



**SOUTH ASIAN  
ENTERPRISES LTD.**

# XXX ANNUAL REPORT 2018-2019

## *South Asian Enterprises Limited*

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

**REGISTERED OFFICE :** Mikky House, K-Block, Kidwai Nagar, Kanpur, (U.P.) - 208 011  
Phone : 0512-2606859

**CORPORATE OFFICE :**

2nd Floor, 13, Sant Nagar,  
East of Kailash, New Delhi-110 065  
Ph. 011-46656666,  
Fax : 011-46656699

**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  
email : investor.services@rcmcdelhi.com

# SOUTH ASIAN ENTERPRISES LIMITED

30th ANNUAL GENERAL MEETING  
at Mikky House, K-Block, Kidwai Nagar,  
Kanpur - 208 011 (U.P.)  
Phone : 0512-2606859  
at 12:30 p.m.  
on Saturday, 7th September, 2019

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

Our e-mail address :  
For investor services : [investordesk.sael@gmail.com](mailto:investordesk.sael@gmail.com)  
Other than above : [southasianenterprises@gmail.com](mailto:southasianenterprises@gmail.com)  
website : [www.sael.co.in](http://www.sael.co.in)

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

## BOARD OF DIRECTORS :

SHRI PRIYA BRAT	Chairman, Independent Director (DIN : 00041859)
SHRI T.B. GUPTA	Vice-Chairman & Managing Director (DIN : 00106181)
SHRI M. P. MEHROTRA	Non Executive Director (DIN : 00016768)
DR. S. RAMESH	Independent Director (DIN : 00126120)
SHRI R. K. GOSWAMI	Independent Director (DIN : 00106911)
SHRI K.K. SONI	Non Executive Director (DIN : 00106037)
DR. (MRS.) NEERAJ ARORA	Non Executive Director (DIN : 07191167)

## COMPANY SECRETARY

Shri R. C. Pandey

## COMPLIANCE OFFICER

Shri IJS Auja

## EQUITY SHARES ARE LISTED AT :

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

## AUDITORS :

M/s. Agiwal & Associates  
Chartered Accountants  
(FRN : 000181N)  
"Moti Kunj" D-6/9A,  
Upper Ground Floor,  
Rana Pratap Bagh, Delhi-110007  
email : [agiwal68@gmail.com](mailto:agiwal68@gmail.com)

## 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 30th Annual Report of your Company with the Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2019.

### **1. Financial Results** (Rs. in Lakhs)

	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March, 2019</b>	<b>31st March, 2018</b>
Total Income	<b>167.86</b>	192.55
Less: Total Expenditure	<b>191.69</b>	204.39
Less: Interest	<b>1.50</b>	1.40
Gross Profit/(loss)	<b>(25.33)</b>	(13.24)
Less: Depreciation	<b>7.32</b>	5.94
Profit/ (loss) before tax	<b>(32.65)</b>	(19.18)
Less: Provision for Taxation (Net)	<b>0.00</b>	0.00
Add : Deferred Tax	<b>1.29</b>	1.10
Net Profit/(loss) after tax	<b>(31.36)</b>	(18.08)
Paid up Equity Share Capital (excluding calls in arrears)	<b>399.90</b>	399.90
Reserves excluding revaluation reserve	<b>197.31</b>	306.15
Earnings per share (Rs.)	<b>(0.78)</b>	(0.45)

### **2. Management Discussion and Analysis**

#### **Financial Review**

Your Company recorded a total income of Rs.167.86 lakhs and incurred a net loss of Rs. 31.36 lakhs during the year under review compared to previous year's income of Rs. 192.55 lakhs and net loss of Rs. 18.08 lakhs. Your Company had adopted IND AS w.e.f. 01/04/2017. 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, revenue in this segment has dipped by Rs.36.88 Lakhs compared to previous year. The Company's dealings in earthing materials and lightning protection systems including installation in the electrical engineering segment have been categorised under the head "Trading" for the purpose of segment reporting in the annual accounts for the year under review.

Your Company's revenue from amusement parks and other income has increased by Rs. 8.72 lakhs compared to previous year.

Segment wise, the entertainment sector has generated revenue of Rs. 53.40 lakhs and the Trading segment Rs. 103.64 lakhs during the year under review.

#### **Industry Structure and Development**

Your Company continues to maintain a good track record of executing contracts awarded to it by government agencies and other parties in the electrical engineering segment. The power utilities, electronics and other hi-tech centers where earthing is important are its target customers apart from high-rise buildings, hotels, residential units, etc. The Company aims to further enhance its capabilities. However, sustained growth in this segment requires substantial capital infusion which remains a major constraint. The Company is closely monitoring the current market scenario and economic situation in order to improve its growth. In amusement park segment, though public response has remained sluggish, the thrust continues on attaining regular footfalls.

During the year under review, the Company terminated its lease with Shahar Fort since it could not be put to productive use for past many

years with lease rent causing a heavy drain on Company resources. The amount of Rs. 13,11,300/- paid to the lessor for terminating the lease before end of tenure as per terms of lease deed has been included in lease rent and hire charges under Note. No. 30 of the Financial Statement for the year under review.

#### **Outlook, Risks and Concerns**

Regular maintenance including renovations carried out at the Kanpur Amusement Park has helped in increasing the footfalls. 'Melas' organised there during fourth quarter of the year under review in association with Rotary Club and similar bodies have given an encouraging response. 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 recurring loss in this segment is being closely monitored to keep it to the minimum. The electrical engineering segment, viz. earthing and lightning protection systems business has garnered less revenue compared to previous year mainly due to slump in real estate sector.

The Company has developed a risk management framework that includes identification and mitigation of risks. The Company is implementing Risk Management Policy with a view to 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 slump in real estate sector, there is tougher competition in other sectors. To meet the challenge, the Company is continuing to spread awareness of its products and also securing credentials from its existing 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.

#### **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 24 as on 31/03/2019.

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## 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.

### 3. Dividend and Reserves

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

### 4. Material Changes & Commitments

Except for surrender of Shahar Fort by termination of lease, enumerated in foregoing paras there were no other material changes and commitments affecting the financial position of the Company

### 5. Board of Directors and Key Managerial Personnel (KMP):

There were no changes during the year in the composition of Board of Directors and Key Managerial Personnel of your Company.

Shri K. K. Soni – Director (DIN:000106037) shall retire by rotation at the upcoming Annual General Meeting and being eligible has offered himself for re-appointment. The Board in their meeting held on 16<sup>th</sup> May 2019 recommended the reappointment of Shri K. K. Soni – Director to the Members.

The tenure of Shri Priya Brat (DIN:00041859), Shri R. K. Goswami (DIN:00106911) and Dr. S. Ramesh (DIN:00126120) – Independent Directors would end on the conclusion of the forthcoming Annual General Meeting of the Company. However, as per extant laws applicable, such Independent Directors can be appointed for a second term spanning upto five years, subject to approval of the members by a Special Resolution. The Board concurring with the recommendation of Nomination and Remuneration Committee has recommended the reappointment of Shri Priya Brat, Shri R. K. Goswami and Dr. S. Ramesh as Independent Directors for 2<sup>nd</sup> term of upto five years.

The relevant information about Directors seeking reappointment has been given in the Notice of 30<sup>th</sup> Annual General Meeting of the Company.

### 6. Contracts with Related Party

No related party transactions have been 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-principle 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 the 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. 31.5 in the Financial Statements of the Company as on 31/03/2019. Disclosure in form AOC-2 is enclosed as **Annexure A** to this report.

### 7. 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 and the same has been placed on the website of the Company, [www.sael.co.in](http://www.sael.co.in).

### 8. Corporate Governance

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.

### 9. Board Meetings

During the year ended 31/03/2019, 4 (four) Board meetings were held with one meeting in every quarter on 28/05/2018, 17/07/2018, 24/10/2018, and 06/02/2019.

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. 2018-2019 and dates				
1	Shri T. B. Gupta	Managing Director	4	28/05/2018	17/07/2018	24/10/2018	06/02/2019
2	Shri K. K. Soni	Non-Executive	4	28/05/2018	17/07/2018	24/10/2018	06/02/2019
3	Dr. S. Ramesh	Independent, Non-Executive	3	28/05/2018	17/07/2018	06/02/2019	
4	Shri Priya Brat	Independent, Non-Executive	4	28/05/2018	17/07/2018	24/10/2018	06/02/2019
5	Shri R.K Goswami	Independent, Non-Executive	3	28/05/2018	24/10/2018	06/02/2019	
6	Shri M. P. Mehrotra	Non-Executive, Promoter	4	28/05/2018	17/07/2018	24/10/2018	06/02/2019
7	Dr. (Mrs.) Neeraj Arora	Non-Executive	3	17/07/2018	24/10/2018	06/02/2019	

### 10. Audit Committee

As on 01/04/2018 the Audit Committee comprised Shri Priya Brat-Chairman, Shri R. K. Goswami, Shri K. K. Soni and Dr. S. Ramesh.

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Majority of the members continue to be Independent Directors including the Chairman of the Committee and during the year ended 31/03/2019, 4 (four) meetings of the Committee were held with one meeting in every quarter on 28/05/2018, 17/07/2018, 24/10/2018, and 06/02/2019. All recommendations made by the Committee during the year were accepted in entirety.

Details of meetings attended by the Directors in the relevant period and changes in constitution of the Committee are as below:

S. No.	Name of the Director	Whether Chairman / Member	No. of Meetings attended during F.Y. 2018-2019 and dates
1	Shri Priya Brat	Chairman	4
			28/05/2018
			17/07/2018
			24/10/2018
2	Dr. S. Ramesh	Member	3
			28/05/2018
			17/07/2018
3	Shri K. K. Soni	Member	4
			28/05/2018
			17/07/2018
			24/10/2018
4	Shri R.K Goswami	Member	3
			28/05/2018
			24/10/2018
			06/02/2019

### 11. Nomination and Remuneration Committee

As on 01/04/2018 the Nomination and Remuneration Committee comprised Shri Priya Brat, Shri R. K. Goswami and Dr. (Mrs.) Neeraj Arora. Majority of the members are Independent Directors including the Chairman of the Committee. During the year ended 31/03/2019, 1 (one) meeting of the Committee was held on 28/05/2018. All recommendations made by the Committee during the year were accepted in entirety.

Details of meetings attended by the Directors in the relevant period and changes in constitution of the Committee are as below:

S. No.	Name of the Director	Whether Chairman / Member	No. of Meetings attended during F.Y. 2018-2019 and dates
1	Shri Priya Brat	Chairman	1 28/05/2018
2	Shri R. K. Goswami	Member	1 28/05/2018
3	Dr. (Mrs.) Neeraj Arora	Member	0 -

### 12. Stakeholders Relationship Committee

As on 01/04/2018 the Stakeholders Relationship Committee comprised Shri T. B. Gupta- Chairman and Shri K. K. Soni. During the year under review, Shri R. K. Goswami was nominated to the Committee on 06/02/2019. During the year ended 31/03/2019, 12 (Twelve) meetings of the Committee were held on 28/04/2018, 15/06/2018, 23/08/2018, 10/09/2018, 17/10/2018, 16/11/2018, 30/11/2018, 21/12/2018, 12/01/2019, 20/02/2019, 15/03/2019 and 30/03/2019.

Details of meetings attended by the Directors in the relevant period and changes in constitution of the Committee are as below:

S. No.	Name of the Director	Whether Chairman / Member	No. of Meetings attended during F.Y. 2018-2019 and dates
1	Shri K. K. Soni	Chairman	12
			28/04/2018
			15/06/2018
			23/08/2018
			10/09/2018
			17/10/2018
			16/11/2018
			30/11/2018
			21/12/2018
			12/01/2019
			20/02/2019
			15/03/2019
2	Shri T. B. Gupta	Member	12
			28/04/2018
			15/06/2018
			23/08/2018
			10/09/2018
			17/10/2018
			16/11/2018
			30/11/2018
			21/12/2018
			12/01/2019
			20/02/2019
			15/03/2019
3	Shri R. K. Goswami§	Member	3
			20/02/2019
			15/03/2019
			30/03/2019

§ Nominated as Member w.e.f. 06/02/2019.

There was no complaint pending as at end of year under review.

### 13. 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.

### 14. 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 and the Board as a whole as well. Further, schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be carried out by the entire Board of Directors, excluding the director being evaluated. Independent Directors at its meeting have to carry out annually, the evaluation of Non-Independent Directors, Chairman and of the Board as a whole.

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 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.

