,357,822
16	FINANCIAL COST :		
	Interest Expense		
	On Short Term Borrowings	-	7,601,218
	TOTAL	-	7,601,218
17	DEPRECIATION EXPENSES :		
	Depreciation	6,027,139	6,343,144
	TOTAL	6,027,139	6,343,144
18	OTHER EXPENSES :		
	Advertisement & Publicity	102,377	135,094
	Electricity Expenses	654,029	559,637
	Miscellaneous Expenses	1,661,465	1,967,287
	Payment to Auditor	57,000	50,000
	Professional Charges	603,339	622,128
	Postage, Courier & Periodicals	37,850	41,184
	Printing & Stationery	199,814	246,881
	Rent, Rates & Taxes	1,054,457	916,452
	Repair & Maintenance	1,734,909	1,487,924
	Telephone Expenses	313,109	286,139
	Travelling Expenses	62,345	103,562
	TOTAL	6,480,694	6,416,288

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

19.	Segment Reporting In accordance with AS-17 "Segment Reporting", segment information has been given in consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these financial statements.		
20.	MSME Disclosures Based on the information received by the Company from Vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 (The Act) there are no amounts due to such vendors during the year and as at the year end. Therefore, disclosures required under the Act have not been given.		
21.	Related Party Disclosures		
	Related Parties and their relationship		
	I) Subsidiary (Direct Holding) British Oil and Gas Exploration Private Limited, Mauritius.	II) Subsidiary (Indirect Holding) British Oil Resources Limited, Mauritius British Oil & Gas Exploration Limited, BVI * Sterling Oil Resources Limited, BVI * Geodynamic Geospectra Limited, BVI * * Subsidiaries of British Oil Resources Limited	
	III) Enterprise in which significant influence is exercised		
	a) Sterling Exploration and Energy Production Company Limited, BVI		
	b) Sterling Oil Exploration and Energy Production Limited, Nigeria		
22.	Earnings Per Share		
	Profit for the year	2,277,152	2,217,778
	Amount available for Equity Shareholders	2,277,152	2,217,778
	No. of Equity Shares of ` 1/- each	271,403,068	271,403,068
	Basic & Diluted Earning per Share	0.01	0.01
23.	Auditors Remuneration		
	Auditor	34,200	30,000
	For Other Services	22,800	20,000
	Total	57,000	50,000

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

(Amount in `)

24.	CONTINGENT LIABILITIES (To the Extent Not Provided for)		
		As at June 30, 2015	As at June 30, 2014
	Contingent Liabilities		
	Corporate co-guarantees given by Company	1,650,000,000	4,850,000,000

(Rs. in Lacs)

25.	Foreign Currency Earnings and Expenditure	For the year ended June 30, 2015	For the year ended June 30, 2014
	FOB value of Exports	NIL	NIL
	CIF value of Imports (Capital Goods)	NIL	NIL
	Other Expenditure incurred	2.81	2.71

As per our report of even date attached

For H.S.HATHI & CO.
Chartered Accountants
Firm Registration No. 103596W

HEMANT S. HATHI
Proprietor
MEMBERSHIP NO. 37109

Place : Mumbai.
Dated : 28th August, 2015

For and on behalf of the Board of Directors

Nitin J. Sandesara - Director (DIN 00255496)
Chetan J. Sandesara - Director (DIN 00255671)
R. B. Dixit - Director (DIN 00025484)
Mayuri H. Patel - Director (DIN 00090549)
Ronald D'souza - Director (DIN 02097343)

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2015

(Amount in `)			
	PARTICULARS	For the year ended June 30, 2015	For the year ended June 30, 2014
(A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax	2,992,152	3,212,778
	Adjustment for :		
	Depreciation and Amortisation	6,027,139	6,343,144
	Interest & Dividend Received	(66,434)	(1,449,562)
	Profit on Sale of Assets	(3,368,512)	(9,095,630)
	Interest paid	-	(7,601,218)
	Operating Profit before Working Capital Changes	5,584,345	(8,590,489)
	Movements in Working Capital:		
	Increase / (Decrease) in Trade Payables & Other Liabilities	(23,384,244)	(5,021,192)
	(Increase) / Decrease in Trade Receivables	(808,277)	15,968,942
	(Increase) / Decrease in Loans & Advances	27,401,047	(31,135,694)
	Cash Generated from Operations	8,792,871	(28,778,432)
	Direct Taxes Paid	(300,000)	(325,000)
	Cash flow before extra ordinary items	8,492,871	(29,103,432)
	Dividend & Dividend tax	-	-
	Net Cash Flow from Operating Activities	8,492,871	(29,103,432)
(B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(58,638)	(240,089)
	Sale of Fixed Assets	105,914	18,326,670
	Interest Received	66,434	1,382,325
	Dividend Received	-	67,237
	Purchase of Investments	-	-
	Sale of Investments	(17,515,084)	10,578,330
	Net Cash used in Investing Activities	(17,401,374)	30,114,473
(C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest Paid	-	7,601,218
	Net Cash flow in financing Activities	-	7,601,218
	Net Increase/(Decrease) in Cash & Equivalents(A+B+C)	(8,908,503)	8,612,259
	Cash & Cash Equivalents as at beginning of the year	10,528,556	1,916,297
	Cash & Cash Equivalents as at end of the year	1,620,053	10,528,556

As per our report of even date attached

For H.S.HATHI & CO.
Chartered Accountants
Firm Registration No. 103596W

HEMANT S. HATHI
Proprietor
MEMBERSHIP NO. 37109

Place : Mumbai.
Dated : 28th August, 2015

For and on behalf of the Board of Directors

Nitin J. Sandesara - Director (DIN 00255496)
Chetan J. Sandesara - Director (DIN 00255671)
R. B. Dixit - Director (DIN 00025484)
Mayuri H. Patel - Director (DIN 00090549)
Ronald D'souza - Director (DIN 02097343)

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies.

