



**SOUTH ASIAN  
ENTERPRISES LTD.**

# XXVI ANNUAL REPORT 2014-2015

## South Asian Enterprises Limited

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

**CORPORATE OFFICE :**

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East of Kailash, New Delhi-110 065  
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**SHARE TRANSFER & INVESTOR SERVICES**

**RCMC Share Registry Pvt. Ltd.**  
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**email : southasianenterprises@gmail.com,**  
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# SOUTH ASIAN ENTERPRISES LIMITED

**TWENTY SIXTH ANNUAL GENERAL MEETING**  
at Mikky House, K-Block Kidwai Nagar,  
Kanpur - 208 011 (U.P.)  
at 12:30 p.m.  
on Saturday, 26th September, 2015

## BOARD OF DIRECTORS :

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

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

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

## COMPANY SECRETARY

Shri R. C. Pandey

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

## EQUITY SHARES ARE LISTED AT :

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

## AUDITORS :

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

## BANKERS

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

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# SOUTH ASIAN ENTERPRISES LTD.

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the Twenty Sixth Annual Report of your Company with the Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2015.

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

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Total Income	225.27	257.25
Less: Total Expenditure	190.64	239.95
Less: Interest	0.53	2.46
Gross Profit/(loss)	34.10	14.84
Less: Depreciation	4.22	5.57
Less: Provision for Taxation (Net)	9.02	6.92
Other provisions	0.00	0.00
Net Profit after tax	20.86	2.35
Paid up Equity Share Capital (excluding calls in arrears)	399.90	399.90
Reserves excluding revaluation reserve*	815.53	795.77
Earnings per share (Rs.)	0.52	0.06

\* post adjustment for transitional provision for depreciation of fixed assets of Rs. 1.10 lacs.

### 2. Management Discussion and Analysis

#### Financial Review

Your Company recorded a total income of Rs.225.27 lacs during the year under review compared to previous year's figure of Rs. 257.25 lacs. The Company has earned a net profit of Rs. 20.86 lacs in the year under review as compared to previous year's figure of Rs. 2.35 lacs. The marketing of earthing products and execution of contracts for earthing and lightning protection systems continued to make a significant contribution to the total revenue of the Company though there was decline in revenue generation in this segment compared to previous year. The Company expects good progress in this segment during the year and the coming years will witness better results.

In discussion on financial performance with respect to operational performance and segment wise performance, your Company's revenue from amusement parks is showing increasing trend for the last couple of years, though external factors have had an impact on the revenue generation and profit margins. Rising inflation, relatively low per capita incomes and other factors in the regions where amusement parks are located have major influence on earnings from this segment. Trading segment has shown continued performance and the Company is bullish in this segment. The Company is persistent in its efforts to weather out the negative bearings and advance its performance in these areas.

Your Company became subsidiary of VLS Capital Limited a group Company on February 3, 2015 after VLS Finance Limited sold its stake in Company to VLS Capital Limited.

#### Industry Structure and Development

Your Company has successfully executed contracts awarded to it by Government agencies and other parties in the electrical engineering segment and aims to further enhance its capabilities and record significant growth in future. The Company is closely monitoring the current market scenario and economic situation for sustaining its growth.

#### Outlook, Risks and Concerns

Emphasis on quality maintenance including renovations carried out at the amusement park at Kanpur during last year has given the place a new feel and has helped in increasing the footfalls. However, the increased cost of improvement/ new rides; the maintenance expenditure and stiff competition from other sources of entertainment have adversely affected the profitability of this segment. Your Company already operates

on thin margins and infusion of funds on improvement/ new rides is a constant challenge. The entry costs have to be kept low to keep the parks within the reach of masses that have further stressed the cash flows. With the imposition of 14% service tax and increase in entertainment tax it has become very challenging to boost revenue. The recurrent loss in this segment is being monitored closely to keep it to the minimum. The electrical engineering segment viz. earthing and lightning protection systems business has responded well as the Company has executed orders to the customers' satisfaction including for some government departments. The power plants, electronics and other hi-tech centers where earthing is significantly important are target customers of Company apart from high rise buildings, hotels and residential units etc. The Company is exploring all possible areas in order to establish strong foothold in this arena. Additionally, some of the new areas where Company can have possibilities of revenue generation are being examined.

