



**SOUTH ASIAN  
ENTERPRISES LTD.**

# XXVIII ANNUAL REPORT 2016-2017

## South Asian Enterprises Limited

**CIN : L91990UP1990PLC011753, email : southasianenterprises@gmail.com, website : sael.co.in**

**REGISTERED OFFICE : Mikky House, K-Block, Kidwai Nagar, Kanpur, (U.P.) - 208 011**

**CORPORATE OFFICE :**

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East of Kailash, New Delhi-110 065  
Ph. 011-46656666,  
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**SHARE TRANSFER & INVESTOR SERVICES**

**RCMC Share Registry Pvt. Ltd.**  
B-25/1, First Floor, Okhla Industrial Area,  
Phase - II, New Delhi-110020  
Ph. 011-26387320-21-23, Fax : 011-26387322  
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# SOUTH ASIAN ENTERPRISES LIMITED

**TWENTY EIGHTH ANNUAL GENERAL MEETING**  
at Mikky House, K-Block Kidwai Nagar,  
Kanpur - 208 011 (U.P.)  
at 12:30 p.m.  
on Friday, 22nd September, 2017

## BOARD OF DIRECTORS :

DR. B. VENKATARAMAN Chairman  
SHRI T.B. GUPTA Vice-Chairman & Managing Director  
SHRI M. P. MEHROTRA  
SHRI P.K. SHARAN  
DR. S. RAMESH  
SHRI PRIYA BRAT  
SHRI S.C. AGARWAL  
SHRI R. K. GOSWAMI  
SHRI K.K. SONI  
DR. (MRS.) NEERAJ ARORA

Member are requested to bring their copy of the Annual Report at the Annual General Meeting.

Our e-mail address :  
For investor services : investordesk.sae@gmail.com  
Other than above : southasianenterprises@gmail.com  
website : www.sae.co.in

## COMPANY SECRETARY

Shri R. C. Pandey

## COMPLIANCE OFFICER

Shri IJS Auja

**In order to improve investor services, we request you to update / register your postal and email address with Company in case of holding in physical form. The holders in demat (electronic) form may register the same with concerned depository participant.**

## EQUITY SHARES ARE LISTED AT :

**BSE LTD. (formerly The Bombay Stock Exchange, Mumbai)**  
PHIROZE JEEJEEBHOY TOWERS,  
DALAL STREET,  
MUMBAI-400 001

## AUDITORS :

M/s. Anil Pariek & Garg.  
Chartered Accountants  
33, Anand Bazar,  
Swaroop Nagar,  
Kanpur-208002 (U.P.)

## BANKERS

Punjab National Bank  
Bank of Baroda  
Union Bank of India  
HDFC Bank Ltd.  
Syndicate Bank

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# SOUTH ASIAN ENTERPRISES LTD.

## DIRECTORS' REPORT

Your Directors present the 28th Annual Report of your Company with the Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2017.

### 1. Financial Results (Rs. in Lacs)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Total Income	187.63	236.95
Less: Total Expenditure	209.09	208.11
Less: Interest	1.12	1.06
Gross Profit/(loss)	(22.58)	27.78
Less: Depreciation	4.53	4.25
Less: Provision for Taxation (Net)	15.69	7.95
Net Profit after tax	(42.80)	15.58
Paid up Equity Share Capital (excluding calls in arrears)	399.90	399.90
Reserves excluding revaluation reserve	7.88	831.11
Earnings per share (Rs.)	(1.07)	0.39

### 2. Management Discussion and Analysis

#### Financial Review

Your Company recorded a total income of Rs.187.63 lacs and net loss of Rs. 42.80 lacs during the year under review compared to previous year's income of Rs.236.95 lacs and profit of Rs. 15.58 lacs. The marketing of earthing products and execution of contracts for earthing and lightning protection systems continue to make a significant contribution to the total revenue of the Company. However the revenue generation in this segment was lower by about Rs. 32 lacs as compared to previous year due to some orders under execution the revenue from which will be realized in the coming year leading to witness better results in future.

Your Company's revenue from amusement parks has marginally dipped as compared to previous year and taxes, rising inflation, relatively low per capita income and other factors in the regions, where amusement parks are located, have major influence on earnings from this segment.

#### Industry Structure and Development

Your Company maintained good track record of executing contracts awarded to it by government agencies and other parties in the electrical engineering segment. The power plants, electronics and other hi-tech centers where earthing is significantly important are its target customers apart from high-rise buildings, hotels, residential units, etc. The Company aims to further enhance its capabilities and expects significant growth in this segment in future. The Company is closely monitoring the current market scenario and economic situation for sustaining its growth. In amusement park segment, since public response continues to be sluggish, the thrust is on attaining regular footfalls besides initiating appropriate measures to boost the revenue.

#### Outlook, Risks and Concerns

Regular maintenance including renovations carried out at the amusement park at Kanpur has helped in increasing the footfalls. With the imposition of stiff service tax and corresponding increase in entertainment tax as per U.P. Government's policy, the profitability has further eroded and it has become extremely challenging to meet the parks running expenses. The increased cost of new rides, maintenance, etc. and stiff competition from other sources of entertainment have adversely affected the profitability of this segment. Your Company already operates on thin margins and infusion of funds for improvement/new rides has been a constant challenge. The entry costs have to be kept low to keep the parks within reach of masses that have further

stressed the cash flows. The recurrent loss in this segment is being closely monitored to keep it to the minimum. With goods & service tax coming into force from 01/07/2017 and entertainment tax abolished, the tax burden has lightened marginally. The management is closely monitoring the responses on footfalls and is simultaneously taking steps to boost inflows. The electrical engineering segment, viz. earthing and lightning protection systems business has fared satisfactorily as the Company has executed orders to the customers' satisfaction. The Company has been exploring all possible areas in order to establish strong foothold in this segment.

Robust governance practices and appropriate risk management strategies are further to safeguard our stakeholders' interests. The Company has a developed risk management framework that includes identification and mitigation of risks. The Company is implementing Risk Management Policy at ensuring sustainable business growth and promoting a proactive approach in evaluating and resolving risks associated with the business.

#### Opportunities and Threats

The Company is exposed to normal industry risks attributable to respective segments. In order to meet the challenge of strained margins in amusement segment, the strategy is to achieve increase in the number of visitors and simultaneously to explore avenues for diversification for which appropriate measures are being initiated. In electrical engineering segment, the Company deploys the latest technology for earthing and lightning protection installations, which leads to better protection from electrical hazards. However, due to relatively high cost and lack of awareness about the said technology amongst target clients, there is tough competition. To meet the challenge, the Company aims to educate or spread awareness about its products and also secure credentials from its clients about the superiority of its products.

#### Internal Financial Control Systems

The Company has in place a proper and adequate system of internal control to monitor proper recording of transactions authorized according to prescribed policies and procedures. The Company ensures that all regulatory guidelines are complied with at all levels.

The Audit Committee reviews the internal control mechanisms periodically.

The Company's dealings in earthing materials and lightning protection systems in the electrical engineering have been categorised under the head "Trading" for the purpose of segment reporting in the annual accounts for the year under review. Segment wise, the entertainment sector has generated revenue of Rs. 50.20 lacs and the Trading segment Rs. 128.98 lacs during the year under review.

#### Human Resource/ Industrial Relations Front

The relationship with the employees has remained cordial during the year and the Directors place on record their sincere appreciation in this regard.

Under the provisions of section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, there was no employee during the year drawing remuneration more than the stipulated amount in the said rules. The number of employees on the Company's rolls stood at 33 as on 31/03/2017.

#### Cautionary Statement

Statement in the "Management Discussion and Analysis" describing the Company's projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include changes in government regulations, tax regimes, economic developments within the country and abroad and such other relevant factors.

## SOUTH ASIAN ENTERPRISES LTD.

### 3. Dividend and Reserves

In view of loss incurred in period under review, no dividend is recommended and no amount has been transferred to the general reserve.

### 4. Directors and Key Managerial Personnel (KMP):

Following changes have occurred during the year in the composition of Board of Directors and Key Managerial Personnel of your Company:

#### i) Directorate:

Shri S.V.S. Juneja (DIN: 00125271) ceased to be Director w.e.f. 27/09/2016 due to his demise. Ms. Divya Mehrotra (DIN: 00006494) was appointed as an additional director on 12/11/2016 but she resigned on 02/12/2016 due to personal reasons. Shri Anurag Bhatnagar (DIN:00115108) resigned w.e.f. 19/07/2017 due to other pre- occupations.

Shri T. B. Gupta (DIN: 00106181) - Managing Director, will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Further, the Board in its meeting held on 01/08/2017, on the recommendation of the Nomination and Remuneration Committee, has re-appointed Shri T. B. Gupta as Managing Director of the Company for next 3 years w.e.f. 30/09/2017 inter-alia on the terms and conditions details whereof are contained in the notice convening the forthcoming Annual General Meeting, subject to members' approval. The Board recommends his re-appointment as Managing Director.

#### ii) Key Managerial Personnel (KMP)

The position of Chief Financial Officer was vacated by Shri S. P. Singh who has ceased to be in employment of Company w.e.f. from 31/03/2017. Shri M. S. Siddiqui has been appointed by the Board as Chief Financial Officer w.e.f. 01/08/2017 in its meeting held on 01/08/2017. There is no other change in the KMPs of the Company.

### 5. Contracts with Related Party

There are no materially significant related party transactions made by the Company with promoters, directors or key managerial personnel etc. which may have potential conflict of interest of the Company at large. The related party transactions, procedurally, are placed before the Audit committee and if required, the Board, specifying the nature, value and terms and conditions of the transactions and in-principal approval is obtained for the transactions which are foreseen and repetitive in nature. Where such transactions are entered in terms of omnibus approval given by Audit Committee, the details are placed before the Audit Committee in its next meeting.

The summary of related party transactions has been disclosed under note no. 28 in the balance sheet of the Company as on 31/03/2017. Disclosure in form AOC-2 is enclosed as **annexure A** to this report.

### 6. Annual Return Extract

The details forming part of the extract of the Annual Return in form MGT-9 are given in **annexure B** to this report.

### 7. Corporate Governance

Good governance practices stem from the dynamic culture and positive mindset of the organisation. The Company is committed to meet the aspirations of all its stakeholders. Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are managed in a manner which ensures accountability, transparency and fairness in all transactions. The objective is to meet stakeholders' aspirations and societal expectations.

The essence of corporate governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The corporate governance provisions of the SEBI listing

regulations are not applicable to the Company at present. Hence, separate report on corporate governance has been dispensed with. The Company, however, continues to follow the best corporate governance practices.

### 8. Board Meetings

During the year ended 31/03/2017, 4 (four) Board meetings were held with one meeting in every quarter on 27/05/2016, 27/07/2016, 12/11/2016, and 14/02/2017.

Details of meetings attended by the Directors in the relevant period are as below:

S. No.	Name of the Director	Whether Promoter/ Executive or Non-Executive/Independent	No. of Board Meetings attended during F.Y. 2016-2017
1	Dr. B. Venkataraman	Independent, Non-Executive Chairman	2
2	Shri T. B. Gupta	Managing Director	4
3	Shri K. K. Soni	Non-Executive	4
4	Dr. S. Ramesh	Independent, Non-Executive	2
5	Shri Priya Brat	Independent, Non-Executive	4
6	Shri S.V.S. Juneja*	Independent, Non-Executive	0
7	Shri P.K. Sharan	Independent, Non-Executive	3
8	Shri R.K. Goswami	Independent, Non-Executive	4
9	Shri S. C. Agarwal	Non- Executive	2
10	Shri Anurag Bhatnagar #	Non- Executive	3
11	Shri M. P. Mehrotra	Non-Executive, Promoter	3
12	Dr. (Mrs.) Neeraj Arora	Non-Executive	3
13	Ms. Divya Mehrotra **	Non-Executive, Promoter	0

\* Shri S. V. S. Juneja ceased to be Director w.e.f. 27/09/2016 on his demise.

\*\* Ms. Divya Mehrotra appointed on 12/11/2016 but resigned on 02/12/2016.