Sr. No.	Particulars	BRITISH OIL & GAS EXPLORATION PRIVATE LIMITED	BRITISH OIL RESOURCES LIMITED	BRITISH OIL & GAS EXPLORATION LIMITED	STERLING OIL RESOURCES LIMITED	GEODYNAMIC GEOSPECTRA LIMITED
1	Reporting Currency	USD	USD	USD	USD	USD
2	Exchange Rate	63.75	63.75	63.75	63.75	63.75
(₹ in Lakhs)						
3	Share Capital	124,393.46	63.75	31.89	31.88	31.88
4	Reserves & Surplus	(2,722.04)	(38.85)	28,643.79	24,454.84	34,481.25
5	Total Assets	121,694.50	127.68	89,127.51	56,866.69	142,049.91
6	Total Liabilities	23.08	102.77	60,451.84	32,379.98	107,536.79
7	Investment	63.75	95.63	0.85	-	-
8	Turnover	-	-	18,555.30	20,027.93	18,028.80
9	Profit before taxation	(493.57)	(6.00)	(4,796.62)	3,052.50	3,095.96
10	Provision for taxation	-	-	-	-	-
11	Profit after taxation	(493.57)	(6.00)	(4,796.62)	3,052.50	3,095.96
12	Proposed dividend	-	-	-	-	-
				*	*	*
	% of Shareholding	100%	100%	99.96%	100%	100%
	Country of Incorporation	Mauritius	Mauritius	BVI	BVI	BVI

* Held by British Oil Resources Ltd.

Notes :

1. Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on June 30, 2015.
2. The reporting period for all the subsidiaries is June 30, 2015.

As per our report of even date attached

For H.S.HATHI & CO.
Chartered Accountants
Firm Registration No. 103596W

HEMANT S. HATHI
Proprietor
MEMBERSHIP NO. 37109

Place : Mumbai.
Dated : 28th August, 2015

For and on behalf of the Board of Directors

Nitin J. Sandesara - Director (DIN 00255496)
Chetan J. Sandesara - Director (DIN 00255671)
R. B. Dixit - Director (DIN 00025484)
Mayuri H. Patel - Director (DIN 00090549)
Ronald D'souza - Director (DIN 02097343)

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF STERLING INTERNATIONAL ENTERPRISES LIMITED

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of STERLING INTERNATIONAL ENTERPRISES LIMITED ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries constitute 'the Group'), which comprise the Consolidated Balance Sheet as at 30th June 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flow of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Company and its subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Company and its subsidiaries and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of these consolidated financial statements by the Board of Directors of the Company.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. While conducting the audit, I have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence obtained by me and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the other Matter below, is sufficient and appropriate to provide a basis for my audit opinion on the consolidated financial statements.

Opinion

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 30th June, 2015 and the consolidated profit and its consolidated cash flow for the year ended on that date.

Other Matter

I did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs 121822.17 lacs as at 30th June, 2015, total loss of Rs. 499.57 lacs and net cash out-flows amounting to Rs.6.75 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to me by the Management and my opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and my report in terms of sub-section (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

My opinion on the consolidated financial statements, and my report on Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to my reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, based on the comments in the auditor's report of the Holding Company, its subsidiaries incorporated in India, to whom the order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, I report, to the extent applicable, that:
 - (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit of the consolidated financial statements.
 - (b) In my opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from my examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In my opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors of the Company as on 30th June, 2015, taken on record by the Board of Directors of the Holding Company and the reports of the auditors of its subsidiary companies incorporated in India, none of the Directors of the Company and its subsidiaries, incorporated in India is disqualified as on 30th June, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me:
 - i) There was no pending litigation which would impact the consolidated financial position of the Group.
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For **H. S. Hathi & Co.**

Chartered Accountants

Firm Reg. No.: 103596W

Hemant S. Hathi

Proprietor

Membership No.: 37109

Place : Mumbai

Dated : 28th August, 2015

Re: The Indian Group, comprising only Sterling International Enterprises Limited ('the Holding Company') as there is no subsidiary company incorporated in India to whom this order applies.

ANNEXURE

Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' of my Report of even date to the members of Sterling International Enterprises Limited for the period ended 30th June, 2015. My opinion on Companies (Auditor's Report) Order, 2015 ('the Order') below is for the Indian Group and excludes foreign subsidiaries.