Pursuant to provisions of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board in its meeting held on 16/05/2019 has carried out the evaluation of its own performance and that of the Board Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Board after considering evaluation made by NRC of Individual Directors accepted its evaluation of Board dispensing with separate evaluation.

The Nomination and Remuneration Committee in its meeting held on 16/05/2019 carried out a detailed evaluation of every Director's performance, after laying down criteria of evaluation by way of a structured questionnaire covering various 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.

A separate exercise to review the performance of Non-Independent directors including Chairman and of the Board as a whole was carried out by Independent Directors in their meeting held on 06/02/2019.

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.

**15. 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. All Independent Directors are in their first five year term which will end at the conclusion of ensuing Annual Genral Meeting. The Board has recommended their appointment for second term of upto five years. During the year ended 31/03/2019, 1 (one) meeting of Independent Directors was held on 06/02/2019.

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. 2018-2019 and dates
1	Shri Priya Brat	Chairman	1 06/02/2019
2	Dr. S. Ramesh	Member	1 06/02/2019
3	Shri R. K. Goswami	Member	1 06/02/2019

**16. Training of directors/independent directors**

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. The Board also exercises an oversight of the training of Board /Committee members.

The directors are thus 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.

**17. Directors Responsibility Statement**

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

- that in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- 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;
- 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
- that they have prepared the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2019 on a 'going concern' basis;
- that Internal Financial controls are adequate and operating effectively;
- that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

**18. Policies**

The Nomination and Remuneration policy of the Company can be accessed at [www.sael.co.in](http://www.sael.co.in). This policy amongst others lays down eligibility and procedure for selection and appointment of Directors and key managerial persons besides criteria for remuneration thereof. There were no changes in the said policy during the year under review.

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

The combination of policies and procedures adequately addresses the risk associated with your Company's business.

**19. 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.

Vigil (whistle blower) 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.

**20. 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 31/03/2019.

**21. Auditors**

**Statutory Auditors**

The Members of the Company had appointed M/s. Agiwal & Associates-Chartered Accountants, (FRN: 000181N) as Statutory Auditors, in the 28<sup>th</sup> Annual General Meeting held on 21/09/2017 for a period of 5 years i.e. upto conclusion of 33<sup>rd</sup> Annual General Meeting of the Company. In the 29<sup>th</sup> Annual General Meeting held on 15/09/2018 the members had also authorised the Board to fix the remuneration of Auditors for the remaining tenure. Accordingly, the item for fixation of remuneration of Statutory Auditors in the notice of ensuing Annual General Meeting has been dispensed with. The Statutory Auditors have given a confirmation that they are eligible to continue with their appointment and have not been disqualified in any manner for continuing as Statutory Auditors.

**Secretarial Auditor**

Ms. Pooja Nichani, Practicing Company Secretary (CoP: 11351) was appointed by the Board to conduct the secretarial audit of the Company for the financial year 2018-2019, 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 remarks/observations in the report of Secretarial Auditor, requiring comments from the Board of Directors.

The Board in its meeting held on 16/05/2019 has appointed Ms. Pooja Nichani-Practicing Company Secretary (CoP: 11351) as secretarial auditor for the year 2019-20.

**Internal Auditors**

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of Directors, on the recommendation of Audit Committee in its meeting held on 16 May, 2019, has re-appointed M/s. S. Bansal & Associates, Chartered Accountants, (FRN:002498N) as Internal Auditors of the Company for the Financial Year 2019-20.

**Cost Auditor**

The provisions relating to maintenance of Cost Records and Audit thereof are not applicable to your Company.

**22. Auditor's Report**

The observations made by the Statutory Auditors 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.

**23. 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 2019-20 to the said Stock Exchange.

**24. Deposits**

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

**25. Green Initiative in Corporate Governance:**

As a continuing endeavor towards the Go Green Initiative, the Company has been sending 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, besides regular correspondence. The electronic mode is both economical and speedier compared to physical documents. **Members who hold shares in physical form are, therefore, requested to register their e-mail addresses and intimate any change in e-mail id, with the Company or its 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. You may kindly note that even after registration of e-mail ID, you are entitled to be furnished, free of cost, a printed copy of the annual report of the Company, upon receipt of a

requisition from you.

**26. 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 2018-2019 is required to be enclosed. Accordingly, there is no need of consolidation of accounts.

**27. Statutory Information**

- a. 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.
- b. There was no proposal during the year under review for buy back of shares by the Company.
- c. 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.
- d. Company does not have any subsidiaries or associates in terms of Section 134 read with Rule 8(1) of the Companies (Accounts) Rules, 2014.
- e. 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.
- f. No revision of financial statements or Board's Report has been made in terms of Section 131(1) of the Companies Act, 2013.
- g. No material orders were passed during the year under review impacting the going concern of the status and operations of the Company.

**28. 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*

<b>Date: 03/08/2019</b>	<b>T.B. Gupta</b>	<b>K. K. Soni</b>
<b>Place: New Delhi</b>	<b>Managing Director</b>	<b>Director</b>
	<b>DIN:00106181</b>	<b>DIN: 00106037</b>

**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, 2019, 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*

<b>Date: 03/08/2019</b>	<b>T.B. Gupta</b>	<b>K. K. Soni</b>
<b>Place: New Delhi</b>	<b>Managing Director</b>	<b>Director</b>
	<b>DIN:00106181</b>	<b>DIN: 00106037</b>

# SOUTH ASIAN ENTERPRISES LTD.

Annexure B

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

as on financial year ended on 31.03.2019

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 e-mail : southasianenterprises@gmail.com Phone : 0512 2606859
	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., CIN: U67120DL1950PTC001854 'INR:000000429 B-25/1 First Floor, Okhla Industrial Area Phase-II, New Delhi-110020 Phone Nos. 011 – 26387320, 21, 23, Fax 011-26387322 e-mail : investor.services@rcmcdelhi.com

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

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

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	22.90
2	Trading	46593	77.10

**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	58720	10	58730	1.47	58720	10	58730	1.47	0.00
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	2384289	0	2384289	59.61	2384289	0	2384289	59.61	0.00
d) Bank/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) (1)</b>	<b>2443009</b>	<b>10</b>	<b>2443019</b>	<b>61.08</b>	<b>2443009</b>	<b>10</b>	<b>2443019</b>	<b>61.08</b>	<b>0.00</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>	2443009	10	2443019	61.08	2443009	10	2443019	61.08	0.00
<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
a) NBFC regd. with RBI	0	0	0	0.00	100	0	100	0.00	0.00
<b>SUB TOTAL (B)(1):</b>	0	200	200	0.01	100	200	300	0.01	0.00
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	141202	256000	397202	9.93	149487	255500	404987	10.12	0.19
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	566133	472145	1038278	25.96	591600	459445	1051045	26.28	0.32
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	120300	0	120300	3.01	100048	0	100048	2.50	-0.51
c) Others (specify)									
a) NRI / OCB	600	0	600	0.02	600	0	600	0.02	0.00
b) Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
c) Clearing Member	401	0	401	0.01	0	0	0	0.00	-0.01
d) LLP.	0	0	0	0.00	1	0	1	0.00	0.00
<b>SUB TOTAL (B)(2):</b>	828636	728145	1556781	38.92	841736	714945	1556681	38.92	0.00
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	828636	728345	1556981	38.92	841836	715145	1556981	38.92	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	3271645	728355	4000000	100.00	3284845	715155	4000000	100.00	0.00

No. of Members as on 31/03/2018 : 5576

No. of Members as on 31/03/2019 : 5529

## 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	0	0.00%	0.00	0	0.00%	0.00	0.00%
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	58720	1.47%	0.00	58720	1.47%	0.00	0.00%
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>	<b>2443019</b>	<b>61.08%</b>	<b>0.00</b>	<b>2443019</b>	<b>61.08%</b>	<b>0.00</b>	<b>0.00%</b>

### (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	There was no change in promoter's holding during the year under review.					

### (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 Shareholding 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 01/04/2018	250000	6.25	250000	6.25	
	At the end of the year 31/03/2019			250000		
2	VSL SECURITIES PRIVATE LIMITED					
	At the beginning of the year 01/04/2018	78379	1.96	78379	1.96	
	At the end of the year 31/03/2019			78379		
3	SANGEETHA S					
	At the beginning of the year 01/04/2018	60060	1.5	60060	1.5	
	At the end of the year 31/03/2019			60060		
4	SANJAYKUMAR SARAWAGI					
	At the beginning of the year 01/04/2018	39988	1	39988	1	
	At the end of the year 31/03/2019			39988		
5	MANAN TRADING COMPANY PRIVATE LIMITED					
	At the beginning of the year 01/04/2018	28256	0.71	28256	0.71	
	22/03/2019	Transfer	-28256	-0.71	0	0
	At the end of the year 31/03/2019			0	0	
6	SARLA SINGHAL					
	At the beginning of the year 01/04/2018	20252	0.51	20252	0.51	

## SOUTH ASIAN ENTERPRISES LTD.

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	
		07/09/2018	Transfer	-2000	-0.05	18252	0.46
		14/09/2018	Transfer	-1425	-0.04	16827	0.42
		21/09/2018	Transfer	-2000	-0.05	14827	0.37
		05/10/2018	Transfer	-1000	-0.03	13827	0.35
		26/10/2018	Transfer	-2000	-0.05	11827	0.3
		02/11/2018	Transfer	-2000	-0.05	9827	0.25
		09/11/2018	Transfer	-3000	-0.08	6827	0.17
		16/11/2018	Transfer	-2000	-0.05	4827	0.12
		23/11/2018	Transfer	-1000	-0.03	3827	0.1
		30/11/2018	Transfer	-3827	-0.1	0	0
		At the end of the year 31/03/2019				0	0
7	Ganesh Shankar Dwivedi						
		At the beginning of the year 01/04/2018		19467	0.49	19467	0.49
		12/10/2018	Transfer	858	0.02	20325	0.51
		26/10/2018	Transfer	7	0	20332	0.51
		08/02/2019	Transfer	135	0	20467	0.51
		At the end of the year 31/03/2019				20467	0.51
8	PRITTY DEVI SARAWAGI						
		At the beginning of the year 01/04/2018		15175	0.38	15175	0.38
		At the end of the year 31/03/2019				15175	0.38
9	VARDHMAN ARVIND SANCHETI						
		At the beginning of the year 01/04/2018		14423	0.36	14423	0.36
		At the end of the year 31/03/2019				14423	0.36
10	REENA DWIVEDI						
		At the beginning of the year 01/04/2018		14256	0.36	14256	0.36
		11/05/2018	Transfer	200	0.01	14456	0.36
		16/11/2018	Transfer	100	0	14556	0.36
		07/12/2018	Transfer	50	0	14606	0.37
		14/12/2018	Transfer	200	0.01	14806	0.37
		21/12/2018	Transfer	1	0	14807	0.37
		25/01/2019	Transfer	100	0	14907	0.37
		01/02/2019	Transfer	100	0	15007	0.38
		22/03/2019	Transfer	950	0.02	15957	0.4
		At the end of the year 31/03/2019				15957	0.4
11	ARUN KUMAR SANCHETI (HUF)						
		At the beginning of the year 01/04/2018		12892	0.32	12892	0.32
		At the end of the year 31/03/2019				12892	0.32
12	AMITA SURANA						
		At the beginning of the year 01/04/2018		1700	0.04	1700	0.04
		31/08/2018	Transfer	800	0.02	2500	0.06
		07/09/2018	Transfer	2000	0.05	4500	0.11
		14/09/2018	Transfer	1000	0.03	5500	0.14
		28/09/2018	Transfer	931	0.02	6431	0.16
		05/10/2018	Transfer	1469	0.04	7900	0.2
		02/11/2018	Transfer	363	0.01	8263	0.21
		09/11/2018	Transfer	2637	0.07	10900	0.27
		16/11/2018	Transfer	1000	0.03	11900	0.3
		23/11/2018	Transfer	2000	0.05	13900	0.35
		07/12/2018	Transfer	3927	0.1	17827	0.45
		29/03/2019	Transfer	-1600	-0.04	16227	0.41
		At the end of the year 31/03/2019				16227	0.41
13	S B & T INTERNATIONAL LIMITED						
		At the beginning of the year 01/04/2018		0	0	0	0
		22/03/2019	Transfer	28256	0.71	28256	0.71
		At the end of the year 31/03/2019				28256	0.71

## 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						
	At the beginning of the year	01/04/2018	0	0	0	0
	At the end of the year	31/03/2019	0	0	0	0

\* None of the Directors or KMP held shares of the Company during the year.