#### Opportunities and Threats

The Company is exposed to normal industry risks attributable to respective segments. In order to meet the challenge of sustaining itself despite strained margins in amusement segment, the strategy is to focus on increasing the number of visitors, exploring avenues for diversification and accordingly appropriate measures are being initiated/ implemented. In electrical engineering segment, the Company uses the latest technology for earthing and lightning protection installations which are proven to give better results as compared to traditional techniques. We have made a small beginning in exports, sensing good opportunities. However, due to relatively higher cost and lack of awareness about said technology amongst target clients, there is tough competition. To meet the challenge, the Company aims not only to educate or spread awareness about its products but also secure credentials from its clients about the superiority of its products.

#### Internal financial Control Systems

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

The Audit Committee reviews the internal control mechanisms periodically.

The Company's venture of dealing in earthing materials and lightning protection systems in the electrical engineering segment has been categorised under the head "Trading" for the purpose of segment reporting in the Annual Accounts for the year under review. Similarly, other income has been categorised under the head "Others". Segment wise, the entertainment sector generated revenue of Rs. 49.86 lacs and the Trading segment's revenue amounted to Rs.158.83 lacs during the year under review.

The other income accounted for Rs. 16.63 lacs. The segment of entertainment incurred a loss of Rs. 21.77 lacs. However, the profit from trading segment of Rs. 35.54 lacs coupled with 'other' segment's income of Rs. 16.63 lacs resulted in a profit of Rs. 20.86 lacs after adjusting for unallocables and taxes. Your Board is hopeful of better performance in future.

#### Human Resource/ Industrial relations front

The relationship with employees continued to be cordial during the year. The Directors place on record their sincere appreciation to the employees at all levels. In terms of 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 Company has a team of able and experienced industry professionals. The number of employees on the Company's rolls stood at 35.

## 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 factors.

### 3. Dividend and Reserves

Due to inadequate profit, no dividend is recommended and no amount has been transferred to the general reserve.

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

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

#### i) Directorate:

Shri M.P. Mehrotra resigned as Director w.e.f. 08.09.2014. Shri Gian Vijeshwar resigned as Director w.e.f. 01.12.2014. Dr. (Mrs.) Sushma Mehrotra was appointed as Director in casual vacancy caused by the resignation of Shri M.P. Mehrotra on 12.02.2015 but due to her untimely demise, she ceased to be director w.e.f. 09.04.2015.

Dr. (Mrs.) Neeraj Arora has been appointed as Additional Director on 29/05/2015. Her candidature for appointment as Director of the Company, liable to retire by rotation has been proposed by a member. The Board recommends her appointment as Director of the Company.

#### ii) Key Managerial Personnel

Shri T. B. Gupta was appointed Managing Director through Special Resolution passed in previous Annual General Meeting on 27/09/2014 for a period of three years w.e.f. 30/09/2014 and also receives remuneration from the holding company i.e. VLS Capital Ltd.

Shri S. P. Singh was appointed as Chief Financial Officer w.e.f. 14/11/2014. Shri R. C. Pandey was appointed as Company Secretary w.e.f. 13/02/2014.

Further, Shri Anurag Bhatnagar - Director, will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

### 5. Contracts with Related Party

The summary of related party transactions has been disclosed under note no. 27 annexed to the balance sheet of the Company as on 31/03/2015. Disclosure in form no. AOC-2 is enclosed as **Annexure-A** to this report.

### 6. Annual Return Extract

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure-B**.