1. a) The Indian Group has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
b) The Indian Group has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In my opinion, this periodicity of physical verification is reasonable having regard to the size of the Indian Group and the nature of its assets. No material discrepancies were noticed on such verification during the year.
2. In respect of the inventories of the Indian Group:
 - a) As per the information and explanations given to me, there is no trading or manufacturing activities during the year, as a result there are no inventories during the year. Therefore the clause is not applicable.
 - b) The clause is not applicable to the company as explained above.
 - c) The clause is not applicable to the company as explained above.
3. The India Group has not granted any secured or unsecured loans to any company or party covered in the register maintained under section 189 of the Companies Act, 2013.
4. In my opinion and according to the information and explanations given to me, there is an adequate internal control system commensurate with the size of the Indian Group and the nature of its business with regard to purchase of fixed assets and with regard to sale of services. The activities of the Indian Group do not involve purchase of inventory and sale of goods. I have not observed any major weakness in the internal control system during the course of my audit.
5. The Indian Group has not accepted any deposits from the public and does not have any unclaimed deposits.
6. The provisions of clause 3(vi) of the order are not applicable to the India Group as the Indian Group is not covered by the companies (Cost Record and Audit) Rules, 2014.
7. a) According to the records of the Indian Group, the Indian Group has been regular in depositing with appropriate authorities, Undisputed statutory dues including Provident Fund, Income tax, Sales tax, Wealth tax, Service Tax, Custom duty, Cess and other statutory dues, applicable to the India Group.
b) According to the information and explanations given to me, no undisputed amounts payable in respect of such statutory dues were outstanding as at the 30th June, 2015 for a period of more than six months from the date they became payable.
c) The amount required to be transferred to Investor Education & Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
8. The Indian Group does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
9. According to the information and explanations given to me and on the basis of records examined by me, the Indian Group has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
10. In my opinion and according to the information and explanations given to me, the terms and conditions on which the Indian Group has given co-guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interests of the Indian Group.
11. According to the information and explanations given to me by the management, the Indian Group did not avail any term loan during the year.
12. To the best of my knowledge and belief and according to the information and explanations given to me, no fraud by the Indian group and no material fraud on the Indian Group has been noticed or reported during the year.

For H. S. Hathi & Co.
Chartered Accountants
Firm Reg. No.: 103596W

Hemant S. Hathi
Proprietor
Membership No.: 37109

Place : Mumbai
Dated : 28th August, 2015

CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2015

(Amount in `)

PARTICULARS	NOTE NO.	As at June 30, 2015	As at June 30, 2014
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	2	271,403,068	271,403,068
Reserves & Surplus	3	21,259,971,011	20,059,515,027
		21,531,374,079	20,330,918,095
Minority Interest		1,146,569	1,261,491
Non-Current Liabilities			
Long Term Borrowings	4	827,476,820	1,509,696,380
Deferred Tax Liabilities (Net)	5	17,495,000	17,350,000
		844,971,820	1,527,046,380
Current Liabilities			
Trade Payables	6	152,706,974	212,148,116
Other Current Liabilities	7	2,244,603,516	2,141,138,490
		2,397,310,490	2,353,286,606
TOTAL		24,774,802,958	24,212,512,572
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	8	17,484,730,194	14,781,094,558
Capital Work In Progress	8	-	3,397,967,869
Non-Current Investments	9	128,350,000	107,461,497
Long Term Loans & Advances	10	5,055,157,159	3,551,709,400
Other Non-Current Assets	11	219,406,433	252,762,096
		22,887,643,786	22,090,995,420
Current Assets			
Trade Receivables	12	1,523,395,029	1,635,090,349
Cash & Cash Equivalents	13	18,676,658	29,792,812
Short Term Loans & Advances	14	345,087,484	456,633,991
		1,887,159,172	2,121,517,152
TOTAL		24,774,802,958	24,212,512,572
Notes forming part of the financial statements	1		

As per our report of even date attached

For H.S.HATHI & CO.
Chartered Accountants
Firm Registration No. 103596W

HEMANT S. HATHI
Proprietor
MEMBERSHIP NO. 37109

Place : Mumbai.
Dated : 28th August, 2015

For and on behalf of the Board of Directors

Nitin J. Sandesara - Director (DIN 00255496)
Chetan J. Sandesara - Director (DIN 00255671)
R. B. Dixit - Director (DIN 00025484)
Mayuri H. Patel - Director (DIN 00090549)
Ronald D'souza - Director (DIN 02097343)

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED JUNE 30, 2015

(Amount in `)

PARTICULARS	NOTE NO.	For the Year Ended June 30, 2015	For the Year Ended June 30, 2014
INCOME			
Revenue from Operations	15	5,676,861,190	4,479,907,019
Other Income	16	3,434,946	13,050,192
Total Revenue		5,680,296,136	4,492,957,211
EXPENSES			
Cost of Goods Sold		1,497,166,390	1,168,837,821
Consumption of Materials		1,395,343,121	1,183,293,084
Employee Benefits Expense	17	544,134,174	407,567,665
Finance Costs	18	171,429,513	141,440,888
Depreciation & Amortization	19	1,844,843,350	1,383,227,155
Other Expenses	20	139,161,511	127,037,540
Total Expenses		5,592,078,059	4,411,404,153
PROFIT BEFORE TAX			
		88,218,077	81,553,058
Tax Expense			
- Current Tax		570,000	615,000
- Deferred Tax		145,000	380,000
PROFIT FOR THE YEAR (before adjustment of Minority Interest)		87,503,077	80,558,058
Less : Share of Profit transferred to Minority Interest		(191,788)	37,935
PROFIT FOR THE YEAR (after adjustment of Minority Interest)		87,694,865	80,520,123
EARNINGS PER SHARE (Face Value of ` 1)			
- Basic & Diluted	24	0.32	0.30
Notes forming part of financial statements	1		

As per our report of even date attached

For H.S.HATHI & CO.
Chartered Accountants
Firm Registration No. 103596W

HEMANT S. HATHI
Proprietor
MEMBERSHIP NO. 37109

Place : Mumbai.