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	2138308	0	0	2138308
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due		0	0	00
<b>Total (i+ii+iii)</b>	2138308	0	0	2138308
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	0	0
Reduction	2138308	0	0	2138308
<b>Net Change</b>	-2138308	0	0	-2138308
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due		0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

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 Act, 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
1	Independent Directors	Dr. S. Ramesh	Shri R. K. Goswami	Shri Priya Brat	
	(a) Fee for attending board/ committee meetings	53000.00	61000.00	74000.00	188000.00
	(b) Commission	0.00	0.00	0.00	0.00
	(c) Others, please specify	0.00	0.00	0.00	0.00
	<b>Total (1)</b>	53000.00	61000.00	74000.00	188000.00
2	Other Non Executive Directors				
	Non Independent Directors	Shri M. P. Mehrotra	Shri K. K. Soni	Dr. (Mrs.) Neeraj Arora	
	(a) Fee for attending board/ committee meetings	32000.00	0.00	24000.00	56000.00
	(b) Commission	0.00	0.00	0.00	0.00
	(c) Others, please specify.	0.00	0.00	0.00	0.00
	<b>Total (2)</b>	32000.00	0.00	24000.00	56000.00
	<b>Total (B)=(1+2)</b>	85000.00	61000.00	98000.00	244000.00
	<b>Total Managerial Remuneration</b>	N.A.	N.A.	N.A.	N.A.
	<b>Overall Ceiling as per the Act. Per meeting</b>	100000.00	100000.00	100000.00	

### 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 M.S. Siddiqui (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	542000	542000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N. A.	0	23857	23857
	(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	565857	625857

\* No remuneration was paid during the year. The remuneration drawn is in capacity of Assistant General Manager.

### 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 of the Act 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 2018-19 and percentage increase in remuneration of each Director :**

Sl. No	Name of the Directors	Designation	% increase of remuneration in 2019 as compared to 2018	Ratio to the median remuneration for the year 2018-19
1	Dr. S Ramesh	Non-Executive Independent Director	0.00%	0.72:1
2	Shri Priya Brat	Non-Executive Independent Director	0.00%	1.00:1
3	Shri R. K. Goswami	Non-Executive Independent Director	0.00%	0.83:1
4	Shri M. P. Mehrotra	Non-Executive non-Independent Director	0.00%	0.43:1
5	Dr. (Mrs) Neeraj Arora	Non-Executive non-Independent Director	0.00%	0.32:1
6	Shri T. B. Gupta	Managing Director - Vice Chairman	0.00%	6.50:1
7	Shri K. K. Soni	Non-Executive non-Independent Director	0.00%	0.00

The Non-Executive Independent Directors of the Company are entitled for sitting fee and reimbursement of expenses for attending meetings and the same are within the prescribed limits as per statutory provisions. The details of sitting fee paid to the non executive Directors including Independent directors are provided VI (B) of Annexure- B of this report . There was no change in sitting fee of the Non-Executive Independent Directors during the FY 2018-2019 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.

- 2. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year 2018-19:**

Sl. No	Name	Designation	% increase of remuneration in 2019 as compared to 2018*
1	Mr. Ramesh C. Pandey	Company Secretary	0.00%
2	Mr. M. S. Siddiqui	CFO	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.

\*\* Appointed as CFO w.e.f. 01/08/2017 at no additional remuneration.

- 3. The percentage increase in the median remuneration of employees in the financial year 2018-19:**

The median remuneration of employees in the financial year 2018-19 increased by about 9.94% compared to previous year.

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

24 ( Twenty Four)

- 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 2018-2019 was 9.94%.  
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 2018-19:

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	78	VLS Finance Limited	—	—
2	M. S. Siddiqui A.G.M. & CFO	585153	Permanent	B.A. Part-1 44 Years	01/01/1992	67	Gaurav Overseas Export Pvt. Ltd.	—	—
3	Vijay Kumar Agarwal Manager	229000	Permanent	Intermediate 31 years	01/01/1994	54	—	—	—
4	Inderjeet Singh Operator	145000	Permanent	Matriculate 22 years	01/07/1994	46	—	—	—
5	Gurdeep Singh Kalsi* Project Manager	198784	Permanent	B.Tech. 2 years	05/01/2016	26	Spring Minds Assessment Pvt. Ltd.	—	—
6	Mujeebur Rahman Ticket Manager	163000	Permanent	B.A. -Part II 22 years	01/08/1995	45	—	—	—
7	Anil Kashyap Operator	140177	Permanent	8th Pass 20 Years	01/02/2014	44	—	—	—
8	Trilok Singh Project Manager	271087	Permanent	FSC, DM Civil Regular 42 Years	01/04/2016	69	A V Walls Ltd.	—	—
9	V B L Dubey Cashier	120988	Permanent	M. Com 28 years	01/10/1991	58	—	—	—
10	Rajesh Gupta Manager	127900	Permanent	M. Com 28 years	01/10/1991	52	—	—	—

\* For the part of the year.

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 Directors**

Place : New Delhi

Date : 03/08/2019

T.B. Gupta

Managing Director

DIN:00106181

K. K. Soni

Director

DIN: 00106037

### Annexure-D

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>MARCH, 2019 Form MR-3

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

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 the Company's books, papers, minute books, forms and returns filed and other records maintained by it and also 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, 2019** 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, 2019 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 during the 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, 2018; (Not applicable during the year under review.)
  - (d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations) 2014; (Not applicable during the year under review.)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the year under review.)
  - (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 during the year under review.)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the year under review.)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the financial year under review)
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) The Company had properly complied the other laws viz. Income tax Act 1961, Prevention of Money Laundering Act, 2002 and rules made thereunder, other applicable tax laws, 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 (Protection) Act, 1986, local revenue laws, etc. as applicable to it.

# SOUTH ASIAN ENTERPRISES LTD.

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

- vii) Secretarial Standards issued by The Institute of Company Secretaries of India,
- viii) The Listing Agreement entered into by the Company with the BSE Limited under SEBI (Listing Obligations & 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. The Company has been filing requisite forms and returns with Registrar of Companies in time.

**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 except when meeting was called at shorter notice and duly recorded so. 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 was taken on record by Board of Directors, I am of the opinion that there are adequate systems and processes in the Company are 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.

**(Pooja Nichani)**

**Company Secretary**

**ACS No.:20092**

**C P No.:11351**

**Place: New Delhi**

**Date: 20<sup>th</sup> July, 2019**

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.

**(Pooja Nichani)**

**Company Secretary**

**ACS No.:20092**

**C P No.:11351**

**Place: New Delhi**

**Date: 20<sup>th</sup> July, 2019**

## 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, 2019.**

#### 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. 2,82,998/-
- b) Foreign Exchange Used : Rs. 5,81,381/-

*For and on behalf of the Board of Directors*

**Date: 03/08/2019**

**Place: New Delhi**

**T.B. Gupta**

**Managing Director**

**DIN:00106181**

**K. K. Soni**

**Director**

**DIN: 00106037**

## INDEPENDENT AUDITOR'S REPORT

**To the Members of  
SOUTH ASIAN ENTERPRISES LIMITED**

**Report on the Financial Statements**

### Opinion

We have audited the accompanying IND-AS financial statements of SOUTH ASIAN ENTERPRISES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Cash Flow Statement for the year ended on that date, the summary of significant accounting policies and other explanatory information.

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 Indian Accounting Standards prescribed u/s 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Key Audit Matters

Key audit matter are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matter were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included

in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The other information referred herein has not been made available to us as on the date of signing of this report and so we cannot comment on the same. The same will be dealt with in our supplementary report upon receipt of the relevant 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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

### Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

### Report on Other Legal and Regulatory Requirements

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 paragraphs 3 and 4 of the Order, to the extent applicable.

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 including other comprehensive income, Statement of Change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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:
- the Company has disclosed the impact of pending litigations on its financial position in its financial Statements – Refer Note – 31.4 to the financial statements;
  - the company did not have any long term contract including derivative contracts for which there were any material foreseeable losses; and
  - there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Agiwal & Associates**

Chartered Accountants

Firm's Registration Number : 000181N

**CA P. C. Agiwal**

Partner

Membership No.080475

Place: New Delhi

Date: 16/05/2019

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

**The Annexure 'A' referred to in our Independent Auditors' Report to the members of the Company on the financial statements of South Asian Enterprises Limited for the year ended 31st March, 2019, we report that:**

- In respect of its fixed assets:
  - The Company has generally maintained records to show particulars, including quantitative details and situation of fixed assets;
  - The fixed assets covering significant value were physically verified during the year by the management at such intervals which in our opinion, provides for the physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company and nature of its business. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
  - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of company.
- According to the information and explanations given to us, the inventories have been physically verified by the management to the extent practicable at reasonable intervals during the year and as explained, there was no material discrepancies noticed on such verification.
- According to the information and explanations given to us, the Company has not granted secured or unsecured loan to companies, firms, LLP or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the Company.
- In our opinion and according to the information and explanations given to us, the Company is in compliance with the provisions of section 185

- and 186 of Companies Act, 2013 as on 31.03.2019 with respect to the loans, investments, guarantees and security provided by it.
- According to the information and explanations given to us, the Company has not accepted any deposits during the year. Hence, the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there-under are not applicable to the Company.
  - 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.
  - According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other material statutory dues to the appropriate authorities to the extent these are applicable. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at March 31<sup>st</sup>, 2019, for a period of more than six months from the date they became payable.
    - According to the information and explanation given to us, there are no dues of Income Tax, or Sales Tax or Goods and Services Tax or duty of Customs or duty of Excise or Value Added Tax which have not been deposited by the company on account of disputes.
  - In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of loans or borrowings to banks. The company did not have any outstanding loans or borrowings from financial institutions. The Company has not issued any Debentures.
  - In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
  - To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
  - In our opinion and according to our information and explanations given to us and based on our examination of the records of the Company, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
  - In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as prescribed under section 406 of the act.
  - According to the information and explanation given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standards.
  - According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
  - According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(xvi) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Agiwal & Associates**

Chartered Accountants

Firm's Registration Number : 000181N

**CA P. C. Agiwal**

Partner

Membership No.080475

Place: New Delhi

Date: 16/05/2019

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**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **South Asian Enterprises Limited** ("the Company") as of 31 March 2019 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 board of directors of the company 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 of the Company.

**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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, to the best of our information and according to the explanation given to us, 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 31st March 2019, 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 Agiwal & Associates**

Chartered Accountants

Firm's Registration Number : 000181N

**CA P. C. Agiwal**

Partner

Membership No.080475

Place: New Delhi

Date: 16/05/2019

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**Supplementary Independent Auditor's Report**

**To the Members of South Asian Enterprises Limited  
Information other than the Financial Statements and Auditor's Report thereon**

This report is to be read with our report dated 16/05/2019 given on IND AS Financial Statements for the financial year 2018-19 citing therein our inability to report on the aspect of Information Other than Financial Statements. The Other Information for preparation of which the Company's Board of Directors is responsible, comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to the Board's Report, Corporate Governance and Shareholders information, but does not include the financial statements and our report thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatements of this other information, we are required to report that fact. We have nothing to report in this regard.

**For Agiwal & Associates**

Chartered Accountants

Firm's Registration Number: 00181N

**CA P. C. Agiwal**

Partner

Membership Number 080475

Place : New Delhi

Date: August 3rd, 2019

# SOUTH ASIAN ENTERPRISES LTD.

## BALANCE SHEET AS AT 31ST MARCH, 2019

Amount (In Rs.)