### 7. Corporate Governance and Compliance Certificate

Good governance practices stem from the dynamic culture and positive mindset of the organisation. The Company is committed to meet the aspirations of all of the 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 revised clause 49 of the listing agreement stipulating

report on corporate governance is not applicable to the Company in terms of SEBI Circular No CIR/CFD/POLICY CELL/7/2014 dated 15/09/2014. Hence separate report on corporate governance has been dispensed with. The Company, however, continues to follow the best corporate governance practices.

### 8. Board Meetings

During the year ended 31/03/2015, 4 (Four) Board Meetings were held with one meeting in every quarter on 28/05/2014, 13/08/2014, 13/11/2014, and 12/02/2015.

### 9. Composition of Audit Committee

As on 01/04/2014 the Audit Committee comprised Shri P. K. Sharan (Chairman of the Committee) with Shri R. K. Goswami, Shri K. K. Soni, Shri Priya Brat and Dr. S. Ramesh as members. Majority of the members are Independent Directors including Chairman of the committee and during the year ended 31/03/2015, 4 (Four) Audit Committee Meetings were held with one meeting in every quarter on 28/05/2014, 13/08/2014, 13/11/2014, and 12/02/2015.

### 10. Composition of Corporate Social Responsibility Committee

Since the Company does not meet the criteria of applicability of provisions of section 135 of the Companies Act, 2013, it is not required to comply with provisions relating to Corporate Social Responsibility.

### 11. Evaluation of Board/Committees/Individual

The aim of the Board's evaluation was 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. Clause 49 of the listing agreement mandates that the Board shall monitor and review the Board evaluation framework, the Companies Act 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Board works with Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of executive/non-executive / independent directors through a peer-evaluation effectiveness survey.

The evaluation process comprised:

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

The evaluation concluded that the Board and its Committees were overall effective and recommendations were provided to ensure that the Board and its Committees remained fully effective as Corporate Governance continues to advance and evolve.

Given the experience and qualifications of the Board members, the Board did not consider it necessary to engage external persons to facilitate the evaluation process. Most directors come from a corporate environment and so they are accustomed to having their performance regularly evaluated.

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

## 12. Declaration by 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 agreement. No independent director has been appointed by a special resolution by the Company, as all are in their first five year term.

## 13. Training of directors/independent directors

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

## 14. Directors Responsibility Statement

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

- a. that in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- b. that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. that they have prepared the Annual Accounts for the financial year ended 31<sup>st</sup> March, 2015 on a 'going concern' basis.
- e. Internal Financial controls were adequate and effective.
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating

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

## 15. Policies (weblink: [www.saelltd.com](http://www.saelltd.com))

The Board has approved following policies to facilitate operations and achieving optimal performance:

### A. Vigil Mechanism

Section 177 of the Companies Act, 2013 require 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 following policy for implementing Vigil Mechanism.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. Vigil (whistleblower) mechanism provides a channel to the employees and directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct or policy. The mechanism provides for adequate safeguards against victimization of directors and employees to 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.

## B. Nomination and Remuneration Policy

### Title:

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

### Objective:

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

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

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

### Definitions:

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

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

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

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

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

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

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

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

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

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

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

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

### Contents

This Policy contains following:

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

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

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

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

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

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

- a) by way of selection from the data bank of Independent Directors maintained by the Government.
- b) Upon recommendation by Chairman or other Director.

The appointment may be made either to fill up a vacancy caused by resignation, death or removal of an existing Non-Executive Director or it may be appointment as an additional director or an alternate director.