Dated : 28th August, 2015

For and on behalf of the Board of Directors

Nitin J. Sandesara - Director (DIN 00255496)
Chetan J. Sandesara - Director (DIN 00255671)
R. B. Dixit - Director (DIN 00025484)
Mayuri H. Patel - Director (DIN 00090549)
Ronald D'souza - Director (DIN 02097343)

NOTES TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

1. SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

A) Basis of Consolidation :

The consolidated financial statements envisage combining of financial statement of Sterling International Enterprise Limited and its Subsidiary and Stepdown Subsidiaries as given below drawn up to the same reporting date as of the company, i.e. for the year ended 30th June, 2015 :

Sr. No.	Name of Subsidiaries	Country of Incorporation	Proportion of Ownership Interest	
			2015	2014
1.	British Oil and Gas Exploration Private Limited	Mauritius	100%	(100%)
2.	British Oil Resources Limited	Mauritius	100%	(100%)
3.	British Oil and Gas Exploration Limited	British Virgin Islands	99.96%	(99.96%)
4.	Sterling Oil Resources Limited	British Virgin Islands	100%	(100%)
5.	Geodynamic Geospectra Limited	British Virgin Islands	100%	(100%)

B) Principles of Consolidation :

The Consolidated Financial Statements relate to Sterling International Enterprises Limited and the above mentioned Subsidiaries. The Consolidated financial statements have been prepared on the following basis.

- i) In respect of subsidiary companies, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating the intra group balances and unrealized profits / losses on intra group transactions as per Accounting Standard – AS 21 Consolidated Financial Statements issued by The Institute of Chartered Accountants of India.
- ii) In case of foreign subsidiaries, revenue items, assets and liabilities are converted at rates prevailing at the end of the year. The net impact of such change is disclosed under foreign exchange translation reserve.
- iii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

C) Basis of preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

D) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure related to contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include estimates of expected contract costs to be incurred to complete software development, provision for doubtful debts, and the useful life of fixed assets. Actual results could differ from these estimates.

- E) Revenue recognition
Revenue from fixed-price contracts is recognized principally on the basis of completed milestones as specified in the contracts, on a percentage of completion basis. Where milestones are not representative of the percentage of completion method, estimates of work completed to the Balance Sheet date are used to recognize revenue on fixed-price contracts. Revenue from software developed on a time-and-materials basis is recognized as per the terms of specific contracts.
- F) Fixed Assets and Capital Work In Progress
Fixed assets are stated at the cost of acquisition or construction, less accumulated depreciation. Direct costs are capitalized until the assets are ready to be put to use.
- G) Depreciation
Depreciation is provided on a straight-line method basis over the useful life of assets, which is as stated in Schedule II of the Companies Act, 2013 or based on technical estimate made by the company.
- H) Impairment
The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired and if such indication exists, the carrying value of such asset is reduced to its recoverable amount and a provision is made for such impairment loss in the profit and loss account.
- I) Foreign Currency Transactions
Foreign currency transactions during the period are recorded at the exchange rates prevailing on the date of the transaction. Monetary Foreign Currency Items are translated into rupees at the rates of exchange prevailing at the date of the balance sheet. All exchange differences are dealt with in the statement of profit and loss, except for those relating to the acquisition of fixed assets, which are adjusted in the cost of the fixed assets. Non Monetary Foreign Currency Items are carried at Cost.
- J) Borrowing Cost
Borrowing cost attributable to the acquisition of fixed assets is included in the cost of asset. The balance borrowing cost is charged to revenue.
- K) Investments
Long Term Investments are stated at cost. Other investments are stated at the lower of cost or market value. Any decline, other than temporary in the value of long term investments (including investments in subsidiaries) is charged to the Profit & Loss Account.
- L) Income Tax
Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. Deferred tax asset or liability is recorded for the timing differences. The Deferred tax asset or liability is recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.
- M) Export Benefits
The Company accounts for export benefit entitlements under the Duty Entitlement Pass Book Scheme of Government of India, on accrual basis.
- N) Contingent Liabilities
Contingent Liabilities as defined in Accounting Standard-29 are disclosed by way of notes to accounts.