Particulars	Note No.	31 March, 2019	31 March, 2018
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2	15,05,795	21,38,778
(b) Capital work-in-progress		-	-
(c) Other Intangible assets	-	-	-
(d) Investment in property (leasehold)	3	-	3,00,000
<b>(e) Financial Assets</b>			
(i) Loans	4	83,050	83,050
(ii) Investment	5	4,59,31,002	5,35,56,489
(iii) Other financial assets	6	20,12,500	2,64,391
(f) Deferred tax asset (Net)	7	99,341	(66,307)
(g) Non current Asset	8	9,436	6,861
		<u>4,96,41,124</u>	<u>5,62,83,262</u>
<b>(2) Current assets</b>			
(a) Inventories	9	25,42,441	39,68,057
<b>(b) Financial Assets</b>			
(i) Loan	10	1,68,000	-
(ii) Trade Receivable	11	16,92,891	53,47,928
(iii) Cash and cash equivalents	12	8,10,108	4,79,818
(iv) Bank balances other than (i) above	12A	58,73,510	81,69,141
(v) Other Financial assets	13	2,23,987	53,639
(c) Current Tax Assets (Net)	14	5,14,945	2,65,337
(d) Other current assets	15	4,22,548	4,50,058
		<u>1,22,48,430</u>	<u>1,87,33,978</u>
<b>Total Assets</b>		<u><b>6,18,89,554</b></u>	<u><b>7,50,17,240</b></u>
<b>EQUITY AND LIABILITIES Equity</b>			
(a) Equity Share capital	16	3,99,90,500	3,99,90,500
(b) Other Equity	17	1,97,31,073	3,06,14,667
		<u>5,97,21,573</u>	<u>7,06,05,167</u>
<b>LIABILITIES</b>			
<b>(1) Non-current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings		-	-
(ii) Trade payables		-	-
(b) Provisions	18	1,07,008	88,439
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities		-	-
		<u>1,07,008</u>	<u>88,439</u>
<b>(2) Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	19	-	21,38,308
<b>(ii) Trade payables</b>			
a) Total outstanding dues of micro enterprises and small enterprises; and		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	20	2,08,800	5,65,336
(iii) Other financial liabilities	21	6,09,636	6,11,156
(b) Other current liabilities	22	8,71,763	7,68,761
(c) Provisions	23	3,70,774	2,40,073
(d) Current Tax Liabilities (Net)	24	-	-
		<u>20,60,973</u>	<u>43,23,634</u>
<b>Total Equity and Liabilities</b>		<u><b>6,18,89,554</b></u>	<u><b>7,50,17,240</b></u>

Significant Accounting Policies and Notes forming part of accounts

The notes referred to above are an integral part of these financial statements

As per our report of even date

**For Agiwal & Associates**

(F.R.N.000181N)

Chartered Accountants

**For & on behalf of the Board**

**P.C.Agiwal**  
Partner  
Membership No. 080475

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

**M.P. Mehrotra**  
Director  
DIN:00016768

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

**M.S. Siddiqui**  
Chief Financial Officer  
PAN: DKXPS9663D

Place: New Delhi  
Date : 16/05/2019

## SOUTH ASIAN ENTERPRISES LTD.

### STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Amount (In Rs.)

Particulars	Note No.	31 March, 2019	31 March, 2018
I Revenue From Operations	25	1,57,03,980	1,85,20,381
II Other Income	26	10,81,970	7,34,511
III <b>Total Income (I+II)</b>		<b>1,67,85,950</b>	<b>1,92,54,892</b>
IV <b>EXPENSES</b>			
Purchase of Stock-in-Trade		34,83,783	59,41,103
Changes in Inventories of Stock-in-Trade	27	14,25,616	5,80,326
Employee benefits expense	28	46,85,461	48,97,172
Finance costs	29	1,49,812	1,40,154
Depreciation and amortization expense		7,32,382	5,94,467
Other expenses	30	95,74,196	90,20,301
<b>Total expenses (IV)</b>		<b>2,00,51,250</b>	<b>2,11,73,523</b>
V Profit/(loss) before exceptional items and tax (I- IV)		<b>(32,65,300)</b>	(19,18,631)
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		<b>(32,65,300)</b>	(19,18,631)
VIII Tax expense:			
(1) Current tax		-	-
(2) Tax adjustment for earlier Year		-	-
(2) Deferred tax		<b>(1,29,447)</b>	(1,10,164)
IX Profit (Loss) for the period (VII-VIII)		<b>(31,35,853)</b>	(18,08,467)
XI Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Gain / (Loss) arising on Defined Employee Benefits		<b>(1,58,455)</b>	(96,647)
Gain / (Loss) arising on fair valuation of Investment		<b>(76,25,487)</b>	88,99,757
(ii) Income tax relating to items that will not be reclassified to profit or loss		<b>36,201</b>	26,492
XII Total Comprehensive Income for the period (IX+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		<b>(1,08,83,594)</b>	70,21,135
XIII Earnings per equity share			
(1) Basic		<b>(0.78)</b>	(0.45)
(2) Diluted		<b>(0.78)</b>	(0.45)

Significant Accounting Policies and Notes forming part of accounts

The notes referred to above are an integral part of these financial statements

As per our report of even date

**For Agiwal & Associates**

(F.R.N.000181N)

Chartered Accountants

**For & on behalf of the Board**

**P.C.Agiwal**

Partner

Membership No. 080475

Place: New Delhi

Date : 16/05/2019

**T. B. Gupta**

Managing Director

DIN: 00106181

**M.P. Mehrotra**

Director

DIN:00016768

**R.C. Pandey**

Company Secretary

PAN: AJRPP6072H

**M.S. Siddiqui**

Chief Financial Officer

PAN: DKXPS9663D

# SOUTH ASIAN ENTERPRISES LTD.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Amount (in Rs.)

	As at 31.03.2019	As at 31.03.2018
<b>A. Cash Flow from Operating Activities</b>		
Total Comprehensive Income before Tax	<u>(1,10,49,242)</u>	<u>68,84,479</u>
	<u>(1,10,49,242)</u>	<u>68,84,479</u>
Adjustments for:-		
Dividend Income	(3,753)	(3,216)
Depreciation	7,32,382	5,94,467
Gain arising due to Fair valuation of Equity Investment	76,25,487	(89,22,477)
Interest Income	(8,68,320)	(6,61,757)
Finance Cost	<u>1,49,812</u>	<u>1,29,315</u>
	<u>76,35,608</u>	<u>(88,63,668)</u>
<b>Operating Profit before Working Capital Changes</b>	<u>(34,13,633)</u>	<u>(19,79,189)</u>
Adjustments for:		
Decrease/ (Increase) in Inventories	14,25,616	5,80,326
Other financial assets	(19,18,457)	9,05,105
Loan & Advances	(1,68,000)	-
Trade Payable	-	2,12,555
Trade Receivable	36,55,037	(21,10,749)
Other financial liabilities	(1,520)	(68,793)
Other current liabilities	1,03,002	(78,742)
Non current Asset	(2,575)	694
Provision for Employee Benefits	18,569	5,065
Other current assets	27,510	18,10,744
	<u>31,39,182</u>	<u>12,56,205</u>
<b>Cash Generated from Operations</b>	<u>(2,74,452)</u>	<u>(7,22,984)</u>
Tax paid	<u>(2,49,608)</u>	<u>(80,791)</u>
<b>Net Cash generate / (used in) Operating Activities</b>	<u>(5,24,060)</u>	<u>(8,03,775)</u>
<b>B. Cash Flow from Investing Activities</b>		
Additions in Fixed Assets	(99,399)	(9,28,637)
Investment in property (leasehold)	3,00,000	-
Dividend Income	3,753	3,216
Interest Received	8,68,320	6,61,757
Investment in bank deposits (having original maturity for more than 3 months)	<u>22,95,631</u>	<u>-</u>
<b>Net Cash generate / (used in) Investing Activities</b>	<u>33,68,305</u>	<u>(2,63,665)</u>
<b>C. Cash Flow from Financing Activities</b>		
Interest paid	(1,49,812)	(1,29,315)
Financial Assets	-	43,988
<b>Net Cash generated/ (used in) Financing Activities</b>	<u>(1,49,812)</u>	<u>(85,327)</u>
<b>Net increase/ (decrease) in Cash &amp; Cash Equivalents</b>	<u>26,94,433</u>	<u>(11,52,767)</u>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<u>(16,58,490)</u>	<u>(5,05,723)</u>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<u>8,10,108</u>	<u>(16,58,490)</u>

**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	1,68,759	2,14,789
Current Account	6,41,349	2,65,029
Overdraft	-	<u>(21,38,308)</u>
Cash and Bank balances as per Note 11	<u>8,10,108</u>	<u>(16,58,490)</u>

As per our report of even date  
Significant Accounting Policies and Notes forming part of accounts

**For Agiwal & Associates**  
(F.R.N.000181N)  
Chartered Accountants

**For & on behalf of the Board**

**P.C.Agiwal**  
Partner  
Membership No. 080475  
Place: New Delhi  
Date : 16/05/2019

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

**M.P. Mehrotra**  
Director  
DIN:00016768

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

**M.S. Siddiqui**  
Chief Financial Officer  
PAN: DKXPS9663D

# SOUTH ASIAN ENTERPRISES LTD.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019 (Amount In Rs.)

31 March 2019	
No. of Shares	Rupees

**(a) Equity Share Capital**

40,00,000 Equity Shares of Rs.10/- each issued, subscribed and fully paid

**At 1 April 2018**

Issue of Share Capital

**At 31 March 2019**

	4,00,00,000	3,99,90,500
	-	-
	<b>4,00,00,000</b>	<b>3,99,90,500</b>

**(b) Other equity**

For the year ended 31 March 2019

PARTICULARS	General Reserve	Securities Premium Account	Retained Earning	FVTOCI reserve	Total
<b>At March 31, 2018</b>	1,84,89,145	5,99,71,500	(2,16,58,145)	(2,61,87,833)	<b>3,06,14,667</b>
<b>Total Comprehensive Income</b>	1,84,89,145	5,99,71,500	(2,16,58,145)	(2,61,87,833)	<b>3,06,14,667</b>
Cash Dividend	-	-	-	-	-
Redemption premium	-	-	-	-	-
Dividend distribution tax	-	-	-	-	-
Transfer from general reserve	-	-	-	-	-
<b>At March 31, 2019</b>	1,84,89,145	5,99,71,500	(2,16,58,145)	(2,61,87,833)	<b>3,06,14,667</b>
Profit for the period	-	-	(32,53,110)	-	<b>(32,53,110)</b>
Other Comprehensive Income	-	-	-	(76,30,484)	<b>(76,30,484)</b>
<b>Total Comprehensive Income</b>	1,84,89,145	5,99,71,500	(2,49,11,255)	(3,38,18,317)	<b>1,97,31,073</b>
Cash Dividend	-	-	-	-	-
Dividend distribution tax	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-
<b>At March 31, 2019</b>	1,84,89,145	5,99,71,500	(2,49,11,255)	(3,38,18,317)	<b>1,97,31,073</b>

As per our report of even date

**For Agiwal & Associates**

(F.R.N.000181N)

Chartered Accountants

**For & on behalf of the Board**

**P.C.Agiwal**

Partner

Membership No. 080475

Place: New Delhi

Date : 16/05/2019

**T. B. Gupta**

Managing Director

DIN: 00106181

**M.P. Mehrotra**

Director

DIN:00016768

**R.C. Pandey**

Company Secretary

PAN: AJRPP6072H

**M.S. Siddiqui**

Chief Financial Officer

PAN: DKXPS9663D

**Notes to the Financial Statements for the year ended 31st March 2019**

**Components of other comprehensive income**

**The disaggregation of changes to OCI by each type of reserve in equity is shown below:**

During the Year ended 31 March 2019			
	FVTOCI reserve	Remesuraement gain defined plan	Total
Gain/(loss) on FVTOCI financial assets	(76,25,487)	-	(76,25,487)
Re-measurement gains (losses) on defined benefit plans	-	(1,58,455)	(1,58,455)
Taxes on above items	(4,997)	41,198	36,201
	<b>(76,30,484)</b>	<b>(1,17,257)</b>	<b>(77,47,741)</b>
During the Year ended 31 March 2018			
	FVTOCI reserve	Remesuraement gain defined plan	Total
Gain/(loss) on FVTOCI financial assets	88,99,757	-	88,99,757
Re-measurement gains (losses) on defined benefit plans	-	(96,647)	(96,647)
Taxes on above items	24,887	1,605	26,492
	<b>89,24,644</b>	<b>(95,042)</b>	<b>88,29,602</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019.

### 1. Corporate Information

South Asian Enterprises Limited is a public limited company incorporated in 1991 and domiciled in India. The registered office of the Company is situated at K-Block, Kidwai Nagar, Kanpur (U.P.) The Company's shares are listed on the BSE Ltd. The Company is engaged to run amusement parks and other activities including trading in earthing and lightning protection systems.

### 2. Significant Accounting Policies

#### 2.1 Statement of Compliance with Ind AS

The financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

#### 2.2 Basis of Preparation of Financial Statements

These financial statements are prepared on the accrual basis of accounting, under the historical cost convention except for the following:

- i) Certain financial assets and financial liabilities measured at fair value; and
- ii) Defined benefits plan - plan assets measured at fair value.

There is no change in the system of accounting as being consistently followed from earlier years unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of operations and time between procurement of raw material and realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### 2.3 Use of Estimates

The preparation of the Financial Statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the period. Management believes that the estimates made in the preparation of the financial statements are prudent and reliable. Actual results might differ from the estimates. Difference between the actual results and estimates are recognized in the period in which results are known / materialized.