# Shri Anurag Bhatnagar resigned w.e.f. 19/07/2017.

### 9. Audit Committee

As on 01/04/2016 the Audit Committee comprised Shri P. K. Sharan, Shri R. K. Goswami, Shri K. K. Soni, Shri Priya Brat and Dr. S. Ramesh. Majority of the members are independent directors including the Chairman of the Committee and during the year ended 31/03/2017, 4 (four) committee meetings were held with one meeting in every quarter on 27/05/2016, 27/07/2016, 12/11/2016, and 14/02/2017.

Details of meetings attended by the Directors in the relevant period are as below:

S. No.	Name of the Director	Whether Chairman/ Member	No. of Meetings attended during F.Y. 2016-2017
1	Shri P.K. Sharan	Chairman	3
2	Dr. S. Ramesh	Member	2
3	Shri K. K. Soni	Member	3
4	Shri Priya Brat	Member	4
5	Shri R.K. Goswami	Member	4

### 10. Nomination and Remuneration Committee

As on 01/04/2016 the Nomination and Remuneration Committee comprised Shri S.V.S Juneja, Shri P. K. Sharan, Shri R. K. Goswami and Shri S. C. Agarwal. Majority of the members are independent directors including the Chairman of the Committee and during the year ended 31/03/2017, 3 (three) committee meetings were held on 27/05/2016, 12/11/2016 and 14/02/2017. The Board in its meeting held on 12/11/2016 had nominated Shri Priya Brat in the Committee. Shri Priya Brat is Chairman of the Committee.

Details of meetings attended by the Directors in the relevant period are as below:

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S. No.	Name of the Director	Whether Chairman/ Member	No. of Meetings attended during F.Y. 2016-2017
1	Shri S.V.S Juneja*	Chairman	0
2	Shri P. K. Sharan	Member	3
3	Shri R. K. Goswami	Member	3
4	Shri S. C. Agarwal	Member	2
5	Shri Priya Brat #	Member	1

\* Shri S. V. S. Juneja ceased to be Director w.e.f. 27/09/2016 on his demise.  
# Shri Priya Brat was elected to be Chairman of the Committee by the members on 14/02/2017.

### 11. Stakeholders Relationship Committee

As on 01/04/2016 the Stakeholders Relationship Committee comprised Shri P. K. Sharan, Shri S.V.S Juneja, and Shri T. B. Gupta. Majority of the members were independent directors including the Chairman of the Committee and during the year ended 31/03/2017, 4 (four) committee meetings were held on 27/04/2016, 27/10/2016, 12/01/2017 and 10/03/2017. The Board in its meeting held on 12/11/2016 had nominated Shri Anurag Bhatnagar as member of the committee.

Details of meetings attended by the Directors in the relevant period are as below:

S. No.	Name of the Director	Whether Chairman/ Member	No. of Meetings attended during F.Y. 2016-2017
1	Shri S.V.S Juneja*	Chairman	0
2	Shri P. K. Sharan	Member	4
3	Shri T. B. Gupta	Member	4
4	Shri Anurag Bhatnagar #	Member	2

\* Shri S. V. S. Juneja ceased to be Director w.e.f. 27/09/2016 on his demise.  
# Shri P. K. Sharan was elected to be Chairman of the Committee by the members in its meeting held on 12/01/2017.  
§ Ceased to be member w.e.f. 19/07/2017 upon resignation as Director.

### 12. Corporate Social Responsibility Committee

The Company is not required to comply with provisions relating to corporate social responsibility since it does not meet the criteria of applicability of provisions of Section 135 of the Companies Act, 2013.

### 13. Evaluation of Board/Committees/Individual Directors

The aim of the Board's evaluation is to assess the effectiveness of the Board's/Committee's processes, composition and arrangement in order to identify and realize any actions required to improve effectiveness. The Companies Act, 2013 states that a formal annual evaluation needs to be carried out by the Board of its own performance and that of its committees and individual directors. Besides the Nomination and Remuneration Committee is required to evaluate the performance of individual directors as well. Further, schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. Independent Directors have to carry out evaluation of non-independent directors, chairman and of the Board as a whole.

The Board through its Nomination and Remuneration Committee has laid down the evaluation criteria for the performance of executive/ non-executive / independent directors through a peer-evaluation mechanism.

The evaluation process comprises:

The Board through its Nomination and Remuneration Committee has laid down the evaluation criteria for the performance of executive/ non-executive / independent directors through a peer-evaluation mechanism.

The evaluation process comprises:

- Board, Committee and management information and other relevant documentation.
- Discussions with all Board members, Committee members focusing on aspects of the Board's and Committee's composition, strategy, risk and controls, decision-making, roles and performance

of the Chairman, independent directors, executive directors and other non-executive directors.

The evaluation has concluded that the Board and its Committees are overall effective and all concerned are fully committed to their tasks to ensure healthy corporate governance.

Given the experience and qualifications of the Board members, the Board has not considered it necessary to engage external persons to facilitate the evaluation process as they themselves are accustomed to having their performance regularly evaluated. However, regular updates relating to regulatory and industry's performance are provided to members of Board besides any other aspect relevant to business of the Company.

Board conducts on an annual basis an evaluation of the performance of the directors as to whether each director has sufficient time to discharge his/her responsibilities, taking into consideration multiple Board representations and other principal commitments. The Board also exercises an oversight of the training of Board /Committee members.

### 14. Independent Directors

Independent Directors of your company have complied with the relevant provisions of the law relating to their appointment and they continue to comply with the provisions of the Companies Act 2013 and the listing regulations. No independent director has been appointed by a special resolution by the Company, as all are in their first five year term. During the year ended 31/03/2017, 1 (one) meeting of Independent Directors was held on 14/03/2017.

Details of meeting(s) attended by the Independent Directors in the relevant period are as below:

S. No.	Name of the Director	Whether Chairman/ Member	No. of Meetings attended during F.Y. 2016-2017
1	Dr. B. Venkataraman	Chairman	1
2	Dr. S. Ramesh	Member	1
3	Shri P. K. Sharan	Member	1
4	Shri R. K. Goswami	Member	1
5	Shri Priya Brat	Member	1

### 15. Training of directors/independent directors

The directors are kept abreast of requisite information about business activities of the Company and risks involved therein to enable them to discharge their responsibilities in the best possible manner. Further, at the time of appointment, the Company issues a formal appointment letter outlining his/her role, duties and responsibilities as an independent director. The format of the letter of appointment is available on Company's website.

### 16. Directors Responsibility Statement

Pursuant to the provisions of Section 134(3) of the Companies Act, 2013, the Directors hereby confirm:

- a. that in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- b. that they have 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 loss of the Company for that period;
- c. that they have 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; and
- d. that they have prepared the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2017 on a 'going concern' basis;

- e. Internal Financial controls are adequate and effective.
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating.

Disclosure relating to ratio of the remuneration of each director to the median employee's remuneration is attached as **annexure C**.

**17. Vigil Mechanism**

Section 177 of the Companies Act, 2013 requires every listed company to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted the policy for implementing Vigil Mechanism.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. Vigil (whistleblower) mechanism provides a channel to the employees and directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct or policy. The mechanism provides for adequate safeguards against victimization of directors and employees to those who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

This policy applies to all directors and employees of the Company. All directors and employees of the Company are eligible to make disclosures under this Policy in relation to matters concerning the Company.

**18. Policies**

The Board has approved the following policies to facilitate operations and achieving optimal performance. These policies can also be accessed at [www.sael.co.in](http://www.sael.co.in)

**A. Nomination and Remuneration Policy**

**Title:**

This Policy shall be called '**Nomination and Remuneration Policy**'.

**Objective:**

The provisions in the Companies Act, 2013 and corresponding provisions in the revamped Clause 49 of the Listing Agreement have ushered Indian corporate system in to a new era of Corporate Governance placing onerous governance responsibilities on the shoulders of the Board of Directors and Key Managerial Personnel of the Companies.

Section 178 of the Companies Act, 2013 and clause 49 of the Listing Agreement provide the necessary legal impetus for companies to have a policy and criteria for various matters like the remuneration of directors, key managerial persons and other employees, training of Independent Directors and performance evaluation of directors.

Considering this it is necessary to ensure quality of persons on the Board of Directors of the Company as well as in the Key Managerial personnel, as these are the persons who are entrusted with the responsibility of policy formulation for, direction to and execution of the business and operations of the Company.

**Definitions:**

**Board** means the Board of Directors of **South Asian Enterprises Limited**.

**Company** means **South Asian Enterprises Limited**.

**Committee** means Nomination and Remuneration Committee of Board of Directors

**Director** means a person who has been appointed as such on the Board of the Company and includes Executive as well as Non-Executive Directors.

**Executive Director** means a Director who is in the whole time employment of the Company and includes a Managing Director as well as a Whole time Director and Manager, if member of the Board.

**Government** includes Central Government as well as any of the State Governments, any statutory authority, tribunal, board or a governmental or semi-governmental authority or any authority or

agency recognized by the Government.

**HR Department** means the Human Resource Department of the Company.

**HR Policy** means the Policy of the Company defining the criteria and process for the recruitment, training, appraisal etc. and dealing with other matters concerning the employees of the Company.

**Key Managerial Person** means a person appointed as such by the Board under Section 203 of the Companies Act, 2013.

**Nomination & Remuneration Committee** means the Committee of the Board constituted as such under the provisions of Section 178 of the Companies Act, 2013.

**Non-Executive Director** means a Director who is not in the whole time employment of the Company and includes an Independent Director, Promoter Director and Nominee Director.

**Policy** means this policy, as amended from time to time.

**Contents**

This Policy contains following:

- a) Process for the selection and appointment of Directors and Key Managerial Personnel;
- b) Criteria for determining remuneration of the Directors, Key Managerial Personnel and other employees of the Company;
- c) Training of Independent Directors.

**(I) Selection of Directors and Key Managerial Personnel**

In case of Executive Directors and Key Managerial Personnel, the selection can be made in either of the ways given below:

- a) by way of recruitment from outside;
- b) from within the Company hierarchy; or
- c) Upon recommendation by the Chairman or other Director.

The appointment may be made either to fill up a vacancy caused by retirement, resignation, death or removal of an existing Executive Director or it may be a fresh appointment.

In case of Non-Executive Directors the selection can be made in either of the ways given below:

- a) by way of selection from the data bank of Independent Directors maintained by the Government.
- b) Upon recommendation by Chairman or other Director.  
The appointment may be made either to fill up a vacancy caused by resignation, death or removal of an existing Non-Executive Director or it may be appointment as an additional director or an alternate director.

**(II) Qualifications, Experience and Positive Attributes of Directors**

- a) While appointing a Director, it shall always be ensured that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- b) In case of appointment as an Executive Director, the candidate must have the relevant technical or professional qualifications and experience as are considered necessary based on the job description of the position. In case no specific qualification or experience is prescribed or thought necessary for the position then, while recommending the appointment, the HR Department shall provide the job description to the Committee and justify that the qualifications, experience and expertise of the recommended candidate are satisfactory for the relevant appointment. In such circumstances, the Committee may, if considered necessary, call for an expert opinion on the appropriateness of the qualifications and experience of the candidate for the position of the Executive Director.
- c) In case of appointment as a Non-Executive Director, the candidate must be a graduate or possess diploma or a professional qualification in the field of his practice / profession / service and shall have not less than five years of working experience in such field as a professional in

practice, advisor, consultant or as an employee, provided that the Board may waive the requirements of qualification and / or experience under this paragraph for a deserving candidate.

- d) The Board, while making the appointment of a Director, shall also try to assess from the information available and from the interaction with the candidate that he is a fair achiever in his chosen field and that he is a person with integrity, diligence and open mind.

**(III) Process for Appointment of Directors and Key Managerial Personnel**

(A) Process for the appointment of Executive Directors and Key Managerial Personnel:

- a) A proposal for the appointment of an Executive Director / Key Managerial Personnel with such details as may be prescribed shall be submitted for the consideration of the Committee. The proposal with recommendation of committee will be placed before the Board.
- b) The Board shall, based on the information available in the proposal and recommendation of committee deliberate upon the necessity for appointment, expertise, skill and knowledge of the candidate and reasonableness of the remuneration.
- c) The Board may call and seek the help of any other Company Official including the recommender or a Key Managerial Personnel while finalizing the appointment. The recommender shall not take part in the discussion or voting on the appointment of a Key Managerial Personnel.