NOTES TO AND FORMING PART OF BALANCE SHEET AS AT BALANCE SHEET AS AT JUNE 30, 2015

(Amount in ₹)

NOTE NO.	PARTICULARS	As at June 30, 2015		As at June 30, 2014	
		No. of Shares	Amount	No. of Shares	Amount
2	SHARE CAPITAL:				
	AUTHORISED:				
	Equity Shares of ₹ 1 each	750,000,000	750,000,000	750,000,000	750,000,000
	ISSUED, SUBSCRIBED AND PAID UP				
	Equity Shares of ₹ 1 fully paid up	271,403,068	271,403,068	271,403,068	271,403,068
		271,403,068	271,403,068	271,403,068	271,403,068
2.1	8,46,53,068 (8,46,53,068) Shares out of the issued, subscribed and paid up share capital were allotted as equivalent to Global Depository Receipts (GDR).				
2.2	Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period, is as under:				
		No. of Shares	Amount in `	No. of Shares	Amount in `
	Equity shares outstanding as at the beginning of the year	271,403,068	271,403,068	271,403,068	271,403,068
	Changes during the year	-	-	-	-
	Equity shares outstanding as at the end of the year	271,403,068	271,403,068	271,403,068	271,403,068
2.3	The Company has only one class of shares referred to as equity shares having par value of ₹ 1 each. Each holder of equity share is entitled to one vote per share except GDR Holders / Depository. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting except in case of Interim Dividend. In the event of liquidation of the Company the holders will be entitled to receive remaining assets of the Company, after distribution of all preferential distribution in proportion to the number of Equity Shares held by the shareholders.				
2.4	The details of shareholder holding more than 5 % shares in the Parent Company:				
	Name of Shareholder	As at June 30, 2015		As at June 30, 2014	
		No. of Shares	% held	No. of Shares	% held
	The Bank of New York Mellon	42,812,088	15.77%	81,373,068	29.98%

NOTES TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR
THE YEAR ENDED JUNE 30, 2015

(Amount in `)

Note No.	PARTICULARS	As at June 30, 2015	As at June 30, 2014
3	RESERVES & SURPLUS:		
	SECURITIES PREMIUM RESERVE	9,227,948,196	9,227,904,330
	GENERAL RESERVE	50,000,000	50,000,000
	Less: Transferred to Profit and Loss Account	(50,000,000)	-
		-	50,000,000
	FOREIGN CURRENCY TRANSLATION RESERVE	5,528,896,381	4,332,353,480
	PROFIT AND LOSS ACCOUNT		
	As per Last Balance Sheet	6,449,257,217	6,368,737,094
	Add : Transferred from General Reserve	50,000,000	-
	Less : Extra Ordinary Items	(83,825,648)	-
	Add : Profit the year	87,694,865	80,520,123
		6,503,126,434	6,449,257,217
	TOTAL	21,259,971,011	20,059,515,027
4	LONG TERM BORROWINGS:		
	Term Loans		
	- From Banks - Secured	684,952,740	1,375,357,808
	Loans from related parties - Unsecured	142,524,080	134,338,572
	TOTAL	827,476,820	1,509,696,380
4.1	Term Loan from banks is secured by exclusive first charge on rigs and movable assets financed by lender as well as Corporate Guarantees from Group Companies and Personal Guarantee by one of the Board Members. Repayable in 10 half yearly installments commencing from 24th May 2012 and last installment is payable on 24th May 2017.		
4.2	There has been a default in the repayments of Installment as well as Interest of Term Loan amounting to ` 126.48 crores.		
5	DEFERRED TAX LIABILITIES (NET):		
	Deferred Tax Liabilities	17,495,000	17,350,000
	TOTAL	17,495,000	17,350,000
6	TRADE PAYABLES		
	Others	152,706,974	212,148,116
	TOTAL	152,706,974	212,148,116
7	OTHER CURRENT LIABILITIES		
	Current Maturities of Long Term Debt	1,939,093,283	1,758,297,115
	Interest Accrued & due on Borrowings	190,739,932	198,286,161
	Interest Accrued but not due	57,111,923	104,508,536
	Other Payables - Statutory Dues	44,378	32,678
	Advance Received	57,614,000	80,014,000
	TOTAL	2,244,603,516	2,141,138,490

8. FIXED ASSETS		(Amount in ₹)											
		GROSS BLOCK						DEPRECIATION / AMORTIZATION					
TANGIBLE ASSETS		As on 01.07.2014	Addition	Deletion	Adjustments	As on 30-06-2015	As on 01-07-2014	Addition	Deletion	Adjustments	As on 30-06-2015	30-06-2015	30-06-2014
OWN ASSETS													
Land Freehold		42,151,993	-	-	-	42,151,993	-	-	-	-	-	42,151,993	42,151,993
Building Freehold		185,419,667	-	-	-	185,419,667	33,283,910	3,022,340	-	-	36,306,250	149,113,417	152,135,757
Computers & Peripherals		348,020,146	58,638	-	-	348,078,784	346,548,647	486,282	-	-	347,034,929	1,043,855	1,471,499
Office Equipments, Furniture & Fixtures		34,990,586	-	-	-	34,990,586	24,322,913	1,712,113	-	-	26,035,026	8,955,560	10,667,673
Vehicles		12,946,606	-	786,857	-	12,159,749	9,096,727	806,404	680,943	-	9,222,188	2,937,561	3,849,879
Plant & Machinery		18,697,431,579	3,611,941,454	-	(1,139,270,359)	23,448,643,392	4,126,613,822	1,790,059,269	-	(251,442,493)	6,168,115,584	17,280,527,808	14,570,817,757
GRAND TOTAL		19,320,960,577	3,612,000,092	786,857	(1,139,270,359)	24,071,444,171	4,539,866,019	1,796,086,408	680,943	(251,442,493)	6,586,713,977	17,484,730,194	14,781,094,558
Previous Year		16,329,850,827	2,905,951,014	18,326,670	(103,485,406)	19,320,960,577	3,184,275,042	1,337,270,443	-	(18,320,534)	4,539,866,019	14,781,094,558	13,145,575,785
CAPITAL WORK IN PROGRESS													
													3,397,967,869