#### 2.4 Property, plant and equipment (PPE) and Capital work-in-progress (CWIP)

The Company has elected to continue with carrying value of all Property, plant and equipment and Capital work-in-progress (CWIP).

The Property, plant and equipment were stated at their original cost (net of accumulated depreciation and impairment) adjusted by revaluation of certain assets.

The Property, plant and equipment (PPE) and Capital work-in-progress (CWIP) are stated at cost net of GST credit and/or at revalued price less accumulated depreciation and Accumulated Impairment.

Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use.

Depreciation on Property, plant and equipment (PPE) is provided on written down value method as prescribed under Part C of Schedule II to the Companies Act, 2013. The additional depreciation, on increase in cost on account of revaluation, is transferred to Retained Earnings from Revaluation Reserve and is thus not charged to statement of Profit & Loss of the year.

Useful life of assets are considered on the basis of schedule-II of Companies Act 2013.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Each item of PPE individually costing Rs.5,000/- or less is depreciated fully in the year of their put to use.

Depreciation/amortization on assets added, sold or discarded during the year is provided on pro-rata basis.

#### 2.5 Intangible Assets (Computer Software)

Intangible assets expected to provide future enduring economic benefits are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition less accumulated amortization and impairment, if any.

Intangible assets: Computer software is amortized over a period of four years.

#### 2.6 Revenue Recognition and Expenses

- (i) Effective April 1 2018 the company adopted Ind As 115, revenue from contracts with customer using the cumulative catch up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch up transition method, the comparatives have not been retrospectively adjusted. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements with customers for services and goods are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on supply and service contracts are recognized as the related performance obligation is completed.

Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)**

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

- (ii) Insurance claims have been accounted for on cash basis looking in to the uncertainty and its collection as per past practice.
- (iii) Interest Income is accounted for on time proportionate basis.

**2.7 Expenses**

- (i) All expenses are accounted for on accrual basis.

**2.8 Inventory**

- a) Cost of inventory comprises of purchase price, cost of conversion and other cost that have been incurred in bringing the inventories to their respective present location and condition. Interest costs are not included in value of inventory.

**Inventories are valued as under:**

Finished Goods are carried at lower of cost or net realizable value. Cost of finished goods is determined following first in first out method.

**2.9 Fair value measurement**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided by the management after discussion with and approval by the Company's management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**2.10 Financial instruments**

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value.

**Financial assets****Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. The financial assets include equity and debt securities, trade and other receivables, loans and advances, cash and bank balances and derivative financial instruments.

**Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- 1) At amortised cost,
- 2) At fair value through other comprehensive income (FVTOCI), and

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)**

3) At fair value through profit or loss (FVTPL).

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- 1) The asset is held within a business model whose objective is to hold the asset for collecting contractual cash flows, and
- 2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

**Equity investments**

All equity investments in the scope of Ind AS 109 are measured at fair value except in case of investment in subsidiary carried at deemed cost and associate carried at cost.

Equity instruments included within the FVTPL category, if any, are measured at fair value with all changes recognized in profit or loss. The Company may make an irrevocable election to present in OCI subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. When the fair value has been determined based on level 3 inputs, the difference between the fair value at initial recognition and the transaction price is deferred and after initial recognition deferred difference is recognised as gain or loss to the extent it arises from change in input to valuation technique. If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI.

There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

**De-recognition**

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

**2.11 Employees Benefits****(i) 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, bonus and ex-gratia. 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.

**(ii) 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. 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 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 in the other comprehensive income.

**(ii) 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.

**(iv) 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 independent actuarial valuation using the projected unit credit method.

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss for the year in which the

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

related service is rendered.

### (v) Estimation of Defined benefit obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each financial year end. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the actuary considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

### 2.12 Borrowing Costs

Borrowing costs attributable to the qualifying assets are capitalized up to the period such assets are ready for the intended use and commenced commercial production. All other borrowing cost is charged to the Statement of Profit & Loss in the period in which they are incurred.

### 2.13 Foreign Currency Transactions and Translations

- a) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates.
- b) Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- c) In respect of monetary items which are covered by forward exchange contracts, the difference between the year end and the rate on the date of contract is recognized as exchange difference and the premium on such forward contracts is recognized over the life of the forward contract.
- d) The exchange differences arising on settlement/translation are recognized in the Statement of Profit and Loss.

### 2.14 Taxes on Income

#### (a) Current Tax

Tax on income for the current period is determined on the basis of taxable income computed in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which give future economic benefit in the form of adjustment to future income tax liability is considered as an asset to the extent there is convincing evidence that the company will pay normal income tax.

#### (b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statement and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction (other than a business combination) affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credit to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised on all taxable temporary differences.

### 2.15 Impairment of Non-financial Assets

- (i) No financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.
- (ii) An impairment loss is recognised for the amount by which the assets' carrying amount exceeds its recoverable amount, costs of disposal and value in use.
- (iii) For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or group of assets (cash generating units).
- (iv) Non financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of the each reporting period.

### 2.16 Leases

Assets acquired as leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit & Loss on accrual basis.

### 2.17 Provisions, Contingent Liabilities and Contingent Assets

- (i) Provision is recognized in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable.
- (ii) Provision is recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.
- (iii) Provisions are not recognised for future operating losses.

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)**

- (iv) Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.
- (v) A contingent asset is not recognized in the financial statements.
- (vi) Provisions and contingent liabilities are reviewed at each balance sheet date.

**2.18 Segment Reporting****Primary Segment**

Based on the guiding principles given in the Ind AS-108 "Segment Reporting" issued by ICAI, the Company's segments are running of amusement parks and trading in earthing & lightning protection systems.

Revenue and expenses have been accounted for on the basis of their relationship to the operating activities of the respective segment.

**Segment Identification**

Business segments have been identified on the basis of the nature of products/ services, the risk return profile of individual business, the organizational structure and the internal reporting system of the company.

The operating segments are reported after taken into consideration of aggregation criteria and quantitative threshold as mentioned in Para 12 and 13 of Ind AS 108.

Excise duty in respect of finished goods held in stock has been accounted for at the end of the year and is included in the value of closing stock.

**2.19 Earnings Per Share**

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extra ordinary items, if any) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

**2.20 Cash and Cash Equivalents**

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

**2.21 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and item of income or expenses associated with investing or financing flows. The cash flows operating, investing and financing activities of the company are segregated.

**2.22 Investment Property:**

An investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement.

The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure. Directly attributable expenditure includes, for example, professional fees for legal services, property transfer taxes and other transaction costs.

Cost model after initial recognition, an entity shall measure all of its investment properties in accordance with Ind AS 16's requirements for cost model, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations. Investment properties that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) shall be measured in accordance with Ind AS 105.

When measuring the fair value of investment property in accordance with Ind AS 113, an entity shall ensure that the fair value reflects, among other things, rental income from current leases and other assumptions that market participants would use when pricing investment property under current market conditions.

This Standard requires all entities to measure the fair value of investment property, for the purpose of disclosure even though they are required to follow the cost model. An entity is encouraged, but not required, to measure the fair value of investment property on the basis of a valuation by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being value.

**2.23 Estimated fair value of unlisted securities**

The fair values of financial instruments that are not traded in an active market and cannot be measured based on quoted prices in active markets is determined using valuation techniques including the net assets value (NAV) model. The Group uses its judgment to select a variety of method / methods and make assumptions that are mainly based on market conditions existing at the end of each financial year. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**2.25 Insurance claims and liquidated damages**

Insurance claims are accounted as and when admitted/settled. Subsequent changes in value, if any, are provided for.

## SOUTH ASIAN ENTERPRISES LTD.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Amount (in Rs.)

**Note 2: Fixed Assets**

Description	Plant and Machinery	Building	Vehicle	Furniture & Fixtures	Office Equipment	Computers	Total
Balance as at 01 April 2017	1,75,93,856	85,79,133	1,00,845	6,66,433	6,41,831	2,38,004	<b>2,78,20,102</b>
Additions	7,51,746	-	48,826	-	86,940	41,125	<b>9,28,637</b>
Deduction	-	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>1,83,45,602</b>	<b>85,79,133</b>	<b>1,49,671</b>	<b>6,66,433</b>	<b>7,28,771</b>	<b>2,79,129</b>	<b>2,87,48,739</b>
Balance as at 01 April 2018	1,83,45,602	85,79,133	1,49,671	6,66,433	7,28,771	2,79,129	<b>2,87,48,739</b>
Additions	-	-	-	-	99,399	-	<b>99,399</b>
Deduction	-	-	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	<b>1,83,45,602</b>	<b>85,79,133</b>	<b>1,49,671</b>	<b>6,66,433</b>	<b>8,28,170</b>	<b>2,79,129</b>	<b>2,88,48,138</b>
<b>Depreciation &amp; Impairment</b>							
Balance as at 01 April 2017	1,70,37,072	74,16,475	1,00,845	6,66,433	5,78,449	2,16,220	<b>2,60,15,494</b>
Depreciation for the year	3,26,263	2,20,816	1,855	-	28,509	17,024	<b>594,467</b>
Adjustments	-	-	-	-	-	-	-
Deduction	-	-	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>1,73,63,335</b>	<b>76,37,291</b>	<b>1,02,700</b>	<b>6,66,433</b>	<b>6,06,958</b>	<b>2,33,244</b>	<b>2,66,09,961</b>
Balance as at 01 April 2018	1,73,63,335	76,37,291	1,02,700	6,66,433	6,06,958	2,33,244	<b>2,66,09,961</b>
Depreciation for the year	4,27,856	2,20,816	4,638	-	56,239	22,832	<b>7,32,382</b>
Adjustments	-	-	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	<b>1,77,91,191</b>	<b>78,58,107</b>	<b>1,07,338</b>	<b>6,66,433</b>	<b>6,63,197</b>	<b>2,56,076</b>	<b>2,73,42,343</b>
<b>Net block</b>							
As at 31st March 2018	9,82,267	9,41,842	-	-	1,21,813	45,885	21,38,778
As at 31st March 2019	<b>5,54,411</b>	<b>7,21,026</b>	<b>42,333</b>	<b>-</b>	<b>1,64,973</b>	<b>23,053</b>	<b>15,05,795</b>

Amount (in Rs.)

Particulars	31 March 2019	31 March 2018
<b>NOTE - 3</b>		
<b>Investment in Property (Real Estate) (At Cost)</b>	-	<b>300,000</b>
Investment in Land and Building	-	300,000
<b>NOTE - 4 Loan</b>		
<b>Unsecured</b>		
<b>Considered Good</b>		
Security Deposit (MCK)	40,000	40,000
Security Deposit for Telephone	5,300	5,300
Security Deposit (LESU)	15,000	15,000
Security Deposit KESCO (KNP)	20,000	20,000
Security Deposit Rent (LKO)	2,750	2,750
<b>Total</b>	<b>83,050</b>	<b>83,050</b>
<b>NOTE - 5</b>		
<b>Investment in Entities (At fair value through OCI)</b>		
<b>A - Non trade -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	643	712
237 Equity Shares of Rs.10/- each of Tata Steel Limited	1,23,477	1,35,339
25 PP Equity Shares of Rs.10/- each of Tata Steel Limited	1,605	3,514
500 Equity Shares of Rs.5/- each of Reliance Mediaworks Ltd	1	1
220 Equity Shares of Rs.10/- each of Reliance Industries Limited	71,786	95,348
<b>Total (A)</b>	<b>1,97,512</b>	<b>2,34,914</b>
<b>II- UNQUOTED</b>		
<b>Holding Company - At Cost</b>		
10,00,000 Equity Shares of Rs.10/- each of VLS Capital Ltd.	4,39,95,129	5,16,27,825
<b>Others - (At fair value through OCI)</b>		
50,000 Equity Shares of Rs.10/- each of Indhra Dhan Agro Products Ltd.	-	-
15,00,000 Equity Shares of Rs.10/- each of Hotline Electronics Ltd.	-	-
35,000 Equity Shares of Rs.100/- each of Alok Fintrade (P) Ltd.	17,38,361	16,93,750
<b>Total (B)</b>	<b>4,57,33,490</b>	<b>5,33,21,575</b>
<b>Total Non-Current Investment (A+B)</b>	<b>4,59,31,002</b>	<b>5,35,56,489</b>
<b>NOTE - 6</b>		
<b>Other Financial Assets</b>		
SAEL Group Gratuity Scheme	12,500	14,391
Fixed Deposit with maturity more than 12 months	20,00,000	2,50,000
<b>Total</b>	<b>20,12,500</b>	<b>2,64,391</b>

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Amount (in Rs.)