(B) Process for the appointment of Non- Executive Directors:

- a) A proposal for the appointment of a Non-Executive Director with such details as may be prescribed shall be submitted for the consideration of the committee. The proposal with recommendation of committee will be placed before the Board.
- b) The Board, based on the information available in the proposal, shall deliberate upon the necessity for appointment, integrity, qualifications, expertise, skill and knowledge of the candidate.

**(IV) Remuneration of Directors, Key Managerial Personnel and Other Employees**

a) While determining the remuneration of Executive Directors and Key Managerial Personnel, the Board shall consider following factors:

- i) Criteria / norms for determining the remuneration of such employees prescribed in applicable statutory provisions and Company's internal criteria for remuneration.
- ii) Existing remuneration drawn.
- iii) Industry standards, if the data in this regard is available.
- iv) The job description.
- v) Qualifications and experience levels of the candidate,
- vi) Remuneration drawn by the outgoing employee, in case the appointment is to fill a vacancy on the death, resignation, removal etc. of an existing employee.
- vii) The remuneration drawn by other employees in the grade with matching qualifications and seniority, if applicable.

- b) The determination of remuneration for other employees shall be governed by the HR Policy.
- c) The proposal for the appointment of an Executive Director / Key Managerial Personnel shall provide necessary information in this regard including recommendation of Committee to the Board in arriving at the conclusion as to whether or not the remuneration offered to the candidate is appropriate, reasonable and balanced as to the fixed and variable portions (including the commission).
- d) The remuneration payable to the Executive Directors, including the Commission and value of the perquisites, shall not exceed the permissible limits as are mentioned within

the provisions of the Companies Act, 2013.

- e) The Executive Directors shall not be eligible to receive sitting fees for attending the meetings of the Board or committees thereof.
- f) The Non-Executive Directors shall not be eligible to receive any remuneration /salary from the Company. However, the Non-Executive Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be decided by the Board / shareholders from time to time.

The Non-Executive Directors shall also be eligible to receive reimbursement of reasonable out-of-pocket expenses incurred by them for attending the meetings of the Board, committees or shareholders, including travelling and lodging & boarding expenses or such other expense incurred by them regarding the affairs of the Company on an actual basis.

- g) The amount of sitting fee and commission payable to non-executive directors shall not exceed the limits prescribed therefor under the provisions of the Companies Act, 2013. Explanation: For the purposes of this policy, remuneration shall mean the cost to the company and shall include the salary, allowances, perquisites, performance incentive and any other facility provided or payment made to the employee.

**(V) Training of Independent Directors**

The Company shall arrange to provide training to Independent Directors to familiarize them with the Company, their roles, rights and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

The training may be provided in any of the ways given below:

- a) By providing reading material to the Independent Director(s) giving all relevant information about the Company, industry and the role of Independent Directors.
- b) An induction program devised for the Independent Director(s) wherein structured training is provided to the Independent Director(s) either exclusively or with other officials of the Company who are due for such induction / training.
- c) Such other manner as may be prescribed by applicable law or decided by the Board.

**Interpretation:**

- a) Any words used in this policy but not defined herein shall have the same meaning prescribed to it in the Companies Act, 2013 or Rules made thereunder, SEBI Act or Rules and Regulations made thereunder, Listing Agreement, Accounting Standards or any other relevant legislation / law applicable to the Company.
- b) The reference to the male gender in the Policy shall be deemed to include a reference to female gender.
- e) In case of any dispute or difference upon the meaning / interpretation of any word or provision in this Policy, the same shall be referred to the Committee and the decision of the Committee in such a case shall be final. In interpreting such term / provision, the Committee may seek the help of any of the officers of the Company or an outside expert as it deems fit.

**Amendments:**

The Board of Directors shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with new provisions or replace this Policy entirely with a new Policy.

**B. Anti-sexual harassment mechanism**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All women employees inter alia permanent, contractual, temporary, trainees are covered under this policy.

The Internal Complaints Committee is headed by women Director on the Board. There were no complaints received from any employee during the year under review and no complaints were pending as on 31/03/2016.

The combination of policies and procedures adequately addresses the various risks associated with your Company's businesses.

# SOUTH ASIAN ENTERPRISES LTD.

## 19. Auditors

### Statutory Auditors

The term of the Statutory Auditors, M/s. Anil Pariek & Garg-Chartered Accountants, (FRN: 01676C), will end at the forthcoming annual general meeting and they are subject to compulsory retirement as per provisions of section 139 of the Companies Act, 2013 and rules thereunder. Hence, they are not eligible for reappointment as Statutory Auditors. It is proposed to appoint M/s. Agiwal & Associates- Chartered Accountants, (FRN: 000181N) to act as statutory auditors of the Company. The Company has received a certificate from the M/s. Agiwal & Associates-Chartered Accountants that they are qualified under section 139 of the Companies Act, 2013 ('Act') to act as the Auditors of the Company, if appointed.

Concurring to the recommendation of the Audit Committee, the Board of Directors recommends their appointment. The Board may also be authorised to fix their remuneration. In terms of section 139 read with Companies (Audit and Auditors) Rules, 2014 M/s. Agiwal & Associates-Chartered Accountants will be appointed for a period of 5 years i.e. upto conclusion of 33<sup>rd</sup> Annual General Meeting of the Company subject to their appointment being ratified by the members every year.

### Secretarial Auditor

Ms. Pooja Gandhi, Practicing Company Secretary (CoP: 11351) was appointed to conduct the secretarial audit of the Company for the financial year 2016-2017, as required under section 204 of the Companies Act, 2013 and rules thereunder. The secretarial audit report submitted by the Secretarial Auditor is enclosed as a part of this report as **annexure D**. There are no adverse comments/observations in the report of Secretarial Auditor, requiring comments from Board of Directors.

The Board in its meeting held on 11/05/2017 has appointed Ms. Pooja Gandhi-Practicing Company Secretary (CoP: 11351) as secretarial auditor for the year 2017-18.

The provisions relating to Cost Records and Audit are not applicable to your company.

## 20. Auditors' Report

The observations made by the Statutory Auditor in their report have been adequately dealt with in the relevant notes on accounts and need no further comments from the Directors. There is no adverse remark in the report of Statutory Auditor requiring comments from Directors.

## 21. Listing

The shares of the Company are listed at the BSE Ltd., Mumbai only. The Company has paid the annual listing fees for the financial year 2017-2018 to the said stock exchange.

## 22. Deposits

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

## 23. Green Initiative in Corporate Governance:

As a continuing endeavor towards the Go Green Initiative, the Company proposes to send future correspondence and documents like the notice calling the general meeting, audited financial statements, directors' report, auditors' report etc. in electronic form, to the email addresses provided by the members directly or made available to us by the depositories. Members who hold shares in physical form are requested to register their e-mail addresses and intimate any change in e-mail id, with the Company or with the Registrar & Share Transfer Agents, RCMC Share Registry Pvt. Ltd. In respect of electronic holdings, members are requested to register their e-mail addresses with the depository through their concerned depository participants. However, in case you desire to receive Company's communication and documents in physical form, you are requested to intimate us through email at [investordesksael@gmail.com](mailto:investordesksael@gmail.com). You may kindly note that as a member of the Company, you will be entitled to be furnished, free of cost, a printed copy of the annual report of the Company, upon receipt of a requisition from you, at any time.

## 24. Subsidiary Company and Consolidated Statements

There being no subsidiary of the Company, no statement pursuant to Section 129 (3) of the Companies Act, 2013 for the financial year 2016-

2017 is required to be enclosed. Accordingly, there is no need of consolidation of accounts.

## 265. Statutory Information

1. The information as required under Section 134(3)(m) of the Companies Act, 2013 read with rules thereunder, with respect to Conservation of Energy and Technology Absorption is enclosed as **annexure E** and forms part of this report.
2. There was no proposal during the year under review for buy back of shares by the Company.
3. Your company has not made any investment or provided any loan or guarantee exceeding the limits under Section 186 of the Act, nor has it issued equity shares with differential voting rights or has any scheme of stock options for its employees. Hence no disclosure is required.
4. Company does not have any subsidiaries or associates in terms of Section 134 read with Rule 8(1) of the Companies (Accounts) Rules, 2014.
5. Your company has not approved any scheme relating to provision of money to be held in a trust for the benefit of the employees in terms of Section 67(3)(b) of the Companies Act, 2013.
6. No revision of financial statements or boards report has been made in terms of Section 131(1) of the Companies Act, 2013.
7. No material orders were passed during the year under review impacting the going concern of the status and operations of the Company.

## 26. Acknowledgement

Your Directors wish to express their sincere appreciation and gratitude to the Company's bankers, Kanpur Nagar Mahapalika, Lucknow Vikas Pradhikaran and all associates of the Company including the clients of trading business for their valuable cooperation and continued support. They are also thankful to you for the trust you have reposed in the Board.

**For and on behalf of the Board of Directors**

**Date: 1/08/2017**  
**Place: New Delhi**

**P. K. Sharan**  
**Director**  
**DIN: 00107048**

**T.B. Gupta**  
**Managing Director**  
**DIN:00106181**

**Annexure A**

### **Form AOC-2**

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:-  
There were no contracts or arrangements or transactions entered into during the year ended March 31, 2017, which were not at arm's length basis with related parties.
2. Details of material contracts or arrangement or transactions at arm's length basis.  
None.

**For and on behalf of the Board of Directors**

**Date: 01/08/2017**  
**Place: New Delhi**

**P. K. Sharan**  
**Director**  
**DIN: 00107048**

**T.B. Gupta**  
**Managing Director**  
**DIN:00106181**

# SOUTH ASIAN ENTERPRISES LTD.

Annexure B

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration ) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

i	CIN	L91990UP1990PLC011753
ii	Registration Date	21/03/1990
iii	Name of the Company	South Asian Enterprises Limited
iv	Category/Sub-category of the Company	Public Limited Company
v	Address of the Registered office & contact details	Mikky House, K-Block Kidwai Nagar, Kanpur (U.P.)-208011
	Address of the Corporate office & contact details	2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi- 110065 Phone Nos. 011 – 46656666 Fax 011-46656699
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s. RCMC Share Registry Pvt. Ltd., B-25/1 First Floor, Okhla Industrial Area Phase-II, New Delhi-110020 Phone Nos. 011 – 26387320, 21, 23 Fax 011-26387322

**II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY**

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Amusement Park and Electrical Engg Services	99546199	22.9
2	Trading		77.1

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES -**

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	VLS Capital Ltd. C-561, Defence Colony, New Delhi- 110024	U67190DL1985PLC022302	Holding Company	59.61	2(46)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as % 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	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	56610	20	56630	1.42	58720	10	58730	1.47	0.05
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	2384089	200	2384289	59.61	2384289	0	2384289	59.61	0.00
d) Bank/Fl	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
<b>SUB TOTAL:(A) (1)</b>	<b>2440699</b>	<b>220</b>	<b>2440919</b>	<b>61.02</b>	<b>2440699</b>	<b>10</b>	<b>2443019</b>	<b>61.08</b>	<b>0.05</b>

## SOUTH ASIAN ENTERPRISES LTD.

### SHARE HOLDING PATTERN – Cont'd...

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	
<b>(2) Foreign</b>									
a) NRI- Individuals	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
<b>SUB TOTAL (A) (2)</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	2440699	220	2440919	61.02	2440699	10	2443019	61.08	0.05
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	200	200	0.01	0	200	200	0.01	0.00
c) Central govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	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	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1):</b>	0	200	200	0.01	0	200	200	0.01	0.00
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	148159	256000	404159	10.10	133702	256000	389702	9.74	-0.36
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	525955	482045	1008000	25.20	537636	476345	1013981	25.35	0.15
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	145797	0	145797	3.64	141997	0	141997	3.55	-0.10
c) Others (specify)									0.00
a) NRI / OCB	500	0	500	0.01	500	0	500	0.01	0.00
b) Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
c) Clearing Member	425	0	425	0.01	10601	0	10601	0.27	0.25
<b>SUB TOTAL (B)(2):</b>	820836	738045	1558881	38.97	824436	732345	1556781	38.92	-0.05
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	820836	738245	1559081	38.98	824436	732545	1556981	38.92	-0.05
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	3261535	738465	4000000	100.00	3265135	732555	4000000	100.00	0.00