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

- a) While appointing a Director, it shall always be ensured that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- b) In case of appointment as an Executive Director, the candidate must have the relevant technical or professional qualifications and experience as are considered necessary based on the job description of the position. In case no specific qualification or experience is prescribed or thought necessary for the position then, while recommending the appointment, the HR Department shall provide the job description to the Committee and justify that the qualifications, experience and expertise of the recommended candidate are satisfactory for the relevant appointment. In such circumstances, the Committee may, if considered necessary, call for an expert opinion on the appropriateness of the qualifications and experience of the candidate for the position of the Executive Director.
- c) In case of appointment as a Non-Executive Director, the candidate must be a graduate or possess diploma or a professional qualification in the field of his practice / profession / service and shall have not less than five years of working experience in such field as a professional in practice, advisor, consultant or as an employee, provided that the Board may waive the requirements of qualification and / or experience under this paragraph for a deserving candidate.
- d) The Board, while making the appointment of a Director, shall also try to assess from the information available and from the interaction with the candidate that he is a fair achiever in his chosen field and that he is a person with integrity, diligence and open mind.

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

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

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

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

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

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

- a) While determining the remuneration of Executive Directors and Key Managerial Personnel, the Board shall consider following factors:
  - i) Criteria / norms for determining the remuneration of such employees prescribed in applicable statutory provisions and Company's internal criteria for remuneration.
  - ii) Existing remuneration drawn.
  - iii) Industry standards, if the data in this regard is available.
  - iv) The job description.
  - v) Qualifications and experience levels of the candidate,
  - vi) Remuneration drawn by the outgoing employee, in case the appointment is to fill a vacancy on the death, resignation, removal etc. of an existing employee.
  - vii) The remuneration drawn by other employees in the grade with matching qualifications and seniority, if applicable.
- b) The determination of remuneration for other employees shall be governed by the HR Policy.
- c) The proposal for the appointment of an Executive Director / Key Managerial Personnel shall provide necessary information in this regard including recommendation of Committee to the Board in arriving at the conclusion as to whether or not the remuneration offered to the candidate is appropriate, reasonable and balanced as to the fixed and variable portions (including the commission).
- d) The remuneration payable to the Executive Directors, including the Commission and value of the perquisites, shall not exceed the permissible limits as are mentioned within the provisions of the Companies Act, 2013.
- e) The Executive Directors shall not be eligible to receive sitting fees for attending the meetings of the Board or committees thereof.
- f) The Non-Executive Directors shall not be eligible to receive any remuneration /salary from the Company. However, the

Non-Executive Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be decided by the Board / shareholders from time to time.

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

- g) The amount of sitting fee and commission payable to Non-Executive Directors shall not exceed the limits prescribed therefor under the provisions of the Companies Act, 2013.

Explanation: For the purposes of this Policy, Remuneration shall mean the Cost to the Company and shall include the salary, allowances, perquisites, performance incentive and any other facility provided or payment made to the employee.

#### (V) **Training of Independent Directors**

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

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

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

#### **Interpretation:**

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

#### **Amendments:**

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

#### **C. 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 woman Director on the Board. There were no complaints received from any employee during

the year under review and no complaints were pending as on 31/03/2015.

#### **16. Risk Management Policy**

The Company has formulated a Risk Management Policy to ensure appropriate risk management within its systems and culture. The Company operates in a competitive environment and is generally exposed to various risks at different times such as technological risks, business risks, operational risks, financial risks, etc. The Board of Directors and the Audit Committee of the Company periodically reviews the Risk Management Policy of the Company so that the Management controls the risk through properly defined network.

The Company has a system based approach to business risk management backed by strong internal control systems. A strong independent Internal Audit Function at the corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk managements processes may need to be improved. The Board reviews internal audit findings, and provided strategic guidance on internal controls, monitors the internal control environment within the Company and ensures that Internal Audit recommendations are effectively implemented.

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

#### **17. Auditors**

##### **Statutory Auditors**

The Auditors, M/s. Anil Pariek & Garg, Chartered Accountants, will retire at the forthcoming Annual General Meeting. The Company has received a certificate from the Auditors stating that they are qualified under section 139 of the Companies Act, 2013 to act as the Auditors of the Company, if appointed. Concurring with the recommendation of the Audit Committee, the Board of Directors recommends their appointment as Statutory Auditors for the next term. The Board may also be authorised to fix their remuneration. In terms of section 139 (2) read with Rule 6 of Companies (Audit and Auditors ) Rules, 2014 the present auditors can be appointed for two consecutive terms of one year each starting from present proposal before being subjected to compulsory rotation of Auditors.