Particulars	31 March 2019	31 March 2018
<b>NOTE - 7</b>		
<b>Deferred Tax</b>		
a. Deferred Tax Liabilities		
- Depreciation on Fixed Asstes	185,429	185,429
Fair Value of Financial Asset	18,305	13,308
b. Deferred Tax Assets		
- Employee Benefits	290,783	120,138
- Provision for bad & doubtful debts	12,292	12,292
<b>Net Deferred Tax Liabilities</b>	<b>(99,341)</b>	<b>66,307</b>
	<u><u>(99,341)</u></u>	<u><u>66,307</u></u>
	As at 31 March, 2017	Provided during the Year
	As at 31 March, 2018	Provided during the Year
	As at 31 March, 2019	
<b>Deferred tax liability:</b>		
Related to Fixed Assets (Depreciation)	3,34,468	(1,49,039)
Revaluations of FVTOCI investments to fair value	13,308	-
Others	-	-
<b>Total deferred tax liability (A)</b>	<b>3,47,776</b>	<b>(1,49,039)</b>
	<u>3,47,776</u>	<u>(1,49,039)</u>
<b>Deferred tax assets:</b>		
Carry forward Business Loss / Unabsorbed Depreciation	52,264	(15,593)
43B Disallowances etc.	-	-
Others	-	-
Provision for leave encashment and Others	58,608	-
Revaluations of FVTOCI investments to fair value	37,151	-
<b>Total deferred tax assets (B)</b>	<b>1,48,023</b>	<b>(15,593)</b>
	<u>1,48,023</u>	<u>(15,593)</u>
<b>Deferred Tax Liability (Net) (A - B)</b>	<b>1,99,753</b>	<b>(1,33,446)</b>
	<u>1,99,753</u>	<u>(1,33,446)</u>
<b>NOTE - 8</b>		
<b>Non current Asset (At amortised cost through Statement of Profit &amp; Loss)</b>		
Deferred Cost Towards Staff Loan	9,436	6,861
<b>Total</b>	<b>9,436</b>	<b>6,861</b>
	<u>9,436</u>	<u>6,861</u>
<b>NOTE - 9</b>		
<b>Inventories</b>		
Stock in Trade	25,42,440	39,68,056
Music album	1	1
<b>Total</b>	<b>25,42,441</b>	<b>39,68,057</b>
	<u>25,42,441</u>	<u>39,68,057</u>
<b>NOTE - 10</b>		
<b>Loan</b>		
Security Deposit- DMRC	1,68,000	-
<b>Total</b>	<b>1,68,000</b>	<b>-</b>
	<u>1,68,000</u>	<u>-</u>
<b>NOTE - 11</b>		
<b>Trade Receivable</b>		
<b>(Unsecured, considered good)</b>		
Considered Goods	13,82,716	50,82,051
Considered Doubtful	3,10,175	3,13,611
Less: Provision made for doubtful debts	-	47,734
<b>Total</b>	<b>16,92,891</b>	<b>53,47,928</b>
	<u>16,92,891</u>	<u>53,47,928</u>
<b>NOTE - 12</b>		
<b>Cash &amp; Bank Balances</b>		
<b>Cash and Cash Equivalents</b>		
Cash on hand	1,68,759	2,14,789
<b>Balance with Bank</b>		
In current account	6,41,349	2,65,029
<b>Total</b>	<b>8,10,108</b>	<b>4,79,818</b>
	<u>8,10,108</u>	<u>4,79,818</u>
<b>NOTE - 12A</b>		
<b>Bank Balances</b>		
Deposit with bank held as margin money for Bank Gurantee	6,94,000	6,94,000
Interest Accrued on FDR	1,30,070	8,59,829
Deposit with Bank against short term borrowing	50,49,440	66,15,312
<b>Grand Total</b>	<b>58,73,510</b>	<b>81,69,141</b>
	<u>58,73,510</u>	<u>81,69,141</u>

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Particulars	31 March 2019	31 March 2018
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#### NOTE - 13 Other Financial Assets

Advance to staff	2,23,987	53,639
	<u>2,23,987</u>	<u>53,639</u>

#### Note 14

<b>Current Assets (Net)</b>		
Income Tax Receivable	5,14,945	2,65,337
<b>Total</b>	<u>5,14,945</u>	<u>2,65,337</u>

#### Tax Reconciliation

##### (a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2019 and March 31, 2018 are as follows:

##### (i) Profit or loss section

Particulars	31 March 2019	31 March 2018
Current tax expense	-	-
Deferred tax expense	(1,29,447)	(1,10,164)
<b>Total income tax expense recognised in statement of Profit &amp; Loss</b>	<u>(1,29,447)</u>	<u>(1,10,164)</u>

##### (ii) OCI Section

Particulars	31 March 2019	31 March 2018
Net (gain) on remeasurement of defined benefit plans	41,198	1,605
Unrealised (gain)/loss on FVTOCI equity securities	(4,997)	24,887
Income tax charged to OCI	<u>36,201</u>	<u>26,492</u>

Particulars	31 March 2019	31 March 2018
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#### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018:

<b>Accounting profit before tax from continuing operations</b>	<b>(32,65,300)</b>	<b>(19,18,631)</b>
Accounting profit before tax from discontinuing operations	-	-
<b>Accounting profit before income tax</b>	<b>(32,65,300)</b>	<b>(19,18,631)</b>
At India's statutory income tax rate of xx% (31 March 2019: xx%)	-	-
Adjustments in respect of current income tax of previous years	-	-
<b>Change in Deferred Tax</b>	<b>(4,97,873)</b>	<b>(4,23,708)</b>
<b>Non-deductible expenses for tax purposes:</b>		
Other non-deductible expenses	-	-
Depreciation as provided under the provisions	5,55,770	4,27,592
Bonus	1,42,570	1,57,501
Provision for Leave Encashment/Gratuity	18,569	5,065
Carry forward Loss	25,48,391	13,28,473
Taxable Amount	<u>(4,97,873)</u>	<u>(4,23,708)</u>
<b>At the effective income tax rate of 26% (31 March 2018: 26%)</b>	<b>(1,29,447)</b>	<b>(1,10,164)</b>
Income tax expense reported in the statement of profit and loss	<u>(1,29,447)</u>	<u>(1,10,164)</u>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Details of income tax assets and liabilities as of 31st March, 2019, 31st March 2018 are as follows:

Particulars	As at 31.03.2019	As at 31.03.2018
Income Tax Assets	5,14,945	2,65,337
Current income tax liabilities	-	-
Net Current Income Tax Assets/(Liabilities) at the end	<u>5,14,945</u>	<u>2,65,337</u>

#### Note 15

Particulars	31 March 2019	31 March 2018
<b>Other current assets</b>		
Prepaid Expenses	2,70,497	2,76,701
Other	1,52,051	1,73,357
Capital Advances	-	-
<b>Total</b>	<u>4,22,548</u>	<u>4,50,058</u>

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Amount (in Rs.)

Particulars	31 March 2019	31 March 2018
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#### Note 16

##### Equity Share Capital

Authorised

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

	5,00,00,000	5,00,00,000
<b>Total</b>	<b>5,00,00,000</b>	<b>5,00,00,000</b>

Issued, Subscribed & Called Up Capital

Issued, Subscribed & Paid up

40,00,000 Equity Shares of Rs.10/- each

(i) Less: Calls-in -Arrears-by others

	4,00,00,000	4,00,00,000
	9,500	9,500
	3,99,90,500	3,99,90,500
<b>Total</b>	<b>3,99,90,500</b>	<b>3,99,90,500</b>

##### 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

(ii) Outstanding at the end of the year

31 March 2019		31 March 2018	
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.

31 March 2019		31 March 2018	
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

#### Note 17

##### Other Equity

Particulars	Amount in Rs.
<b>Security premium reserve</b>	
At 31 March 2018	5,99,71,500
Changes during the period	-
Closing balance 31.03.2019	5,99,71,500
<b>General reserve</b>	
At 31 March 2018	1,84,89,145
Changes during the period	-
Closing balance 31.03.2019	1,84,89,145
<b>Fixed Asset Revaluation Reserve</b>	
At 31 March 2018	-
Changes during the period	-
Closing balance 31.03.2019	-
<b>Retained earnings</b>	
At 31 March 2018	(2,16,58,145)
Change during the period	(32,53,110)
Closing balance 31.03.2019	(2,49,11,255)
<b>Other comprehensive reserves</b>	
At 31 March 2018	(2,61,87,833)
Change during the period	(76,30,484)
Closing balance 31.03.2019	(3,38,18,317)
<b>TOTAL</b>	<b>1,97,31,073</b>

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Amount (in Rs.)

Particulars	31 March 2019	31 March 2018
<b>NOTE - 18</b>		
<b>Long Term Provisions</b>		
Provision for Employees Benefits	1,07,008	88,439
<b>Total</b>	<b>1,07,008</b>	<b>88,439</b>
<b>NOTE - 19</b>		
<b>Secured Working Capital Loans from Banks*</b>		
*Secured against Pledge of Fixed Deposit	-	21,38,308
<b>Total</b>	<b>-</b>	<b>21,38,308</b>
<b>NOTE - 20</b>		
<b>Trade Payables</b>		
i) Total outstanding dues of micro enterprises and small enterprises; and	-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,08,800	5,65,336
<b>Total</b>	<b>2,08,800</b>	<b>5,65,336</b>
<b>NOTE - 21</b>		
<b>Other Financial Liabilities</b>		
Others Payables to staffs	-	-
Security Deposits	39,000	39,000
Others Payables	5,70,636	5,72,156
<b>Total</b>	<b>609,636</b>	<b>6,11,156</b>
<b>NOTE - 22</b>		
<b>Current Liabilities</b>		
Advance from customer	-	37,447
Statutory dues	3,23,756	5,02,342
Liability for Expenses	5,48,007	2,28,972
<b>Total</b>	<b>871,763</b>	<b>7,68,761</b>
<b>NOTE - 23</b>		
<b>Short Term Provisions</b>		
Provision for Employees Benefits	3,70,774	2,40,073
<b>Total</b>	<b>3,70,774</b>	<b>2,40,073</b>
<b>NOTE - 24</b>		
<b>Current Tax Liabilities ( Net)</b>		
Advance Income Tax and Tax Deducted as source (Less: Provision for Taxation Rs.Nil (P.Y. Nil)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>NOTE - 25</b>		
<b>Revenue From Operations</b>		
Park Receipts	53,39,910	44,67,560
Sales (Traded Goods)	88,20,434	1,27,81,328
Income from Installation, Erection & Supervision	15,43,636	12,71,493
<b>Total</b>	<b>1,57,03,980</b>	<b>1,85,20,381</b>
<b>NOTE - 26</b>		
<b>Other Income</b>		
Interest on fixed deposit	8,68,320	6,61,757
Dividend Income - non trade-non current investments	3,753	3,216
Income from Advertisement	40,000	30,000
Miscellaneous Income	1,12,727	29,944
Interest on Staff loans	9,436	6,861
Excess Provision written back	-	2,733
Reversal of Provision for doubtful debts	47,734	-
<b>Total</b>	<b>10,81,970</b>	<b>7,34,511</b>

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Amount (in Rs.)