No. of Members as on 31/03/2016 – 5673

No. of Members as on 31/03/2017 – 5625

## SOUTH ASIAN ENTERPRISES LTD.

### (ii) SHAREHOLDING OF PROMOTERS

S.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	Mahesh Prasad Mehrotra	6510	0.16%	0.00	0	0.00%	0.00	-0.16%
2	Shri Ramji Mehrotra	10	0.00%	0.00	10	0.00%	0.00	0.00%
3	VLS Capital Ltd.	2384289	59.61%	0.00	2384289	59.61%	0.00	0.00%
4	Ms. Divya Mehrotra	50100	1.25%	0.00	58720	1.47%	0.00	0.22%
5	Mrs. Sushma Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
6	Mrs. Sadhana Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
7	VLS Commodities Pvt. Ltd.	0	0.00%	0.00	0	0.00%	0.00	0.00%
8	Pragati Moulders Ltd.	0	0.00%	0.00	0	0.00%	0.00	0.00%
9	M. P. Mehrotra (HUF)	0	0.00%	0.00	0	0.00%	0.00	0.00%
10	Ms. Daya Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
11	VLS Finance Ltd.	0	0.00%	0.00	0	0.00%	0.00	0.00%
12	VLS Securities Ltd.	0	0.00%	0.00	0	0.00%	0.00	0.00%
13	VLS Asset Management Ltd.	0	0.00%	0.00	0	0.00%	0.00	0.00%
	<b>Total</b>	2440919	61.02%	0.00	2443019	61.08%	0.00	0.05%

### (iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity etc)

S.No	Shareholder's Name	Date	Shareholding at the beginning of the year		Cumulative Share holding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mahesh Prasad Mehrotra					
	At the beginning of the year		6510	0.16%	6510	0.16%
	09/09/2016	Transfer	2100	0.05%	8610	0.22%
	31/03/2017	Transfer	-8610	-0.22%	0	0
	At the end of the year				0	0
2	Divya Mehrotra					
	At the beginning of the year		50110	1.25%	50110	1.25%
	31/03/2017	Transfer	8610	0.22%	58720	1.47%
	At the end of the year				58720	1.47%

## SOUTH ASIAN ENTERPRISES LTD.

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

S.No	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Share holding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	DHAMPUR SUGAR MILLS LTD					
	At the beginning of the year 01/04/2016		250000	6.25	250000	6.25
	At the end of the year 31/03/2017				250000	6.25
2	VSL SECURITIES PRIVATE LIMITED					
	At the beginning of the year 01/04/2016		78379	1.96	78379	1.96
	At the end of the year 31/03/2017				78379	1.96
3	SANGEETHA S					
	At the beginning of the year 01/04/2016		60060	1.5	60060	1.5
	At the end of the year 31/03/2017				60060	1.5
4	SARLA SINGHAL					
	At the beginning of the year 01/04/2016		46549	1.16	46549	1.16
	17/02/2017	Transfer	-1000	-0.03	44749	1.12
	24/02/2017	Transfer	-1700	-0.04	43049	1.08
	10/03/2017	Transfer	-1100	-0.03	41949	1.05
	At the end of the year 31/03/2017				41949	1.05
5	SANJAYKUMAR SARAWAGI					
	At the beginning of the year 01/04/2016		39988	1.00	39988	1.00
	At the end of the year 31/03/2017				39988	1.00
6	MANAN TRADING COMPANY PRIVATE LIMITED.					
	At the beginning of the year 01/04/2016		28256	0.71	28256	0.71
	At the end of the year 31/03/2017				28256	0.71
7	PRITTY DEVI SARAWAGI					
	At the beginning of the year 01/04/2016		15175	0.38	15175	0.38
	At the end of the year 31/03/2017				15175	0.38
8	ARUN KUMAR SANCHETI (HUF) .					
	At the beginning of the year 01/04/2016		12892	0.32	12892	0.32
	At the end of the year 31/03/2017				12892	0.32
9	Ganesh Shankar Dwivedi					
	At the beginning of the year 01/04/2016		10106	0.25	10106	0.25
	08/04/2016	Transfer	200	0.01	10306	0.26
	29/04/2016	Transfer	300	0.01	10606	0.27
	01/07/2016	Transfer	1991	0.05	12597	0.31
	19/08/2016	Transfer	600	0.02	13197	0.33
	07/10/2016	Transfer	790	0.02	13987	0.35
	16/12/2016	Transfer	1500	0.04	15487	0.39
	10/02/2017	Transfer	200	0.01	15687	0.39
	10/03/2017	Transfer	1400	0.04	17087	0.43
	At the end of the year 31/03/2017				17087	0.43
10	GANDHI SECURITIES & INVESTMENT PRIVATE LIMITED					
	At the beginning of the year 01/04/2016		9600	0.24	9600	0.24
	At the end of the year 31/03/2017				9600	0.24
11	VARDHMAN ARVIND SANCHETI					
	At the beginning of the year 01/04/2016		8780	0.22	8780	0.22
	22/07/2016	Transfer	5643	0.14	14423	0.36
At the end of the year 31/03/2017				14423	0.36	

## SOUTH ASIAN ENTERPRISES LTD.

### (v) Shareholding of Directors & KMP

S.No	For Each of the Directors & KMP	Date	Shareholding at the end of the year		Cumulative Share holding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Dr. B. Venkataraman					
	At the beginning of the year	01/04/2016	600	0.02%	600	0.02%
	At the end of the year	31/03/2017	600	0.02%	600	0.02%
2	Mahesh Prasad Mehrotra					
	At the beginning of the year	01/04/2016	6510	0.16%	6510	0.16%
	09/09/2016	Transfer	2100	0.05%	8610	0.22%
	31/03/2017	Transfer	-8610	-0.22%	0	0
	At the end of the year	31/03/2017	0	0.001	0	0

### V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	617580	0	0	617580
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>617580</b>	<b>0</b>	<b>0</b>	<b>617580</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	440546	0	0	440546
Reduction	0	0	0	0
<b>Net Change</b>	<b>440546</b>	<b>0</b>	<b>0</b>	<b>440546</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1058126	0	0	1058126
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>1058126</b>	<b>0</b>	<b>0</b>	<b>1058126</b>

### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/ Manager	Total Amount
1	<b>Gross salary</b>	Mr T. B. Gupta- MD	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	480000.00	480000.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00
2	Stock option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission	0.00	0.00
	as % of profit	0.00	0.00
	others (specify)	0.00	0.00
5	Others, please specify	0.00	0.00
	<b>Total (A)</b>	480000.00	480000.00
	<b>Ceiling as per the Act per annum</b>	6000000.00	6000000.00

## SOUTH ASIAN ENTERPRISES LTD.

### B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors						Total Amount
		Dr. B. Venkataraman	Shri P. K. Sharan	Dr. S. Ramesh	Shri R. K. Goswami	Shri Priya Brat	Shri S.V.S. Juneja*	
1	Independent Directors							
	(a) Fee for attending board/ committee meetings	21000.00	68000.00	37000.00	84000.00	74000.00	0.00	284000.00
	(b) Commission	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total (1)</b>	21000.00	68000.00	37000.00	84000.00	74000.00	0.00	284000.00
2	Other Non Executive Directors							
	Non Independent Directors	Shri M. P. Mehrotra	Shri K. K. Soni	Shri S. C. Agarwal	Shri Anurag Bhatnagar #	Dr. (Mrs.) Neeraj Arora	Ms. Divya Mehrotra **	
	(a) Fee for attending board/ committee meetings	24000.00	0.00	0.00	0.00	24000.00	0.00	48000.00
	(b) Commission	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Others, please specify.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total (2)</b>	24000.00	0.00	0.00	0.00	24000.00	0.00	48000.00
	<b>Total (B)=(1+2)</b>	45000.00	68000.00	37000.00	84000.00	98000.00	0.00	332000.00
	<b>Total Managerial Remuneration</b>	N.A.	N.A.	N.A.	N.A.	N.A.		
	<b>Overall Ceiling as per the Act. Per meeting</b>	100000.00	100000.00	100000.00	100000.00	100000.00		

# Resigned w.e.f. 19/07/2017

\* Ceased on 27/09/2016

\*\* Resigned w.e.f. 02/12/2016

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :

Sl.No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Shri R. C. Pandey (Company Secretary)	Shri S. P. Singh* (CFO)	Total
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N. A.	0	328503	328503
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N. A.	0	15000	15000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N. A.	0	0	0
2	Stock Option	N. A.	0	0	0
3	Sweat Equity	N. A.	0	0	0
4	Commission	N. A.	0	0	0
	as % of profit	N. A.	0	0	0
	others, specify	N. A.	0	0	0
5	Others, please specify (Professional Charges)	N. A.	60000	0	60000
	<b>Total</b>	N. A.	60000	343503	403503

\* Ceased w.e.f. 31/03/2017

### VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority[RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*
<b>B. DIRECTORS</b>					
Penalty	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	*	*	*	*	*
Punishment	*	*	*	*	*
Compounding	*	*	*	*	*

\* No Penalty, punishment imposed or compounding undertaken by the company or Directors or other officers in default during the year under review.

## SOUTH ASIAN ENTERPRISES LTD.

### Annexure-C

The information required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below :

**1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and percentage increase in remuneration of each Director ::**

Sl. No	Name of the Directors	Designation	% increase of remuneration in 2017 as compared to 2016	Ratio to the median remuneration for the year 2016-17
1	Dr. B. Venkataraman	Non-Executive independent Chairman	0.00%	0.21:1
2	Shri P. K. Sharan	Non-Executive independent Director	0.00%	0.68:1
3	Dr. S Ramesh	Non-Executive independent Director	0.00%	0.37:1
4	Shri S. V. S. Juneja*	Non-Executive independent Director	0.00%	0.00:1
5	Shri Priyabrat	Non-Executive independent Director	0.00%	0.74:1
6	Shri R. K. Goswami	Non-Executive independent Director	0.00%	0.84:1
7	Shri M. P. Mehrotra\$	Non-Executive non-independent Director	Not comparable	0.24:1
8	Dr. (Mrs) Neeraj Arora #	Non-Executive non-independent Director	Not comparable	0.24:1
9	Mr. T. B. Gupta	Managing Director	0.00%	4.78:1
10	Shri K. K. Soni	Non-Executive non-independent Director	0.00%	0.00
11	Shri S. C. Agarwal	Non-Executive non-independent Director	0.00%	0.00
12	Shri Anurag Bhatnagar@	Non-Executive non-independent Director	0.00%	0.00

\* Died on 27/09/2016

\$ Appointed on 07/11/2015

# Appointed on 29/05/2015

@ Resigned w.e.f. 19/07/2017

The Non-Executive Independent Directors of the Company are entitled for sitting fees and reimbursement of expenses for attending meetings and the same are within the prescribed limits as per statutory provisions. The details of sitting fees paid to the non executive Directors including independent directors are provided elsewhere in this report . There was no change in sitting fees of the Non-Executive Independent Directors during the FY 2016-2017 and thus there was no percentage wise increase in remuneration paid to them. The overall increase/decrease in the sitting fee paid compared to previous year is due to number of meetings attended by them, hence ignored.

Further, remuneration paid to Directors appointed during previous year i.e. 2015-16 being not for full year is not comparable to remuneration paid in year 2016-17 i.e. for the full year.

**2 The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year 2016-17:**

Sl. No	Name of the CFO and Company Secretary	Designation	% increase of remuneration in 2017 as compared to 2016*
1	Mr. S. P. Singh	CFO	41.36% **
2	Mr. Ramesh C. Pandey	Company Secretary	0.00%

\* % increase does not include payment made towards leave encashment, payment of post arrears and perquisites yet to be claimed after the date of balance sheet pertaining to financial year.

\*\* Consequent to restructuring of salary components, though there was no increment in salary.

For details of directors remuneration please refer clause 1 above.

**3. The percentage increase in the median remuneration of employees in the financial year 2016-17:**

There was percentage increase in the median remuneration of employees in the financial year of around 58.01%

**4. The number of permanent employees on the rolls of company:**

33 ( Thirty Three)

**5 Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

The average increase in percentile of salaries of employees other than the managerial personnel in 2016-2017 was 15%-16%.

Average Percentile increase in the managerial remuneration for the year was Nil.

**6. Affirmation that the remuneration is as per the remuneration policy of the company:**

The remuneration is as per the Remuneration policy of the Company.