##### **Secretarial auditor**

Ms. Pooja Gandhi, Practicing Company Secretary was appointed to conduct the secretarial audit of the Company for the financial year 2014-15, as required under section 204 of the Companies Act, 2013 and rules thereunder. The Secretarial Audit Report submitted by Company Secretary in Practice is enclosed as a part of this report as **Annexure D**.

#### **18. Auditors' Report**

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

#### **19. Listing**

The shares of the Company are listed only at the BSE Ltd., (formerly The Bombay Stock Exchange), Mumbai. The Company has paid the annual listing fees for the financial year 2015-16 to the said stock exchange.

#### **20. Deposits**

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

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

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

Members are advised to convert their shares from Physical Form to Dematerialized Form. Dematerialization of shares provides several benefits to the shareholders. The transaction of shares can be carried out quickly and in an easy way. Holding securities in Demat Form helps the investors to get immediate transfer of securities. No stamp duty is payable on transfer of shares held in Demat Form and the brokerage involved is also lower. The incidence of non-delivery or bad delivery and the risks associated such as forged transfers that occurs for the shares when held in physical form is totally avoided. Further, the sale and purchase of Company's shares through a stock exchange is possible if the shares are held in dematerialized form only. Hence, members holding in physical form can not sell the shares through stock exchange unless the physical shares are converted in dematerialized form.

**22. 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 2014-2015 is required to be enclosed. Accordingly, there is no need of consolidation of accounts.

**23. Statutory Information**

1. The information as required under Section 134(3)(m) if the Companies Act, 2013 read with rules thereunder, with respect to Conservation of Energy and Technology Absorption is enclosed as **Annexure E** and forms part of this report.
2. There was no proposal during the year under review for buy back of shares by the Company.
3. Your company has not made any investment or provided any loan or guarantee exceeding the limits under section 186 of the Act, nor has it issued equity shares with differential voting rights or

has any scheme of stock options for its employees. Hence no disclosure is required.

4. Company does not have any subsidiaries or associates in terms of section 134 read with rule 8(1) of the Companies (Accounts) Rules, 2014.
5. Your company has not approved any scheme relating to provision of money to be held in a trust for the benefit of the employees in terms of section 67(3)(b) of the Companies Act, 2013.
6. No revision of financial statements or boards report has been made.(S.131(1))
7. No material orders were passed during the year under review impacting the going concern of the status and operations of the Company.

**24. Acknowledgement**

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

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

**Date: 10/8/2015**  
**Place: New Delhi**

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

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

**Annexure A**

**Form No. 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, 2015, 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.



# SOUTH ASIAN ENTERPRISES LTD.

Annexure B

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

as on financial year ended on 31.03.2015

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 Phone Nos. 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., B-25/1 First Floor, Okhla Industrial Area Phase-II, New Delhi-110020 Phone Nos. 011 – 26387320 Fax 011-26387322

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Amusement Park and Electrical Engg Services	99546199	22.11
2	Trading		70.51

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

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	VLS Capital Ltd. C-561, Defence Colony, New Delhi- 110024	U67190DL1985PLC022302	Holding Company	59.61	2(46)

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

**(i) Category-wise Share Holding**

Category of Shareholders	No. of shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
(1) Indian									
a) Individual/HUF	56610	20	56630	1.42%	56610	20	56630	1.42%	0.00%
b) Central Govt.or State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corporates	2384089	200	2384289	59.61%	2384089	200	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>2440699</b>	<b>220</b>	<b>2440919</b>	<b>61.02%</b>	<b>2440699</b>	<b>220</b>	<b>2440919</b>	<b>61.02%</b>	<b>0.00%</b>