Particulars	31 March 2018	31 March 2017
<b>NOTE - 27</b>		
<b>Change in inventories of Stock in Trade</b>		
Stock -in - Trade		
At the beginning of financial year	39,68,057	45,48,383
At the end of financial year	25,42,441	39,68,057
<b>Net ((Increase)/Decrease)</b>	<b>14,25,616</b>	<b>5,80,326</b>
<b>NOTE - 28</b>		
<b>Employee Benefits Expenses</b>		
Salaries and Wages	38,47,063	40,61,029
Staff Welfare Expenses	1,58,965	1,79,601
Contribution to Provident and other Funds	6,79,433	6,56,542
<b>Total</b>	<b>46,85,461</b>	<b>48,97,172</b>
<b>NOTE - 29</b>		
<b>Finance Costs</b>		
Interest on overdraft with Bank	1,49,812	1,29,315
Interest on Others	-	10,839
<b>Total</b>	<b>1,49,812</b>	<b>1,40,154</b>
<b>NOTE - 30</b>		
<b>Other Expenses</b>		
Repair & Maintenance:		
- Building	64,393	28,950
- Machinery	1,02,502	1,10,743
- Others	42,547	47,486
Power and Fuel	5,92,986	5,57,989
Lease Rent & Hire Charges	25,70,646	12,68,510
Park Running & Maintenance	2,13,722	2,12,416
Rent	42,000	42,000
Rates & Taxes	2,53,637	2,72,082
Consultation & Professional Charges	18,50,930	18,54,889
Postage & Telephone	2,15,392	1,17,033
Advertising & Selling Expenses	1,45,902	1,08,858
Travelling Expenses	3,80,971	5,29,728
Director's Sitting Fee	2,44,000	2,86,000
Auditor's Remuneration		
- Statutory Audit	25,000	25,000
- Tax Audit	15,000	15,000
- For expenses	1,500	24,113
Insurance Charges	-	17,984
Miscellaneous Expenses	4,61,833	7,57,667
Freight - Inward/Outward	1,14,920	3,70,053
Installation & Supervision Expenses	15,19,503	17,42,515
Bank Charges	19,672	18,878
Restaurant Expenditure	6,97,140	-
Film Production Expenses	-	6,12,405
<b>Total</b>	<b>95,74,196</b>	<b>90,20,301</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)**

**31.1 Financial risk management objectives and policies**

The Company's principal financial liability includes Borrowings, Trade payable and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Trade receivables, Cash and cash equivalents and other financial assets that derive directly from its operations. The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management oversees the management of these risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviewed policies for managing each of these risks, which are summarized below:

**a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as regulatory risk and commodity price risk.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations with floating interest rates but the financial implication is not material.

**(ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated payables on account of import and receivables of export value but the financial implication is not material.

**(iii) Regulatory risk**

There is no regulatory risk in the business operations of the company.

**(iv) Commodity price risk**

Prices of commodity are subject to fluctuation. The earthing material price is subject to some fluctuation but it is not a regular feature. Its prices are more or less stable. The Company mitigates this risk by properly planning of stock in hand and sale orders.

**(v) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company has a follow up policy in place with parties, thereby the credit default risk is significantly mitigated.

The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date. Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognized in the Statement of Profit and Loss.

**(vi) Trade receivables**

Trade receivables are non-interest bearing and are generally on credit terms of 3 to 60 days. An impairment analysis is performed at each balance sheet date on an individual basis for major clients.

**(vii) Liquidity Risk**

Liquidity risk refers to the probability of loss arising from a situation where there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers, sale of illiquid assets will yield less than their fair value and illiquid assets will not be sold at the desired time due to lack of buyers. The primary objective of liquidity management is to provide for sufficient cash and cash equivalents at all times and any place in the world to enable us to meet our payment obligations. The company is maintaining cash credit limit to a reasonable level to meet out the current obligation.

The Company's objective is to meet the funding requirement and maintain flexibility in this respect through the use of cash credit facilities, short term loans and commercial papers. The table below summarises the maturity profile of the Company's financial liabilities:

The table below summarises the maturity profile of the Company's financial liabilities:

**(Amount in Rs.)**

Liabilities	Amount	Less than 1 Year	1 to 5 years	More than 5 years
<b>31st March, 2019</b>				
Borrowing	-	-	-	-
Financial Liabilities	19,59,181	10,51,763	9,07,418	-
Trade Payable	2,08,800	2,08,800	-	-
<b>Total</b>	<b>21,67,981</b>	<b>12,60,563</b>	<b>9,07,418</b>	-
<b>31st March, 2018</b>				
Borrowing	21,38,308	21,38,308	-	-
Financial Liabilities	16,70,982	6,82,342	9,88,640	-
Trade Payable	5,65,336	5,65,336	-	-
<b>Total</b>	<b>43,74,626</b>	<b>33,85,986</b>	<b>9,88,640</b>	-

**(viii) Credit risk:** Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's sugar sales are mostly on cash. Power and ethanol are sold to government entities, thereby the credit default risk is significantly mitigated. The Company uses judgement in making these assumptions and selecting the inputs for assessing the impairment

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

calculation, based on the Company's past history, existing market conditions as well as future estimates at the end of each balance sheet date. Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognized in the Statement of Profit and Loss.

Trade receivables are non-interest bearing and are generally on credit terms of 3 to 90 days. An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the balance sheet date is the ageing analysis of the receivables has been considered from the date the invoice falls due:

	(Amount in Rs.)	
Description	31.03.2019	31.03.2018
Up-to 6 months	3,10,175	2,18,143
6 to 12 Months	13,82,716	50,82,051
More than 12 months	-	47,734

Management is of view that although certain amounts are beyond credit period but they are in fact recoverable and not impaired and will be received in due course so balance amount stated as above is at fair value and not liable to Expected credit loss.

#### 31.2 Earnings per Share Ind AS 33

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares

The following reflects the income and share data used in the basic and diluted EPS computation.

Particulars	Year Ended	
	31.03.2019	31.03.2018
Profit attributable to equity holders of the Company:		
Continuing operations	(31,35,853)	(18,08,467)
Profit attributable to equity holders for basic earnings	-	-
Dilution effect	-	-
Profit attributable to equity holders adjusted for dilution effect	(31,35,853)	(18,08,467)
Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted) *	40,00,000	40,00,000
<b>Earnings Per Share (Basic &amp; Diluted)</b>	<b>(0.78)</b>	<b>(0.45)</b>

#### 31.3 Commitments:

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

#### 31.4 Contingent liabilities in respect of:

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

#### 31.5 Related Party Disclosure:Ind AS 24

Following are the related parties:

Holding Company	:	VLS Capital Ltd.
Others	:	VLS Finance Ltd.
Key Managerial Personnel:	-	Shri T. B Gupta (Managing Director)
	-	Shri M.S. Siddiqui (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 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Remuneration to KMP	-	-	Rs.11,15,153/-	Rs.9,15,655/-
No. of equity shares of Rs. 10/- each fully paid up held in the company	23,84,289	23,84,289	-	-

Particulars	Others	
	As at 31.03.2019	As at 31.03.2018
Advertisement Charges	-	5,75,000

S.No.	Particulars	As at 31.03.2019	As at 31.03.2018
a)	Investment in the equity shares of Rs. 10/- each fully paid up of Holding Company	10,00,000	10,00,000

#### 31.6 Operating Leases:Ind AS 17

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.25,70,646/- (Previous Year Rs.12,68,510/-). Future minimum lease payments on non-cancellable lease agreements as at 31.03.2019 are as follows:

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

Particulars	As at 31.03.2019	As at 31.03.2018
	Amount (in Rs.)	Amount (in Rs.)
Not later than 1 year	7,21,183/-	12,90,807/-
Later than 1 year and not later than 5 years	4,49,753/-	19,20,926/-
Later than 5 year and above	—	1,72,703/-
<b>Total</b>	<b>11,70,937/-</b>	<b>33,84,437/-</b>

#### 31.7 Segment Reporting: Ind AS 108

Based on the guiding principles given in the Ind AS-108 "Segment Reporting" issued by ICAI, the management has identified the Company's segments as running of amusement parks and trading in earthing & lightning protection systems.

Particulars	(Amount in Rs.)	
	2018 – 2019	2017 - 2018
<b>Segment Revenue</b>		
a) Entertainment	53,39,910	44,67,560
b) Trading	1,03,64,070	1,40,52,821
c) Others	10,81,970	7,34,511
<b>Total</b>	<b>1,67,85,950</b>	<b>1,92,54,892</b>
<b>Segment Results</b>		
Profit/ (Loss) before interest and tax		
a) Entertainment	(52,68,924)	(40,86,614)
b) Trading	10,71,466	15,73,626
c) Others	10,81,970	7,34,511
<b>Total Profit/ (Loss) before interest and tax</b>	<b>(31,15,488)</b>	<b>(17,78,477)</b>
Less: Interest	1,49,812	1,40,154
Other Un-allocable expenditure net off	-	-
Net Profit before Tax	(32,65,300)	(19,18,631)
Less/(Add) : Taxes expenses (credits)	(1,29,447)	(1,10,164)
Net Profit after Tax	<b>(31,35,853)</b>	<b>(18,08,466)</b>
<b>Segment Assets</b>		
a) Entertainment	1,09,29,878	6,47,73,563
b) Trading	49,29,333	1,00,09,984
c) Others	4,59,31,002	3,00,000
<b>Total Assets</b>	<b>6,17,90,213</b>	<b>7,50,83,547</b>
<b>Segment Liabilities</b>		
a) Entertainment	19,59,181	14,38,963
b) Trading	2,08,800	29,73,110
c) Others	Nil	Nil
<b>Total Liabilities</b>	<b>21,67,981</b>	<b>44,12,073</b>

#### 31.8 Information pertaining to major Customers

Particulars	(Amount in Rs.)	
	2018 – 2019	2017 - 2018
1 Uppal's Housing P. Ltd.	62,67,925/-	27,74,021/-
2 Delhi Metro Rail Corporation Ltd.	-	21,26,668/-
3 Tata Power Delhi Distribution Ltd.	15,06,954/-	-

31.9 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 Indian Accounting Standard -36 on "Impairment on Assets" issued by the Institute of Chartered Accountants of India (ICAI) is sufficient and no further provision is required.

31.10 The company has contributed to PF and ESI Rs.3,90,929/- (Previous Year Rs.4,15,083/-).

#### 31.11 Defined benefit plan

Long term employee benefits in the form of gratuity and leave encashment are considered as defined benefit plan.

The present value of obligation is determined based on actuarial valuation using projected unit credit method as at the balance sheet date. The amount of defined benefits recognized in the balance sheet represent the present value of obligation as adjusted for unrecognized past service cost as reduced by the fair value of plan assets. In accordance with the Ind AS-19, actuarial valuation was done in respect of gratuity and leave encashment defined benefits plans and details of the same are given below:

## SOUTH ASIAN ENTERPRISES LTD.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

(Amount in Rs.)

Actuarial Assumptions	Gratuity As at 31.03.2019	Gratuity As at 31.03.2018	Leave Encashment As at 31.03.2019	Leave Encashment As at 31.03.2018
Discount rate (per annum)	7.75%	7.50%	7.75%	7.50%
Future salary increase	5.00%	5.00%	5.00%	5.00%
Mortality	IALM 2006-08 Ultimate	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	95,853	89,372	6,001	4,509
Interest cost	1,17,614	1,38,053	7,180	8,739
Expected return on plan assets	(1,15,662)	(1,21,725)	—	—
<b>Net expenses recognized</b>	<b>97,805</b>	<b>1,05,700</b>	<b>13,181</b>	13,248
<b>II. Other comprehensive (income)/ expenses (Premeasurement)</b>				
Cumulative unrecognized actuarial (gain)/loss opening. B/F	(80,666)	3,60,097	(15,981)	(39,882)
Actuarial (gain)/loss – obligation	1,34,609	(1,01,441)	23,878	(15,981)
Actuarial (gain)/loss – plan assets	(32)	20,775	—	—
Total Actuarial (gain)/loss	1,34,577	(80,666)	23,878	(15,981)
<b>Cumulative total actuarial (gain)/loss. C/F</b>	<b>53,911</b>	<b>2,79,431</b>	<b>7,897</b>	<b>(55,863)</b>
<b>III. Net liability/(assets) recognized in the balance sheet at the year end</b>				
Present value of obligation at the end of period	18,65,670	15,17,594	1,29,706	92,647
Fair value of the plan asset at the end of period	17,78,393	14,92,412	—	—
Funded status [(surplus)/(deficit)]	(87,277)	(25,182)	1,29,706	92,647
<b>Net asset/(liability) as at 31<sup>st</sup> March, 2019</b>	<b>(87,277)</b>	<b>(25,182)</b>	<b>1,29,706</b>	<b>(92,647)</b>
<b>IV. Change in present value of obligation during the year</b>				
Present value of obligation at the beginning of period	15,17,594	17,81,326	92,647	1,12,764
Current service cost	95,853	89,372	6,001	4,509
Interest cost	1,17,614	1,38,053	7,180	8,739
Benefits paid	—	(3,89,716)	—	(17,384)
Actuarial loss/ (gain) on obligations	1,34,609	(1,01,441)	23,878	(15,981)
<b>Present value of obligation at the year end</b>	<b>18,65,670*</b>	<b>15,17,594</b>	<b>1,29,706</b>	<b>92,647</b>
<b>V. Change in present value of fair value of plan assets</b>				
Fair value of plan assets as at the beginning of period	14,92,412	15,70,643	—	—
Expected return on plan assets	1,15,662	1,21,725	—	—
Contributions	1,70,287	2,10,535	—	—
Benefits paid	—	(3,89,716)	—	—
Actuarial loss/ (gain)	32	(20,775)	—	—
<b>Fair value of plan assets at the year end</b>	<b>17,78,393</b>	<b>14,92,412</b>	—	—
<b>VI. Present Benefit Obligation at the end of the year</b>				
Current Liability (Amount due within one year)	<b>5,67,128</b>	<b>3,53,233</b>	<b>22,698</b>	<b>4,208</b>
Non-Current Liability (Amount due over one year)	<b>12,98,542</b>	<b>11,64,361</b>	<b>1,07,008</b>	<b>88,439</b>

\* Gratuity: LIC of India

#### Maturity profile of defined benefit obligation

Particulars	As on 31/03/2019	As on 31/03/2018
Weighted average duration (based on discounted cash flows) in years	6	7

**Sensitivity Analysis:** Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Period	As on: 03/31/2018
Defined Benefit Obligation (Base)	18,65,670 @ Salary Increase Rate : 5%, and discount rate :7.75%
Liability with x% increase in Discount Rate	17,97,719; x=1.00% [Change (4)% ]
Liability with x% decrease in Discount Rate	19,39,533; x=1.00% [Change 4% ]

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

(Amount in Rs.)