## SOUTH ASIAN ENTERPRISES LTD.

### 7. Top 10 employees in terms of remuneration drawn in the financial year 2016-17:

S. No.	Name/Designation of employee	Remuneration received (Rs.)	Nature of employment, whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	Age of such employee (Years)	Last employment held by such employee before joining the company	Percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub rule (2)	Whether any such employee is a relative of any director or manager of the company and if so name of such director or manager
1	T. B. Gupta Managing Director	480000	Contractual	M. Tech. (Elec.) IIT (Kharagpur) 50 Years	30/01/2006	77	VLS Finance Limited	—	—
2	S. P. Singh CFO	343503	Permanent	B. A. 35 Years	7/1/2001	57	K M Sugar Mills	—	—
3	M. S. Sliddiqui General Manager	252000	Permanent	B.A. Part-1 44 Years	1/1/1992	66	Gaurav Overseas Export Pvt. Ltd.	—	—
4	A. K. Mishra General Manager	132721	Permanent	B.Sc. , B-Pharma, PGDBA 36 Years	2/10/2001	58	Nav Bharat	—	—
5	Vijay Kumar Agarwal Manager	180000	Permanent	Intermediate 31 Years	1/1/1994	53	—	—	—
6	Inderjeet Singh Operator	96000	Permanent	Matriculate 22 Years	7/1/1994	45	—	—	—
7	Gurdeep Singh Kalsi Project Manager	146366	Permanent	B.Tech. 2 Years	1/5/2016	25	Spring Minds Assessment Pvt. Ltd.	—	—
8	Mujeebur Rahman General Manager	114000	Permanent	B.A. -Part II 22 Years	8/1/1995	45	—	—	—
9	Anil Kashyap Operator	96000	Permanent	8th Pass 20 Years	2/1/2014	44	—	—	—
10	Trilok Singh Project Manager	127055	Permanent	FSC, DM Civil Regular 42 Years	4/1/2016	68	A V Walls Ltd.	—	—

There was no employee during the year drawing remuneration in terms of Rule 2(iii) of Companies (Appointment and Remuneration) Rules 2014.

For and on behalf of the Board of Director

Place : New Delhi  
Date : 01/08/2017

**P.K. Sharan**                      **T.B. Gupta**  
Director                                      Managing Director  
DIN:00107048                              DIN:00106181

### Annexure-D

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**Form MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

To,  
The Members,  
South Asian Enterprises Limited  
Corp. Office: 2<sup>nd</sup> Floor, 13, Sant Nagar  
East of Kailash  
New Delhi-110065.

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

Based on my verification of South Asian Enterprises Limited's 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 **31st March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanisms 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 the Company for the financial year ended on 31st March, 2017 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 (not applicable for the financial year under review);

- (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, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable as Company has not issued further capital during the financial year under review.)
  - (d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations) 2014;
  - (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; (not applicable as Company has not registered as Registrar to Issue and Transfer Agent during the year under review.)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (not applicable as Company has not delisted/ proposed to delist its equity shares from any stock exchange during the year under review) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable as Company has not brought back /proposed to buyback its securities during the financial year under review).
- (vi) The Company had properly complied the other laws viz. Income tax Act 1961, Prevention of Money Laundering Act, 2002 and rules made thereunder, Service tax law, labour laws, local revenues laws, Insurance Act, The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder, Water (Prevention and control of Pollution) Act, 1974 and rules made thereunder, Environment

# SOUTH ASIAN ENTERPRISES LTD.

(Protection) Act, 1986, local revenue laws, etc. as applicable to it. 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 the BSE Limited under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015,
- iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are 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.

All decisions were passed unanimously and were properly recorded as part of the minutes.

I further report that based on review of compliance mechanism established by the Company and on the basis of compliance certificate issued inter-alia by Company Secretary which were taken on record by Board of Directors, I am of the opinion that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The provisions relating to Corporate Social Responsibility (CSR) were not applicable to the company during the year under review.

I further report that during the audit period, the company has not taken any action having major bearing on affairs of the Company pursuant to above referred laws.

**CS Pooja Gandhi**  
Company Secretary  
ACS No.:20092  
C P No.:11351

Place: New Delhi

Date: 17<sup>th</sup> May, 2017

This report is to be read with my letter of even date which is annexed as 'Annexure 1' and forms an integral part of this report.

## Annexure 1

To,  
The Members,  
South Asian Enterprises Limited  
Corp. Office: 2<sup>nd</sup> Floor, 13, Sant Nagar  
East of Kailash  
New Delhi-110065.

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I 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. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**CS Pooja Gandhi**  
Company Secretary  
ACS No.:20092  
C P No.:11351

Place: New Delhi

Date: 17<sup>th</sup> May, 2017

## Annexure-E

### Annexure to Directors' Report

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rules, and forming part of Directors' Report for the year ended 31<sup>st</sup> March, 2017.

#### Conservation of Energy

- |  |       |
|--|-------|
| a) Energy conservation measure taken                                     | : Nil |
| b) Proposals under implementation for reduction in consumption of energy | : Nil |

#### Technology Absorption

- |   |       |
|---|-------|
| a) Research and development                       | : Nil |
| b) Technology absorption, adoption and innovation | : Nil |

#### Foreign Exchange Earnings and Outgo

- |                            |                   |
|----------------------------|-------------------|
| a) Foreign Exchange Earned | : Rs. 15,87,008/- |
| b) Foreign Exchange Used   | : Rs. 8,75,794/-  |

for and on behalf of the Board of Directors

Date: 01/08/2017  
Place: New Delhi

P. K. Sharan  
Director  
DIN: 00107048

T.B. Gupta  
Managing Director  
DIN:00106181

### Independent Auditor's Report to the Members of SOUTH ASIAN ENTERPRISES LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of **South Asian Enterprises Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we 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 the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at 31 March 2017 and its loss 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance sheet, the statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) in our 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 the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B; and
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigations which would impact its financial position.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 38 to the financial statements.

For **ANIL PARIK & GARG**  
Chartered Accountants  
FRN 01676C

**H.K. PARIK**  
Partner  
Membership No.070250

Place: New Delhi  
Date: 11/05/2017

## ANNEXURE A TO THE AUDITOR'S REPORT (Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b. The company has a regular programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified by the Management during the year and we are informed that no material discrepancies were noticed on such verification.
- c. There are no immovable properties with the Company. Therefore, the provisions of Clause 3(i) (c) of the said Order are not applicable to the Company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to books records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of loans, investments made and guarantee/ security provided by it as applicable.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, with the appropriate authorities.
- b. According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of excise, duty of customs, value added tax and cess, which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any bank. The Company has not taken any loans from the Government. It has not issued any debentures.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered in to transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18- 'Related Party Disclosures' specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts Rules), 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **ANIL PARIK & GARG**  
*Chartered Accountants*  
FRN 01676C

**H.K. PARIK**  
*Partner*  
Membership No.070250

Place: New Delhi  
Date: 11/05/2017

**ANNEXURE B TO THE AUDITOR'S REPORT**  
**(Referred to in paragraph (2)(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**  
**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.**

We have audited the internal financial controls over financial reporting of **South Asian Enterprises Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial

controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **ANIL PARIK & GARG**  
*Chartered Accountants*  
FRN 01676C

**H.K. PARIK**  
*Partner*  
Membership No.070250

Place: New Delhi  
Date: 11/05/2017

# SOUTH ASIAN ENTERPRISES LTD.

## BALANCE SHEET AS AT 31ST MARCH, 2017

Amount (In Rs.)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	3,99,90,500	3,99,90,500
(b) Reserves and Surplus	4	7,88,31,881	8,31,11,412
<b>Total 1</b>		<b>11,88,22,381</b>	<b>12,31,01,912</b>
<b>(2) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	5	2,31,307	4,03,172
(b) Long-Term Provisions	6	3,23,447	1,41,936
<b>Total 2</b>		<b>5,54,754</b>	<b>5,45,108</b>
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	7	10,58,126	6,17,580
(b) Trade Payables	8	12,39,789	12,44,392
(c) Other Current Liabilities	9	6,40,443	1,80,204
(d) Short-Term Provisions	10	-	2,87,016
<b>Total 3</b>		<b>29,38,358</b>	<b>23,29,192</b>
<b>Total (1+2+3)</b>		<b>12,23,15,493</b>	<b>12,59,76,212</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) <i>Fixed Assets</i>			
Tangible Assets	11	18,04,608	21,59,571
(b) Non-Current Investments	12	10,02,00,705	10,02,00,705
(c) Long-Term Loans and Advances	13	4,62,182	80,972
(d) Other Non-Currents Assets	14	66,15,312	6,615,312
<b>Total 4</b>		<b>10,90,82,807</b>	<b>10,90,56,560</b>
<b>(2) Current Assets</b>			
(a) Inventories	15	45,48,383	34,00,345
(b) Trade Receivables	16	32,37,179	34,84,568
(c) Cash and Bank Balances	17	28,96,403	92,33,464
(d) Short-Term Loans and Advances	18	21,87,065	4,12,412
(e) Other Current Assets	19	3,63,656	3,88,863
<b>Total 5</b>		<b>1,32,32,686</b>	<b>1,69,19,652</b>
<b>Total (4+5)</b>		<b>12,23,15,493</b>	<b>12,59,76,212</b>

Significant Accounting Policies and Notes forming part of Financial Statements

1 to 39

As per our report of even date

**For Anil Pariek and Garg**

Chartered Accountants

FRN : 01676C

**H. K. Pariek**

Partner

Membership No. 070250

Place: New Delhi

Date : 11/05/2017

For & on behalf of the Board

**T. B. Gupta**  
Managing Director  
DIN: 00106181

**S. C. Agarwal**  
Director  
DIN:00108493

**R.C. Pandey**  
Company Secretary  
PAN: AJRPP6072H

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Amount (In Rs.)

Particulars	Note No.	For the Year ended 31.03.2017	For the Year ended 31.03.2016
I. Revenue from Operations	20	1,79,17,728	2,20,94,109
II. Other Income	21	8,45,358	16,00,936
<b>III. Total Revenue (I + II)</b>		<b>1,87,63,086</b>	<b>2,36,95,045</b>
<b>IV. Expenses:</b>			
Purchase of Stock-in-Trade		70,97,909	80,45,555
Changes in Inventories of Stock-in-Trade	22	(11,48,038)	(8,92,932)
Employee Benefit Expense	23	53,51,603	47,94,437
Finance Cost	24	1,12,274	1,06,310
Depreciation and Amortization Expense	11	4,52,591	4,24,745
Other Expenses	25	96,07,894	88,63,697
<b>Total Expenses (IV)</b>		<b>2,14,74,233</b>	<b>2,13,41,812</b>
V. Profit/(Loss) before tax (III-IV)		(27,11,147)	23,53,233
<b>VI. Less: Tax Expenses</b>			
(1) Current Tax		-	8,78,100
(1) Tax Adjustment for earlier years		17,40,249	-
(2) Deferred Tax		(1,71,865)	(82,605)
VII. Profit (Loss) For The Year (V-VI)		(42,79,531)	15,57,738
VIII. Earning Per Equity Share (of Rs.10/- each)			
Basic and Diluted	30	(1.07)	0.39

As per our report of even date

**For Anil Pariek and Garg**

Chartered Accountants

FRN : 01676C

**H. K. Pariek**

Partner

Membership No. 070250

Place: New Delhi

Date : 11/05/2017

For & on behalf of the Board

**T. B. Gupta**  
Managing Director  
DIN: 00106181

**S. C. Agarwal**  
Director  
DIN:00108493

**R.C. Pandey**  
Company Secretary  
PAN: AJRPP6072H

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st March, 2017.

### Note 1

#### **Corporate Overview:**

South Asian Enterprises Ltd. was incorporated in 1991 to run Amusement parks and engage in other activities of Amusement Industry. Presently, it has amusement Parks in Kanpur and Lucknow. The other activities include Trading in Earthing & Lightning Protection Systems, which segment has shown promising results.

### Note 2

#### **Significant Accounting Policies:**

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

#### **2.1 Basis of preparation of financial statements**

The financial statements are prepared and presented under the historical cost convention except otherwise stated, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 ('the Act'), and the accounting principles generally accepted in India and comply with the Accounting Standards prescribed in the Companies (Accounts) Rules, 2014 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the goods & services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

#### **2.2 Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **2.3 Fixed assets and depreciation/amortization**

All the fixed assets are stated at cost less accumulated depreciation.