NOTES TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR
THE YEAR ENDED JUNE 30, 2015

(Amount in `)

Note No.	PARTICULARS	As at June 30, 2015	As at June 30, 2014
9	NON CURRENT INVESTMENT:		
(A)	INVESTMENT PROPERTY	125,872,746	104,989,150
(B)	OTHER INVESTMENTS		
	Equity Shares		
	Unquoted, fully paid up		
	British Oil & Gas Exploration Ltd - Nigeria	85,432	80,525
	Sterling Exploration & Energy Production Co. Ltd, BVI	1,469,952	1,469,952
	SUB TOTAL (A)	1,555,384	1,550,477
	Equity Shares – Others		
	Quoted, fully paid up		
	8,293 Andhra Bank of ` 10 Each (P.Y. 8,293)	746,370	746,370
	2,250 Punjab National Bank of ` 2 Each (P.Y. 450 of Rs. 10 each)	175,500	175,500
	SUB TOTAL (B)	921,870	921,870
	TOTAL (A + B)	2,477,254	2,472,347
	GRAND TOTAL	128,350,000	107,461,497
	Aggregate amount of quoted investments	921,870	921,870
	Market Value of quoted investments	875,395	1,300,299
	Aggregate amount of unquoted investments	1,555,384	1,550,477
10	LONG TERM LOANS AND ADVANCES:		
	Loans & Advances to related parties - Unsecured, considered good	5,048,715,307	3,545,317,359
	Security Deposits - Unsecured, considered good	4,116,110	4,135,845
	Other Long Term Loans & Advances		
	- Staff Loans - Unsecured, considered good	1,464,550	884,000
	- Advance Tax (Net of Provisions)	861,242	1,372,196
	TOTAL	5,055,157,159	3,551,709,400
11	OTHER NON-CURRENT ASSETS		
	MISCELLANEOUS EXPENDITURE	219,406,433	252,762,096
	(To the extent not written off or adjusted)		
	TOTAL	219,406,433	252,762,096
12	TRADE RECEIVABLES:		
	Unsecured considered good		
	Over six months	-	-
	Others	1,523,395,029	1,635,090,349
	TOTAL	1,523,395,029	1,635,090,349
12.1	Out of the above, ` 4.98 Crores (Previous Year ` NIL) is receivable from Sterling Oil Exploration & Energy Production Company Limited, Nigeria.		

NOTES TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR
THE YEAR ENDED JUNE 30, 2015

(Amount in `)

Note No.	PARTICULARS	As at June 30, 2015	As at June 30, 2014
13	CASH & CASH EQUIVALENTS :		
	Balance with Banks		
	In Current Accounts	17,616,952	29,234,232
	Cash on Hand	1,059,706	558,580
	TOTAL	18,676,658	29,792,812
14	SHORT TERM LOANS AND ADVANCES:		
	Other Short Term Loans & Advances		
	- Staff Loans - Unsecured, considered good	45,000	198,000
	- Others - Unsecured, considered good	345,042,484	456,435,991
	TOTAL	345,087,484	456,633,991
15	INCOME	For the year ended June 30, 2015	For the year ended June 30, 2014
	Income from Sales	5,676,861,190	4,479,907,019
	Other Operating Revenue	-	-
	Revenue from Operations	5,676,861,190	4,479,907,019
16	OTHER INCOME:		
	Interest Income	66,434	1,382,325
	Dividend from Long Term Investments	-	67,237
	Profit on Sale of Assets / Investment	3,368,512	9,095,630
	Development Income	-	2,505,000
	TOTAL	3,434,946	13,050,192
17	EMPLOYEE BENEFITS EXPENSE		
	Salary	544,058,549	407,496,989
	Staff Welfare	75,625	70,676
	TOTAL	544,134,174	407,567,665
18	FINANCIAL COSTS:		
	Interest Expense		
	On Short Term Borrowings	-	7,601,218
	On Long Term Borrowings	171,429,513	133,839,670
	TOTAL	171,429,513	141,440,888
19	DEPRECIATION & AMORTIZATION EXPENSE:		
	Depreciation	1,796,086,408	1,337,270,443
	Miscellaneous Expenditure W/off	48,756,942	45,956,712
	TOTAL	1,844,843,350	1,383,227,155

NOTES TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2015

(Amount in `)

Note No.	PARTICULARS	For the year ended June 30, 2015	For the year ended June 30, 2014
20	OTHER EXPENSES:		
	Advertisement & Publicity	102,377	135,094
	Electricity Expenses	654,029	559,637
	Miscellaneous Expenses	131,100,069	99,891,178
	Payment to Auditor	190,885	110,095
	Professional Charges	3,711,667	23,259,394
	Postage, Courier & Periodicals	37,850	41,184
	Printing & Stationery	199,814	246,881
	Rent, Rates & Taxes	1,054,457	916,452
	Repair & Maintenance	1,734,909	1,487,924
	Telephone Expenses	313,109	286,139
	Travelling Expenses	62,345	103,562
	TOTAL	139,161,511	127,037,540

NOTES TO AND FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

21. Segment Reporting

The Company has identified business segments (industry practice) as its primary segment and geographic segments as its secondary segment.