Liability with x% increase in Salary Growth Rate	19,40,820; x=1.00% [Change 4% ]
Liability with x% decrease in Salary Growth Rate	17,95,376; x=1.00% [Change (4)% ]
Liability with x% increase in Withdrawal Rate	18,73,125; x=1.00% [Change 0% ]
Liability with x% decrease in Withdrawal Rate	18,57,701; x=1.00% [Change 0% ]

31.12(a) Value of Imports calculated on CIF basis:

Particulars	As on 31/03/2019	As on 31/03/2018
	Amount (in Rs.)	Amount (in Rs.)
CIF Value of Import (Stock-in-Trade)	5,81,381/-	1,94,190/-

(b) Earnings in Foreign Exchange:

Particulars	As on 31/03/2019	As on 31/03/2018
	Amount (in Rs.)	Amount (in Rs.)
FOB Value of Export (Stock-in-Trade)	2,82,113/-	21,68,733/-
Freight on Sale in India	-	17,700/-
Courier Charges on Sale	885/-	7,032/-
Total	2,82,998/-	21,93,465/-

**31.13** 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.

**31.14** 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.

**31.15** Details of Investments made pursuant to requirements of Section 186(4) of the Companies Act, 2013 are given in Note No.5.

**31.16** Park receipts of Rs.53,39,910/- (Previous Year Rs.44,67,560/-) is net off GST Rs.9,25,991/- ( Previous Year Rs.8,92,512/-).

#### 31.17 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 3% and 10%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and short term deposits.

Particulars	As on 31/03/2019	As on 31/03/2018
Borrowings	-	21,38,308
Other Liabilities	19,59,181	16,70,982
Trade and other payables	2,08,800	5,65,336
Less: Cash and short term deposits	8,10,108	4,79,818
<b>Net debts</b>	<b>13,57,873</b>	<b>38,94,808</b>
Equity	3,99,90,500	3,99,90,500
Other Equity	1,97,31,073	3,06,14,667
<b>Total Capital</b>	<b>5,97,21,573</b>	<b>7,06,05,167</b>
Capital and net debt	6,10,79,446	7,45,37,421
Gearing ratio %)	2.22%	5.23%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

#### 31.18 Fair value

i) Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

(Amount in Rs.)

Particulars	Carrying Value		Fair Value	
	As at 31-Mar-19	As at 31-Mar-18	As at 31-Mar-19	As at 31-Mar-18
<b>Financial assets</b>				
<u>FVOCI financial instruments:</u>	-	-	-	-
Unquoted equity shares	5,33,21,575	4,43,91,307	4,57,33,490	5,33,21,575
Quoted equity Shares	2,34,914	2,65,425	1,97,512	2,34,914
<b>Total</b>	<b>5,35,56,489</b>	<b>4,46,56,732</b>	<b>4,59,31,002</b>	<b>5,35,56,489</b>

Financial liabilities						
<u>Obligation under finance lease</u>	-	-	-	-	-	-
<u>Fixed rate borrowings</u>	-	-	-	-	-	-
<u>Floating rate borrowings</u>	-	-	-	-	-	-

- a) The management assessed that cash and cash equivalents, other bank balances, trade receivables and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.
- b) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- c) Long-term fixed-rate and variable-rate receivables/Borrowings are evaluated by the company based on parameters such as interest Rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- d) Non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- e) The fair values of the unquoted equity shares have been estimated using a net asset value method.
- f) The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2019 was assessed to be insignificant.

ii) **Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019:**

(Amount in Rs.)

Particulars	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value</b>					
<b>FVOCI financial</b>					
<b>FVOCI financial instruments:</b>					
Unquoted equity shares	31-Mar-19	4,57,33,490	-	-	4,57,33,490
Quoted Equity Shares	31-Mar-19	1,97,512	1,97,512	-	-

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2018:**

Particulars	Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
<b>Assets measured at fair value</b>					
<b>FVOCI financial</b>					
<b>FVOCI financial instruments:</b>					
Unquoted equity shares	31-Mar-18	5,33,21,575	-	-	4,57,33,490
Quoted Equity Shares	31-Mar-18	2,34,914	2,34,914	-	-

## SOUTH ASIAN ENTERPRISES LTD.

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd..)

iii) **Description of significant unobservable inputs to valuation:**

The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2019, 31 March 2018 are as shown below

S. No.	Description	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
1	FVTOCI assets in unquoted equity shares	Net Asset Value	-	-	-

**30.19** Quoted shares (Reliance Mediaworks Ltd) are not traded in the stock exchanges since 28/04/2014, the total cost has been taken as Rs.1/-

**30.20 The tenure of the lease are as under:**

S. No.	Particulars
1	Kanpur Park lease is expiring on 28/01/2021
2	Lucknow Park lease is expiring on 16/09/2019

**31.21** 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 Agiwal & Associates**

Chartered Accountants

(FRN : 000181N)

**For & on behalf of the Board**

**P.C.Agiwal**

Partner

Membership No. 080475

Place: New Delhi

Date : 16/05/2019

**T. B. Gupta**

Managing Director

DIN: 00106181

**M.P. Mehrotra**

Director

DIN:00016768

**R.C. Pandey**

Company Secretary

PAN: AJRPP6072H

**M.S. Siddiqui**

Chief Financial Officer

PAN: DKXPS9663D

\* \* \* \* \*

# SOUTH ASIAN ENTERPRISES LIMITED

CIN: L91990UP1990PLC011753

Regd. Office: Mikky House, K-Block, Kidwai Nagar, Kanpur -208 011 (U.P.), Phone : 0512-2606859

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

Re : 30<sup>th</sup> Annual General Meeting on Saturday, the 7<sup>th</sup> day of September, 2019

## Form of Proxy

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

Name of the Member(s):	
Registered Address:	
E-Mail id:	
Folio No./DP ID/Client ID:	
No. of Shares Held:	

I/We, being the holder(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1.	Name:		Signature of proxy
	Address:		
	E-Mail id:		
Or failing him			
2.	Name:		Signature of proxy
	Address:		
	E-Mail id:		
Or failing him			
3.	Name:		Signature of proxy
	Address:		
	E-Mail id:		

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company, to be held on the 7<sup>th</sup> day of September, 2019 at 12:30 P.M. at Mikky House, K-Block, Kidwai Nagar, Kanpur -208 011 (U.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution number	Description	(Optional)	
		For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the Audited Balance Sheet of the Company as at 31 <sup>st</sup> March, 2019, the Statement of Profit & Loss for the year ended on that date together with the Report of Auditors and Directors thereon.		
2	To appoint a Director in place of Shri Kishan Kumar Soni – Director (DIN:00106037) who retires by rotation and being eligible, offers himself for re-appointment.		
<b>Special Business</b>			
3	<b>Special Resolution</b> for appointment of Shri Priya Brat (DIN: 00041859) as an Independent Director of the Company for the 2 <sup>nd</sup> term of five consecutive years.		
4	<b>Special Resolution</b> for appointment of Shri Rajendra Kumar Goswami (DIN: 00106911) as an Independent Director of the Company for the 2 <sup>nd</sup> term of five consecutive years.		
5	<b>Special Resolution</b> for appointment of Dr. Srinivasan Ramesh (DIN: 00126120) as an Independent Director of the Company for the 2 <sup>nd</sup> term of five consecutive years.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of Shareholder \_\_\_\_\_

Signature of Proxy Holder(s) \_\_\_\_\_

Affix  
Revenue  
Stamp

**NOTE:**

1. The Proxy Form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting. A Proxy need not be a Member.
2. The form should be signed across the stamp as per specimen signature registered with the Company.
3. In case of joint holding, all the joint holders must sign the proxy form.
4. It is optional to put an "X" in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

# SOUTH ASIAN ENTERPRISES LIMITED

CIN: L91990UP1990PLC011753

Regd. Office: Mikky House, K-Block, Kidwai Nagar, Kanpur -208 011 (U.P.), Phone : 0512-2606859

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 SLIP

30<sup>th</sup> Annual General Meeting  
Saturday, the 7<sup>th</sup> day of September, 2019

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)	

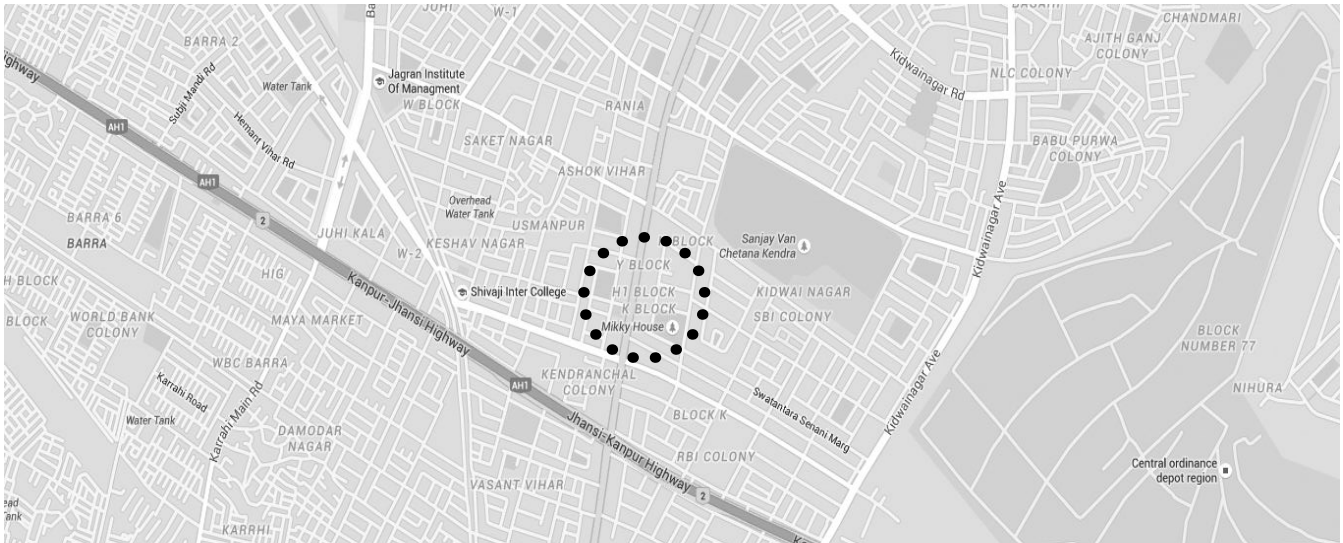
I hereby record my presence at the 30<sup>th</sup> Annual General Meeting of the Company at Mikky House, K-Block, Kidwai Nagar, Kanpur -208 011 (U.P.) at 12.30 p.m. on Saturday, the 7<sup>th</sup> day of September, 2019.

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

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

### NOTES:

1. Member/Proxy wishing to attend the meeting must present this slip filled in at the Entrance of the Venue.
2. No Gift/Coupon or equivalent will be given to members who are attending the meeting.
3. For convenience of members, persons other than member/proxy will not be allowed inside the venue.
4. Shareholders/proxy holders desiring to attend the meeting should bring his/her copy of Annual Report for reference at the Meeting.



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

**BOOK POST**

*If not delivered, please return to :*

**SOUTH ASIAN ENTERPRISES LIMITED**  
2nd Floor, 13, Sant Nagar, East of Kailash,  
New Delhi - 110 065

print at : Delhi press email : delhi.press02@gmail.com