Depreciation on tangible assets is provided on the straight line method over the useful lives of assets in accordance with Part C of Schedule II of the Companies Act, 2013. There are no intangibles with the company as at 31.03.2017.

Fixed Assets costing Rs. 5,000/- or less are fully depreciated in the year of acquisition.

#### **2.4 Investments**

The investments of the Company in trade account or others, quoted or unquoted are long-term investments and valued at cost/book value. The Company has adopted the policy to recognize the permanent decline in the value of investments and provide accordingly. The Company follows "FIFO Method" for calculating the cost of each investment sold by the Company for arriving at the profit/loss.

#### **2.5 Inventories**

Inventories of Spares and Consumables are valued at cost or net realisable value whichever is lower. Cost includes all charges incurred for bringing the inventories to their present condition and location.

#### **2.6 Borrowing costs**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed beyond reasonable time due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

#### **2.7 Foreign currency transactions**

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the year end exchange rates. Exchange gains/losses are recognized in the statement of profit and loss. Exchange difference arising on settlement of Capital Liabilities is adjusted with Capital Assets.

Forward exchange contracts outstanding as at the period end on account of firm commitment/highly probable forecast transaction are marked to market and the resultant gain/loss is dealt in the statement of profit and loss.

#### **2.8 Employee benefits:**

##### **(a) Short term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages. The undiscounted amount of short term employee benefits to be paid in exchange for employee services are recognized as an expense as the related service is rendered by employees.

##### **(b) Post-employment benefits**

###### **Defined contribution plans:**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The company makes specified monthly contributions towards provident fund. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which employee renders the related service.

###### **Defined benefit plan:**

The Company's gratuity benefit scheme is a defined benefit plan. This is funded with LIC. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the

## SOUTH ASIAN ENTERPRISES LTD.

obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

### (c) Long term employment benefits

The Company's net obligation in respect of long-term employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

### (d) Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of the assumption that such benefits are payable to the employees at the end of the accounting year.

## 2.9 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

## 2.10 Taxation

Income tax expense comprises current income tax and deferred tax charge or credit. Current tax provision is made annually based on the tax liability computed in accordance with the provisions of the Income Tax Act, 1961.

The deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

## 2.11 Earnings per share (EPS)

The Basic EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

## 2.12 Provisions and contingent liabilities

Provisions are recognized when the company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of amount of obligation.

Contingent liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company.

Accounting policies not specifically referred to are consistent with the accepted accounting practices.

### Note 3

#### Share Capital

Authorised  
50,00,000 Equity Shares of Rs.10/- each

Issued, Subscribed & Called Up Capital  
Issued, Subscribed & Paid up  
40,00,000 Equity Shares of Rs.10/- each  
Less: Calls-in -Arrears-by others

	Amount (in Rs.)	
	As at 31.03.2017	As at 31.03.2016
<b>5,00,00,000</b>	<b>5,00,00,000</b>	5,00,00,000
<b>5,00,00,000</b>	<b>5,00,00,000</b>	5,00,00,000
<b>4,00,00,000</b>	<b>4,00,00,000</b>	4,00,00,000
<b>4,00,00,000</b>	<b>4,00,00,000</b>	4,00,00,000
<b>9,500</b>	<b>3,99,90,500</b>	9,500
	<b>3,99,90,500</b>	3,99,90,500
	<b>3,99,90,500</b>	3,99,90,500

#### a. Reconciliation of shares outstanding at the beginning and at the end of the reporting year

##### Equity Shares

At the beginning of the year  
Issued during the year

Outstanding at the end of the year

As at 31.03.2017		As at 31.03.2016	
No. of shares	Rupees	No. of shares	Rupees
40,00,000	3,99,90,500	40,00,000	3,99,90,500
-	-	-	-
40,00,000	3,99,90,500	40,00,000	3,99,90,500

#### b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

#### c. Details of shareholders holding more than 5% shares in the company

VLS Capital Ltd.\*

The Dhampur Sugar Mills Ltd.

As at 31.03.2017		As at 31.03.2016	
No. of shares	% of holding	No. of shares	% of holding
23,84,289	59.61	23,84,289	59.61
2,50,000	6.25	2,50,000	6.25

#### d. Details of shares held by Holding Company

23,84,289 (Previous year 23,84,289) Equity Shares held by VLS Capital Limited\*

\* Holding Company since 03.02.2015.

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd..)

Amount (In Rs.)

	As at <u>31.03.2017</u>	As at <u>31.03.2016</u>
<b>Note 4</b>		
<b>Reserves &amp; Surplus</b>		
<b>Securities Premium Reserve</b>		
As per Last Balance Sheet	6,00,00,000	6,00,00,000
Less: Calls Unpaid - by other	<u>(28,500)</u>	<u>(28,500)</u>
<b>Total (A)</b>	<u>5,99,71,500</u>	<u>5,99,71,500</u>
<b>General Reserve</b>		
As per Last Balance Sheet	1,84,89,145	1,84,89,145
<b>Total (B)</b>	<u>1,84,89,145</u>	<u>1,84,89,145</u>
<b>Surplus in statement of Profit and Loss</b>		
As per Last Balance Sheet	46,50,767	30,93,029
Add: Profit/(Loss) for the year	<u>(42,79,531)</u>	<u>15,57,738</u>
<b>Total (C)</b>	<u>3,71,236</u>	<u>46,50,767</u>
<b>Total (A+B+C)</b>	<u>7,88,31,881</u>	<u>8,31,11,412</u>
<b>Note 5</b>		
<b>Deferred Tax</b>		
a. Deferred Tax Liabilities		
- Depreciation on Fixed Assets	3,46,002	4,61,780
b. Deferred Tax Assets		
- Employee Benefits	99,945	43,858
- Provision for bad & doubtful debts	<u>14,750</u>	<u>14,750</u>
<b>Net Deferred Tax Liabilities</b>	<u>2,31,307</u>	<u>4,03,172</u>
<b>Note 6</b>		
<b>Long Term Provisions</b>		
Provision for Employee Benefits	3,23,447	1,41,936
<b>Total</b>	<u>3,23,447</u>	<u>1,41,936</u>
<b>Note 7</b>		
<b>Short Term Borrowings</b>		
Secured Working Capital Loans from Banks*	10,58,126	6,17,580
*Secured against Pledge of Fixed Deposit	<u>10,58,126</u>	<u>6,17,580</u>
<b>Note 8</b>		
<b>Trade Payables</b>		
Micro, Small and Medium Enterprises	-	-
Trade Payables	12,39,789	12,44,392
<b>Total</b>	<u>12,39,789</u>	<u>12,44,392</u>
<b>Note 9</b>		
<b>Other Current Liabilities</b>		
Others Payables	2,85,788	1,43,844
Security Deposits	29,000	29,000
Advance from Customers	<u>325,655</u>	<u>7,360</u>
<b>Total</b>	<u>6,40,443</u>	<u>1,80,204</u>
<b>Note 10</b>		
<b>Short Term Provisions</b>		
For Income Tax (Net of Advance income tax Rs. Nil (P.Y. Rs. 25,67,084/-)	-	2,87,016
<b>Total</b>	<u>-</u>	<u>2,87,016</u>

### **Note 11: Fixed Assets**

Description	Plant and Machinery	Building	Vehicle	Furniture & Fixtures	Office Equipment	Computers	Total
Balance as at 01 April 2015	1,75,54,481	85,79,133	1,00,845	6,66,433	5,54,878	2,07,029	2,76,62,799
Additions	-	-	-	-	39,194	-	39,194
Deduction	-	-	-	-	-	-	-
<b>Balance as at 31 March 2016</b>	<b>1,75,54,481</b>	<b>85,79,133</b>	<b>1,00,845</b>	<b>6,66,433</b>	<b>5,94,072</b>	<b>2,07,029</b>	<b>2,77,01,993</b>
Balance as at 01 April 2016	1,75,54,481	85,79,133	1,00,845	6,66,433	5,94,072	2,07,029	2,77,01,993
Additions	39,375	-	-	-	47,759	30,975	1,18,109
Deduction	-	-	-	-	-	-	-
<b>Balance as at 31 March 2017</b>	<b>1,75,93,856</b>	<b>85,79,133</b>	<b>1,00,845</b>	<b>6,66,433</b>	<b>6,41,831</b>	<b>2,38,004</b>	<b>2,78,20,102</b>
<b>Depreciation &amp; Impairment</b>							
Balance as at 01 April 2015	1,66,52,587	69,74,843	75,245	6,66,433	5,41,540	2,07,029	2,51,17,677
Depreciation for the year	1,87,428	2,20,816	5,119	-	11,382	-	4,24,745
Adjustments	-	-	-	-	-	-	-
Deduction	-	-	-	-	-	-	-
<b>Balance as at 31 March 2016</b>	<b>1,68,40,015</b>	<b>71,95,659</b>	<b>80,364</b>	<b>6,66,433</b>	<b>5,52,922</b>	<b>2,07,029</b>	<b>2,55,42,422</b>
Balance as at 01 April 2016	1,68,40,015	71,95,659	80,364	6,66,433	5,52,922	2,07,029	2,55,42,422
Depreciation for the year	1,97,057	2,20,816	-	-	25,527	9,191	4,52,591
Adjustments	-	-	20,481	-	-	-	20,481
<b>Balance as at 31 March 2017</b>	<b>1,70,37,072</b>	<b>74,16,475</b>	<b>1,00,845</b>	<b>6,66,433</b>	<b>5,78,449</b>	<b>2,16,220</b>	<b>2,60,15,494</b>
Net block							
As at 31st March 2016	7,14,466	13,83,474	20,481	-	41,150	-	21,59,571
As at 31st March 2017	<b>5,56,784</b>	<b>11,62,658</b>	<b>-</b>	<b>-</b>	<b>63,382</b>	<b>21,784</b>	<b>18,04,608</b>

# SOUTH ASIAN ENTERPRISES LTD.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd.)

### Note 12 Non-Current Investments

Amount (in Rs.)

PARTICULARS	As at 31.03.2017	As at 31.03.2016
<b>A- Non trade -At cost-Fully paid up</b>		
<b>I- QUOTED</b>		
<b>Investment in Equity Instruments of Other entities</b>		
5 Equity Shares of Rs. 2/- each of Bank of Baroda	251	251
200 Equity Shares of Rs.10/- each of Tata Steel Limited	1,38,235	1,38,235
500 Equity Shares of Rs.5/- each of Reliance Mediaworks Ltd	1,12,085	1,12,085
110 Equity Shares of Rs.10/- each of Reliance Industries Limited	1,07,879	1,07,879
Total (A)	<b>3,58,450</b>	3,58,450
<b>II- UNQUOTED</b>		
50,000 Equity Shares of Rs.10/- each of Indhra Dhan Agro Products Ltd.	5,00,000	5,00,000
15,00,000 Equity Shares of Rs.10/- each of Hotline Electronics Ltd.	1,50,00,000	1,50,00,000
10,00,000 Equity Shares of Rs.10/- each of VLS Capital Ltd.*	6,00,00,000	6,00,00,000
35,000 Equity Shares of Rs.100/- each of Alok Fintrade (P) Ltd.	35,00,000	35,00,000
Total (B)	<b>7,90,00,000</b>	7,90,00,000
<b>Total Non-Current Investment (A+B)</b>	<b>7,93,58,450</b>	7,93,58,450
<b>B- Investment in Property (Real Estate) (At Cost)</b>	2,08,42,255	2,08,42,255
Total (C)	2,08,42,255	2,08,42,255
<b>Total Non - Current Investments (A+B+C)</b>	<b>10,02,00,705</b>	10,02,00,705
Aggregate amount of quoted investments	3,58,450	3,58,450
Aggregate market value of quoted investments	2,72,604	2,09,547
Aggregate amount of unquoted investments	7,90,00,000	7,90,00,000

\* Holding Company w.e.f. 03.02.2015

Amount (In Rs.)