The Primary Segments are Information Technology & Oil related activities.

The Secondary Segments include Domestic & Overseas Operations.

(A) Primary Segments (Business Segments):

(` in Lakhs)

Particulars	Information Technology		Oil related activities		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue						
External	156.58	128.81	56,612.03	44,670.26	56,768.61	44,799.07
Inter-Segment	-	-	-	-	-	-
Total Revenue	156.58	128.81	56,612.03	44,670.26	56,768.61	44,799.07
Result						
Segment Result	29.92	108.14	2,566.55	2,121.80	2,596.48	2,229.94
Unallocated expenditure net of unallocated Income	-	-	-	-	-	-
Interest expenses	-	76.01	1,714.30	1,338.40	1,714.30	1,414.41
Interest Income	-	-	-	-	-	-
Profit Before Tax	29.92	32.13	852.26	783.40	882.18	815.53
Provision for Current Tax	5.70	6.15	-	-	5.70	6.15
Provision for Deferred Tax	1.45	3.80	-	-	1.45	3.80
Profit after Tax	22.77	22.18	852.26	783.40	875.03	805.58
Segment assets	97,266.98	98,314.85	150,481.05	143,810.27	247,748.03	242,125.13
Segment Liabilities	759.00	991.39	31,675.29	37,824.55	32,434.29	38,815.94
Capital Expenditure	0.59	2.40	36,119.41	29,057.11	36,120.00	29,059.51
Depreciation and amortisation	60.27	63.43	18,388.16	13,768.84	18,448.43	13,832.27
Non cash expenses other than depreciation	-	-	-	-	-	-

(B) Secondary Segments (Geographical Segments):

(` in Lakhs)

Particulars	Domestic		Overseas		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue						
External	156.58	128.81	56,612.03	44,670.26	56,768.61	44,799.07
Inter-Segment	-	-	-	-	-	-
Total Revenue	156.58	128.81	56,612.03	44,670.26	56,768.61	44,799.07
Carrying amount of Fixed Assets	2,042.02	2,102.77	172,805.28	145,708.18	174,847.30	147,810.95
Capital Expenditure	0.59	2.40	36,119.41	29,057.11	36,120.00	29,059.51

22.	MSME Disclosure		
	Based on the information received by the Company from Vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 (The Act) there are no amounts due to such vendors during the year and as at the year end. Therefore, disclosures required under the Act have not been given.		
23.	Related Party Disclosures		
	A) Related Parties and their relationship	II) Subsidiary (Indirect Holding)	
	I) Subsidiary (Direct Holding)	British Oil Resources Limited, Mauritius	
	British Oil and Gas Exploration Private Limited, Mauritius.	British Oil & Gas Exploration Limited, BVI *	
		Sterling Oil Resources Limited, BVI *	
		Geodynamic Geospectra Limited, BVI *	
		* Subsidiaries of British Oil Resources Limited	
	III) Enterprise in which significant influence is exercised		
	a) Sterling Exploration and Energy Production Company Limited, BVI		
	b) Sterling Oil Exploration and Energy Production Company Limited, Nigeria		
	Particulars	Year ended June 30, 2015	Year ended June 30, 2014
			(` in Lakhs)
	B) Transactions during the year with related parties		
	Services of Rig Hire to party mentioned under III b above by British Oil & Gas Exploration Limited	7,422.12	6,026.74
24.	Earnings Per Share		(Amount in `)
	Profit for the year	87,694,865	80,520,123
	Amount available for Equity Shareholders	87,694,865	80,520,123
	No. of Equity Shares of ` 1/- each	271,403,068	271,403,068
	Basic & Diluted Earning per Share	0.32	0.30
25.	Auditors Remuneration		
	Auditor	168,085	90,095
	For Other Services	22,800	20,000
	Total	190,885	110,095
26.	Contingent Liabilities and Commitments (To the Extent Not Provided for)		(Amount in `)
		As at June 30, 2015	As at June 30, 2014
	Contingent Liabilities		
	Co-Guarantees given by Company	1,650,000,000	4,850,000,000
27.	Foreign currency Earnings and Expenditure		(` in Lakhs)
		Year ended June 30, 2015	Year ended June 30, 2014
	FOB value of Exports	Nil	Nil
	CIF value of Imports (Capital Goods)	Nil	Nil
	Other Expenditure incurred	2.81	2.71