	As at 31.03.2017	As at 31.03.2016
--	---------------------	---------------------

### Note 13

#### Long-term loans and advances

##### (Unsecured, considered good)

Capital Advance	1,98,918	-
Advance Income Tax (Net of Provision of Tax of Rs,21,50,500/- (P.Y- Nil)	1,84,546	-
Deposits with Others	78,718	80,972
<b>Total</b>	<b>4,62,182</b>	<b>80,972</b>

### Note 14

#### Other Non-Current Assets

##### (Unsecured, considered good)

Non-current bank balance(Refer Note-17)	66,15,312	66,15,312
<b>Total</b>	<b>66,15,312</b>	<b>66,15,312</b>

### Note 15

#### Inventories

Stock in Trade	45,48,382	34,00,344
Music album	1	1
<b>Total</b>	<b>45,48,383</b>	<b>34,00,345</b>

### Note 16

#### Trade Receivables

##### (Unsecured, considered good)

Debts outstanding for a period exceeding 6 months from the date they are due for payment	1,14,599	86,184
Less : Provision made for doubtful debts	47,734	47,734
Others	31,70,314	34,46,118
<b>Total</b>	<b>32,37,179</b>	<b>34,84,568</b>

## SOUTH ASIAN ENTERPRISES LTD.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd..)	As at 31.03.2017	Amount (in Rs.) As at 31.03.2016
<b>Note 17</b>		
<b>Cash &amp; Bank Balances</b>		
<b>Cash and Cash Equivalents</b>		
Cash on hand	1,69,597	1,82,975
<b>Balance with Bank</b>		
In current account	3,82,806	3,52,682
<b>Other Bank Balances</b>		
Fixed deposit with maturity more than 12 months	16,50,000	81,51,807
Fixed deposit with maturity more than 12 months*	66,15,312	66,15,312
Fixed deposit with bank (held as margin money)	6,94,000	5,46,000
Less : Amount disclosed under other non-current asset (Refer Note-14)	66,15,312	66,15,312
*Pledged with bank against bank overdraft.		
<b>Total</b>	<b>28,96,403</b>	<b>92,33,464</b>
<b>Note 18</b>		
<b>Short Term Loans &amp; Advances (Unsecured, considered good)</b>		
Security Deposit	63,988	1,20,653
Prepaid Expenses	3,42,648	2,78,759
Others #	17,80,429	13,000
# Includes primarily Advance to trade creditors		
<b>Total</b>	<b>21,87,065</b>	<b>4,12,412</b>
<b>Note 19</b>		
<b>Other Current Assets</b>		
Interest Accrued on Deposits	3,63,656	3,88,863
<b>Total</b>	<b>3,63,656</b>	<b>3,88,863</b>
<b>Note 20</b>		
<b>Revenue From Operations</b>		
Park Receipts	50,19,833	50,59,960
Sales (Traded Goods)	1,22,31,205	1,47,32,679
Income from Installation, Erection & Supervision	6,66,690	23,01,470
<b>Total</b>	<b>1,79,17,728</b>	<b>2,20,94,109</b>
<b>Note 21</b>		
<b>Other Income</b>		
Interest on fixed deposit	6,75,679	11,81,654
Dividend Income-non trade-non current investments	1,600	3,871
Miscellaneous Income	1,68,079	4,15,411
<b>Total</b>	<b>8,45,358</b>	<b>16,00,936</b>
<b>Note 22</b>		
<b>Change in inventories of Stock in Trade</b>		
Stock -in - Trade		
At the beginning of financial year	34,00,345	25,07,413
At the end of financial year	45,48,383	34,00,345
<b>Net [(Increase)/Decrease] Total</b>	<b>(11,48,038)</b>	<b>(8,92,932)</b>
<b>Note 23</b>		
<b>Employee Benefits Expenses</b>		
Salaries and Wages	41,87,449	39,31,847
Staff Welfare Expenses	3,02,202	3,13,396
Contribution to Provident and other Funds	8,61,952	5,49,194
<b>Total</b>	<b>53,51,603</b>	<b>47,94,437</b>
<b>Note 24</b>		
<b>Finance Costs</b>		
Interest on overdraft with Bank	1,12,274	47,061
Interest on Others	-	59,249
<b>Total</b>	<b>1,12,274</b>	<b>1,06,310</b>

# SOUTH ASIAN ENTERPRISES LTD.

NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd.)	For the Year Ended 31.03.2017	Amount (in Rs.) For the Year Ended 31.03.2016
<b>Note 25</b>		
<b>Other Expenses</b>		
Repair & Maintenance:		
- Building	1,76,611	56,319
- Machinery	1,07,338	70,450
- Others	59,768	22,966
Power and Fuel	6,16,469	5,93,808
Lease Rent & Hire Charges	12,33,913	11,90,415
Park Running & Maintenance	3,07,698	2,76,305
Rent	1,98,000	1,80,000
Rates & Taxes	2,09,189	2,45,670
Consultation & Professional Charges	18,06,988	7,47,592
Postage & Telephone	2,83,755	2,22,753
Advertising & Selling Expenses	1,90,991	3,14,999
Travelling Expenses	7,35,459	7,84,726
Director's Sitting Fee	3,32,000	3,69,000
Auditor's Remuneration		
- Statutory Audit	25,875	25,763
- Tax Audit	14,375	14,313
- For expenses	22,031	25,553
Insurance Charges	14,087	-
Miscellaneous Expenses	8,85,984	7,17,045
Freight - Inward/Outward	3,22,472	4,53,230
Installation & Supervision Expenses	17,13,425	20,72,558
Bank Charges	63,026	28,427
Rebate and Discount	2,76,463	2,07,685
Loss on Sale of Asset	11,977	-
Miscellaneous Balance Written Off	-	2,44,120
<b>Total</b>	<b>96,07,894</b>	<b>88,63,697</b>

**26. Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 18,828/- (Previous Year Rs. Nil).

**27. Contingent liabilities in respect of:**

Counter Guarantee given against Bank Guarantees – Rs.6,94,000/- (Previous Year- Rs.5,46,000/-)

**28. Related Party Disclosure**

Following are the related parties:

Holding Company	:	VLS Capital Ltd.
Key Managerial Personnel:	-	Shri T. B Gupta (Managing Director)
	-	Shri Surya Pratap Singh (Chief Financial Officer)
	-	Shri Ramesh Chandra Pandey (Company Secretary)

Summary of transactions with the above related parties is as follows:

Particulars	Holding Company		Key Managerial Personnel	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
Remuneration to KMP	-	-	Rs. 8,83,503/-	Rs. 7,83,000/-
No. of equity shares of Rs.10/- each fully paid up held by in the company at end of the year	23,84,289	23,84,289	-	-

S.No.	Particulars	As at 31.03.2017	As at 31.03.2016
a)	Number of Equity Shares of Rs. 10/- each fully paid up of Holding Company	10,00,000	10,00,000

**29. Operating Leases:**

The Company has taken Land on lease for setting up parks from Local Development Authorities. The lease rental expense under such operating leases is Rs.12,33,913/- (Previous Year Rs.11,90,415/-). Future minimum lease payments on non-cancellable lease agreements as at 31.03.2017 are as follows:

Particulars	As at 31.03.2017	As at 31.03.2016
	Amount (in Rs.)	Amount (in Rs.)
Not later than 1 year	12,54,480/-	12,19,883/-
Later than 1 year and not later than 5 years	30,24,236/-	40,91,219/-
Later than 5 year and above	3,60,200/-	5,47,698/-
<b>Total</b>	<b>46,38,916/-</b>	<b>58,58,800/-</b>

**30. Earnings Per Share :**

Calculation of EPS (Basic and Diluted)

Particulars	Equivalent No. of Shares	
	Year ended 31.03.2017	Year ended 31.03.2016
<b>Basic and Diluted</b>		
Face value of per share	Rs. 10/-	Rs. 10/-
Total Shares Outstanding	40,00,000	40,00,000
Profit after Taxes	(42,79,531/-)	15,57,738/-
EPS (In Rs.)	(1.07)	0.39

# SOUTH ASIAN ENTERPRISES LTD.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd..)

### 31. Segment Reporting :

(Amount in Rs.)

Particulars	2016 – 2017	2015 - 2016
<b>Segment Revenue</b>		
a) Entertainment	50,19,833	50,59,960
b) Trading	1,28,97,895	1,70,34,149
c) Others	8,45,358	16,00,936
<b>Total</b>	<b>1,87,63,086</b>	<b>2,36,95,045</b>
<b>Segment Results</b>		
Profit/ (Loss) before interest and tax		
a) Entertainment	(31,40,407)	(36,24,464)
b) Trading	(3,03,824)	44,83,071
c) Others	8,45,358	16,00,936
<b>Total Profit/ (Loss) before interest and tax</b>	<b>(25,98,873)</b>	<b>24,59,543</b>
Less: Interest	1,12,274	1,06,310
Other Un-allocable expenditure net off	-	-
<b>Net Profit before Tax</b>	<b>(27,11,147)</b>	<b>23,53,233</b>
Less/(Add) : Taxes expenses (credits)	15,68,384	7,95,495
<b>Net Profit after Tax</b>	<b>(42,79,531)</b>	<b>15,57,738</b>
<b>Segment Assets</b>		
a) Entertainment	1,35,71,239	1,84,83,145
b) Trading	85,43,549	75,51,565
c) Others	10,02,00,705	10,02,00,705
<b>Total Assets</b>	<b>12,23,15,493</b>	<b>12,62,35,415</b>
<b>Segment Liabilities</b>		
a) Entertainment	14,16,406	16,55,507
b) Trading	18,45,399	10,74,824
c) Others	Nil	Nil
<b>Total Liabilities</b>	<b>32,61,805</b>	<b>27,30,331</b>

32. The management has technically appraised the recoverable amount of the cash generating assets being used at its amusement parks and is of the opinion that considering the future cash flow expected to arise, impairment loss is NIL on assets as required by the Accounting Standard -28 on "Impairment on Assets" issued by the Institute of Chartered Accountants of India (ICAI) is sufficient and no further provision is required.

33. Employee Benefits: In accordance with AS-15 - 'Accounting for Retirement Benefits', actuarial valuation was done in respect of defined benefit plan of gratuity and leave encashment.

**i) Defined Contribution Plans:**

Amount of Rs.3,67,011/-(Previous Year Rs.2,96,669/-) contributed to provident funds is recognised as an expense and included in Contribution to Provident & Other Funds under Employee Cost in the Statement of Profit and Loss.

**ii) Defined Benefit Plans:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service subject to a maximum payment of Rs. 10 lakhs. The gratuity plan is funded.

**Long Term Compensated Absences/ Gratuity as per actuarial valuation as on 31.03.2017**

(Amount in Rs.)

Actuarial Assumptions	Gratuity	Gratuity	Leave	Leave
	As at 31.03.2017	As at 31.03.2016	Encashment As at 31.03.2017	Encashment As at 31.03.2016
Discount rate (per annum)	7.5%	8%	7.5% PA	8% PA
Future salary increase	5%	5%	5% PA	5% PA
Expected rate of return on plan assets	7.5%	8%	NA	NA
Mortality	per annum IALM 2006-08 Ultimate	per annum IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
<b>I. Expenses recognized in statement of profit and loss</b>				
Current service cost	1,04,268	85,609	5,875	10,416
Interest cost	1,09,903	1,05,350	10,645	9,312
Expected return on plan assets	(79,821)	(1,09,387)	—	—
Net actuarial loss/ (gain) recognized in the year	2,63,888	96,209	(25,995)	5,810
<b>Net expenses recognized</b>	<b>3,98,238</b>	<b>1,77,781</b>	<b>(9,475)</b>	<b>25,538</b>
<b>II. Net liability/(assets) recognized in the balance sheet at the year end</b>				
Present value of obligation at the end of period	17,81,326	14,65,375	1,12,764	1,41,936
Fair value of the plan asset at the end of period	15,70,643	15,22,398	—	—
Funded status [(surplus)/(deficit)]	(2,10,683)	57,023	(1,12,764)	(1,41,936)
<b>Net asset/(liability) as at 31<sup>st</sup> March, 2017</b>	<b>(2,10,683)</b>	<b>57,023</b>	<b>(1,12,764)</b>	<b>(1,41,936)</b>

# SOUTH ASIAN ENTERPRISES LTD.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (Contd.)

Amount (in Rs.)

<b>III. Change in present value of obligation during the year</b>				
Present value of obligation at the beginning of period	14,65,375	13,16,869	1,41,936	1,16,398
Current service cost	1,04,268	85,609	5,875	10,416
Interest cost	1,09,903	1,05,350	10,645	9,312
Benefits paid	(2,00,481)	(1,23,116)	(19,697)	—
Actuarial loss/ (gain) on obligations	3,02,261	80,663	(25,995)	5,810
<b>Present value of obligation at the year end</b>	<b>17,81,326</b>	<b>14,65,375</b>	<b>1,12,764</b>	<b>1,41,936</b>
<b>IV. Change in present value of fair value of plan assets</b>				
Fair value of plan assets as at the beginning of period	15,22,398	12,12,272	—	—
Expected return on plan assets	79,821	1,09,387	—	—
Contributions	1,30,533	3,39,401	—	—
Benefits paid	(2,00,481)	(1,23,116)	—	—
Actuarial loss/ (gain)	38,3773	(15,546)	—	—
<b>Fair value of plan assets at the year end</b>	<b>15,70,644</b>	<b>15,22,398</b>	<b>—</b>	<b>—</b>
<b>V. Present Benefit Obligation at the end of the year</b>				
Current Liability (Amount due within one year)	8,31,395	—	33,244	26,549
Non-Current Liability (Amount due over one year)	9,49,931	—	79,520	1,15,387

**34. (a) Value of Imports calculated on CIF basis**

Particulars	As at 31.03.2017	As at 31.03.2016
	Amount (in Rs.)	Amount (in Rs.)
CIF Value of Import (Stock-in-Trade)	8,75,794/-	10,20,350/-

**(b) Earnings in Foreign Exchange**

Particulars	As at 31.03.2017	As at 31.03.2016
	Amount (in Rs.)	Amount (in Rs.)
FOB Value of Export (Stock-in-Trade)	15,36,985/-	Nil
Freight on Sale in India	44,900/-	Nil
Courier Charges on Sale	5,123/-	Nil
<b>Total</b>	<b>15,87,008/-</b>	<b>Nil</b>

35. (a) In the absence of necessary information with the company, relating to the registration status of suppliers under the micro, small and medium enterprises development ACT, 2006, the information required under the said act could not be complied and disclosed.
- (b) The Company has become the subsidiary company of VLS Capital Ltd. w.e.f. 03.02.2015. In terms of Section 19 of Companies Act, 2013 voting rights of shares, if any, held by subsidiary in Holding Company prior to becoming subsidiary stand frozen from the date it becomes subsidiary. The company holds 10,00,000 equity shares of Rs.10/- each of its holding company viz. VLS Capital Ltd., prior to the company became subsidiary of VLS Capital Ltd.
- (c) Details of Investments made pursuant to requirements of Section 186(4) of the Companies Act, 2013 are given in Note No. 12.
36. Park receipts of Rs.50,19,833/- (PY Rs.50,59,960/-) is net off of entertainment tax of Rs.14,47,526/- (PY. Rs.14,48,562/-) & Service Tax, Swachh Bharat Cess & Krishi Kalyan Cess of Rs.5,66,648/- (PY. 4,45,869/-).
37. **Purchases of stock-in-trade:**

Particulars	As at 31.03.2017	As at 31.03.2016
	Amount (in Rs.)	Amount (in Rs.)
Lightning Protection Systems	12,05,936/-	17,21,198/-
Earthing Compound	29,96,563/-	27,97,659/-
Others	28,95,410/-	35,26,698/-
<b>Total</b>	<b>70,97,909/-</b>	<b>80,45,555/-</b>

38. Details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 as provided in the Table Below:

(Amount in Rs.)

Particulars	Formula	Specified Bank Notes (SBNs)*	Other Denomination Notes **	Total
		P	Q	R=P+Q
Closing Cash in hand as on 08.11.2016	A	-	1,86,223/-	1,86,223/-
(+) Permitted Receipts	B	-	10,06,909/-	10,06,909/-
(-) Permitted Payments	C	-	6,11,216/-	6,11,216/-
(-)Amounts deposited in Banks	D	-	4,14,000/-	4,14,000/-
Closing Cash in Hand as on 30.12.2016	E=A+B-C-D	-	1,67,916/-	1,67,916/-

\*Specified Bank Notes (Old Currency Note of Rs.1000/Rs.500)

\*\* Other than Specified Bank Notes (Rs.2000/Rs.500/Rs.100/Rs.10/Rs.5)

39. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with current year's classification/disclosure.

As per our report of even date

**For Anil Pariek & Garg**

Chartered Accountants

FRN 01676C

**H. K. Pariek**

Partner

Membership No. 070250

Place: New Delhi

Date : 11/05/2017

**For & on behalf of the Board**

**T. B. Gupta**

Managing Director

DIN: 00106181

**S. C. Agarwal**

Director

DIN:00108493

**R.C. Pandey**

Company Secretary

PAN: AJRPP6072H

## SOUTH ASIAN ENTERPRISES LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017		
Amount (in Rs.)		
	As at 31.03.2017	As at 31.03.2016
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	(27,11,147)	23,53,233
Adjustments for:-		
Dividend Income	(1,600)	(3,871)
Depreciation	4,52,591	4,24,745
Provision for Employee Benefits	1,81,511	(79,059)
Interest Income	(6,75,679)	(11,81,654)
Finance Cost	1,12,274	1,06,310
	<u>69,097</u>	<u>(7,33,529)</u>
<b>Operating Profit before Working Capital Changes</b>	<b>(26,42,050)</b>	<b>16,19,704</b>
Adjustments for:		
Decrease/ (Increase) in Inventories	(11,48,038)	(892,932)
Increase/ (Decrease) in Trade Payables, other liabilities and provisions	4,76,117	4,66,893
Decrease/ (Increase) in Trade Receivables, loans & advances & other assets	(18,83,267)	33,67,362
	<u>(25,55,188)</u>	<u>29,41,323</u>
<b>Cash Generated from Operations</b>	<b>(51,97,238)</b>	<b>45,61,027</b>
Tax paid	(20,27,265)	(18,53,497)
<b>Net Cash generate / (used in) Operating Activities</b>	<b>(72,24,503)</b>	<b>27,07,530</b>
<b>B. Cash Flow from Investing Activities</b>		
Additions in Fixed Assets	(118,109)	(39,194)
Dividend Income	1,600	3,871
Interest Received	6,75,679	11,81,654
Investment in bank deposits (having original maturity for more than 3 months)	63,53,807	(44,54,019)
<b>Net Cash generated / (used in) Investing Activities</b>	<b>69,12,977</b>	<b>(33,07,688)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from borrowing	4,40,546	5,62,004
Interest paid	(1,12,274)	(1,06,310)
<b>Net Cash generated/ (used in) Financing Activities</b>	<b>3,28,272</b>	<b>4,55,694</b>
<b>Net increase/ (decrease) in Cash &amp; Cash Equivalents</b>	<b>16,746</b>	<b>(1,44,464)</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>5,35,657</b>	<b>6,80,121</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>5,52,403</b>	<b>5,35,657</b>

**Note:**

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' set out in the Accounting Standard 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.

2 Cash & Cash Equivalents as above	5,52,403	5,35,657
Other bank balances	23,44,000	86,97,807
Cash and Bank balances as per Note 17	<u>28,96,403</u>	<u>92,33,464</u>

As per our report of even date

**For Anil Pariek and Garg**

Chartered Accountants

FRN : 01676C

**H. K. Pariek**

Partner

Membership No. 070250

Place: New Delhi

Date : 11/05/2017

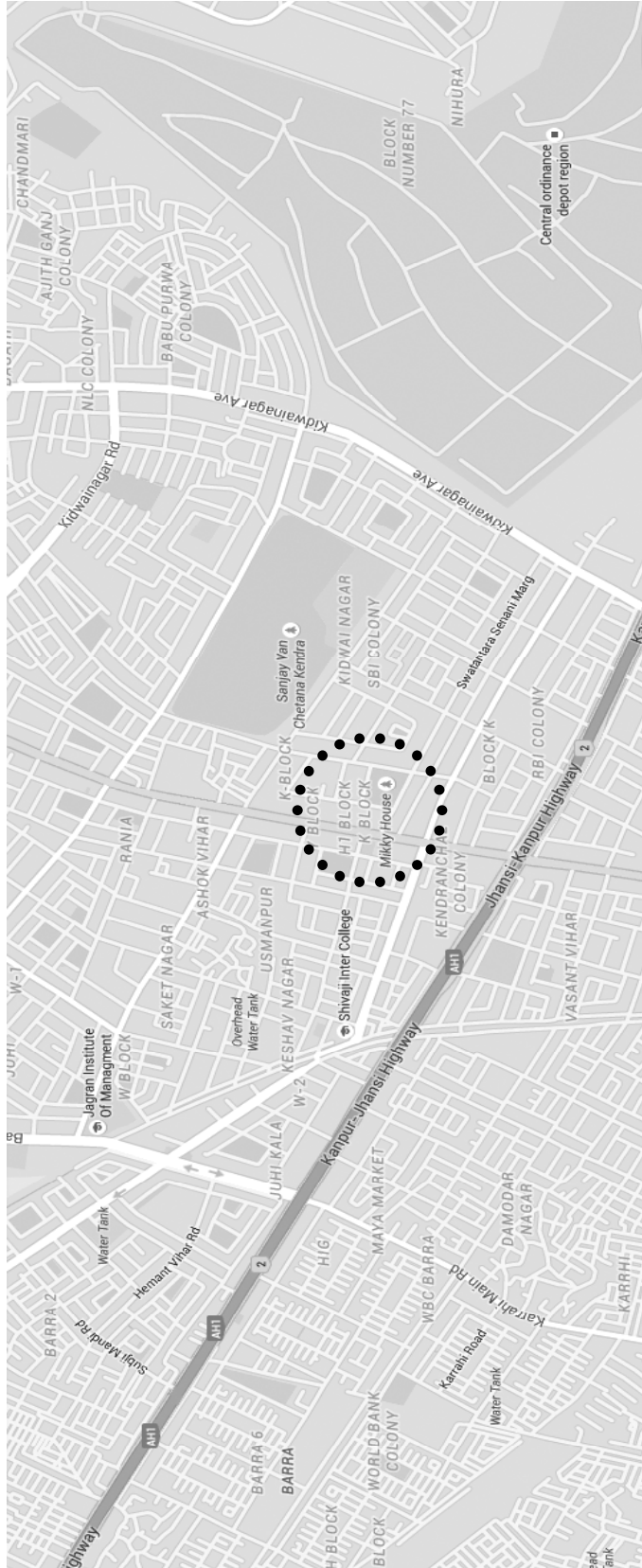
**For & on behalf of the Board**

**T. B. Gupta**  
Managing Director  
DIN: 00106181

**S. C. Agarwal**  
Director  
DIN:00108493

**R.C. Pandey**  
Company Secretary  
PAN: AJRPP6072H

\*\*\*\*\*



∴ Mikky House, K Block, Kidwai Nagar, Kanpur (U.P.)

# SOUTH ASIAN ENTERPRISES LIMITED

CIN: L91990UP1990PLC011753

Regd. Office: Mikky House, K-Block, Kidwai Nagar, Kanpur -208 011 (U.P.)

Corporate Office: 2<sup>nd</sup> Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065.

email: [southasianenterprises@gmail.com](mailto:southasianenterprises@gmail.com), website: [www.sael.co.in](http://www.sael.co.in), Phone: 011-46656666, FAX: 011-46656699

## ATTENDANCE CARD

Twenty Eighth Annual General Meeting

Friday, the 22<sup>nd</sup> day of September, 2017

NAME OF THE ATTENDING MEMBER(S) (IN BLOCK LETTERS)	
* Folio No.	
DP ID	
Client ID	
No. of Shares Held	
NAME OF PROXY (IN BLOCK LETTERS, TO BE FILLED IN IF THE PROXY ATTENDS INSTEAD OF MEMBER)	

I hereby record my presence at the 28<sup>th</sup> Annual General Meeting of the Company at Mikky House, K-Block, Kidwai Nagar, Kanpur - 208 011 (U.P.) at 12.30 p.m. on Friday, the 22<sup>nd</sup> day of September, 2017.

\* Applicable in case of shares held in physical form.

\_\_\_\_\_  
Member/ Proxy Signature

### NOTES:

1. Member/Proxy wishing to attend the meeting must present this card duly filled in at the Entrance of the Venue.
2. No Gift/Coupon or equivalent will be given to members who are present in the meeting.
3. For convenience of members, persons other than member/proxy will not be allowed inside the Venue.

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New Delhi - 110 065

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