28. Statement of Net Assets & Profit or Loss attributable to Owners and Minority Interest

Name of Entity	Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss	
	As % of consolidated Net Assets	Amount (` in Lacs)	As % of consolidated Profit or Loss	Amount (` in Lacs)
Sterling International Enterprises Ltd.	31.55%	96,507.98	2.60%	22.77
Foreign Subsidiaries				
British Oil & Gas Exploration Pvt. Ltd.	39.78%	121,671.42	-56.41%	(493.57)
British Oil Resources Ltd.	0.01%	24.90	-0.69%	(6.00)
British Oil & Gas Exploration Ltd.	9.37%	28,675.68	-548.17%	(4,796.62)
Sterling Oil Resources Ltd.	8.01%	24,486.72	348.84%	3,052.50
Geodynamic Geospectra Ltd.	11.28%	34,513.12	353.81%	3,095.96
TOTAL	100.00%	305,879.82	100.00%	875.03
a) Adjustments arising out of Consolidation		(90,554.62)		
b) Minority Interest				
Foreign Subsidiaries				
British Oil & Gas Exploration Ltd.		(11.47)		1.92
Consolidated Net Assets / Profit after Tax		215,313.74		876.95

As per our report of even date attached

For H.S.HATHI & CO.
Chartered Accountants
Firm Registration No. 103596W

HEMANT S. HATHI
Proprietor
MEMBERSHIP NO. 37109

Place : Mumbai.

Dated : 28th August, 2015

For and on behalf of the Board of Directors

Nitin J. Sandesara - Director (DIN 00255496)
Chetan J. Sandesara - Director (DIN 00255671)
R. B. Dixit - Director (DIN 00025484)
Mayuri H. Patel - Director (DIN 00090549)
Ronald D'souza - Director (DIN 02097343)

CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

(Amount in `)

	PARTICULARS	For the year ended June 30, 2015	For the year ended June 30, 2014
(A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax	88,218,077	81,553,058
	Adjustment for :		
	Depreciation and Amortisation	1,844,843,350	1,383,227,155
	Interest & Dividend Received .	(66,434)	(1,449,562)
	Profit on Sale of Assets	(3,368,512)	(9,095,630)
	Interest paid	(171,429,513)	(141,440,888)
	Minority Interest	191,788	(37,935)
	Operating Profit before Working Capital Changes	1,758,388,756	1,312,756,197
	Movements in Working Capital:		
	Increase / (Decrease) in Trade Payables & Other Liabilities	44,023,884	(718,511,781)
	(Increase) / Decrease in Trade Receivables	111,695,320	1,074,072,061
	(Increase) / Decrease in Loans & Advances	(1,475,996,901)	(4,415,831)
	Cash Generated from Operations	438,111,059	1,663,900,646
	Direct Taxes Paid	(300,000)	(325,000)
	Cash flow before extra ordinary items	437,811,059	1,663,575,646
	Dividend & Dividend tax	-	-
	Net Cash Flow from operating Activities	437,811,059	1,663,575,646
(B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets	(3,612,000,092)	(2,905,951,014)
	Purchase of CWIP	3,397,967,869	2,443,835,960
	Sale of Fixed Assets	105,914	18,326,670
	Interest Received	66,434	1,382,325
	Dividend Received	-	67,237
	Purchase of Investments	-	-
	Sale of Investments	(17,515,084)	10,578,330
	Net Cash used in Investing Activities	(231,374,959)	(431,760,492)

CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

(Amount in `)

	PARTICULARS	For the year ended June 30, 2015	For the year ended June 30, 2014
(C)	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds / (Repayments) from Long Term Borrowings	(682,219,560)	(1,406,531,830)
	Interest Paid	171,429,513	141,440,888
	Net Cash flow in financing Activities	(510,790,047)	(1,265,090,941)
	Net Increase/(Decrease) in Cash & Equivalents(A+B+C)	(304,353,947)	(33,275,787)
	Translation Adjustment	293,237,793	41,101,126
	Cash & Cash Equivalents as at beginning of the period	29,792,812	21,967,473
	Cash & Cash Equivalents as at end of the period	18,676,658	29,792,812

As per our report of even date attached

For H.S.HATHI & CO.
Chartered Accountants
Firm Registration No. 103596W

HEMANT S. HATHI
Proprietor
MEMBERSHIP NO. 37109

Place : Mumbai.
Dated : 28th August, 2015

For and on behalf of the Board of Directors

Nitin J. Sandesara - Director (DIN 00255496)
Chetan J. Sandesara - Director (DIN 00255671)
R. B. Dixit - Director (DIN 00025484)
Mayuri H. Patel - Director (DIN 00090549)
Ronald D'souza - Director (DIN 02097343)






STERLING INTERNATIONAL ENTERPRISES LIMITED

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CIN : L72300MH2003PLC142575

FORM A

Covering Letter of the Annual Audit Report of Sterling International Enterprises Limited for the year ended 30th June, 2015 to be filed with the stock exchanges:

1.	Name of the Company:	Sterling International Enterprises Limited
2.	Annual financial statements for the year ended	30 th June, 2015
3.	Type of Audit observation	Un-Qualified
4.	Frequency of observation	Appeared in 2014 also
5.	To be signed by-	
	• Non-Executive Director – Nitin J. Sandesara	
	• Auditor of the company- H.S. Hathi & Co. Hemant S. Hathi, Proprietor	 
	• Audit Committee Chairman – R. B. Dixit	