**SOUTH ASIAN ENTERPRISES LTD.**

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>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>2440699</b>	<b>220</b>	<b>2440919</b>	<b>61.02%</b>	<b>2440699</b>	<b>220</b>	<b>2440919</b>	<b>61.02%</b>	<b>0.00%</b>
<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) FIIS	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>200</b>	<b>200</b>	<b>0.01%</b>	<b>0</b>	<b>200</b>	<b>200</b>	<b>0.01%</b>	<b>0.00%</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	120317	256100	376417	9.41%	127089	256000	383089	9.58%	0.17%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	499725	494945	994670	24.87%	495856	488345	984201	24.61%	-0.26%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	171169	12700	183869	4.60%	162556	0	162556	4.06%	-0.53%
c) Others (specify)									
a) NRI / OCB	500	0	500	0.01%	500	0	500	0.01%	0.00%
b) Foreign National	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Clearing Member	3425	0	3425	0.09%	28535	0	28535	0.71%	0.63%
d) LLP	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Trust	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>SUB TOTAL (B)(2):</b>	<b>795136</b>	<b>763745</b>	<b>1558881</b>	<b>38.97%</b>	<b>814536</b>	<b>744345</b>	<b>1558881</b>	<b>38.97%</b>	<b>0.00%</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>795136</b>	<b>763945</b>	<b>1559081</b>	<b>38.98%</b>	<b>814536</b>	<b>744545</b>	<b>1559081</b>	<b>38.98%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>3235835</b>	<b>764165</b>	<b>4000000</b>	<b>100.00%</b>	<b>3255235</b>	<b>744765</b>	<b>4000000</b>	<b>100.00%</b>	<b>0.00%</b>

## 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	Shri M. P. Mehrotra	6510	0.16%	0.00	6510	0.16%	0.00	0.00%
2	Shri Ramji Mehrotra	10	0.00%	0.00	10	0.00%	0.00	0.00%
3	VLS Capital Ltd.	673000	16.83%	0.00	2384289	59.61%	0.00	42.78%
4	Ms. Divya Mehrotra	50100	1.25%	0.00	50100	1.25%	0.00	0.00%
5	VLS Finance Ltd.	1711289	42.78%	0.00	0	0.00%	0.00	-42.78%
6	Dr. (Mrs) Sushma Mehrotra	10	0.00%	0.00	10	0.00%	0.00	0.00%
7	Shri Somesh Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
8	Mrs. Sushma Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
9	Mrs. Sadhana Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
10	VLS Commodities Pvt. Ltd.	0	0.00%	0.00	0	0.00%	0.00	0.00%
11	Pragati Moulders Ltd.	0	0.00%	0.00	0	0.00%	0.00	0.00%
12	M. P. Mehrotra (HUF)	0	0.00%	0.00	0	0.00%	0.00	0.00%
13	Ms. Daya Mehrotra	0	0.00%	0.00	0	0.00%	0.00	0.00%
14	VLS Securities Ltd.	0	0.00%	0.00	0	0.00%	0.00	0.00%
15	VLS Asset Management Ltd.	0	0.00%	0.00	0	0.00%	0.00	0.00%
	<b>Total</b>	2440919	61.02%	0.00	2440919	61.02%	0.00	0.00%

### (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	VLS Capital Limited					
	At the beginning of the year	1/4/2014	673000	16.83%	673000	16.83%
	At the end of the year	3/2/2015	1711289	42.78%	2384289	59.61%
2	VLS Finance Ltd.					
	At the beginning of the year	1/4/2014	1711289	42.78%	1711289	42.78%
	At the end of the year	3/2/2015	0	0.00%	0	0.00%

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

S.No	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Share holding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	DHAMPUR SUGAR MILLS LTD					
	At the beginning of the year		250000	6.25	250000	6.25
	At the end of the year				250000	6.25
2	VSL SECURITIES PRIVATE LIMITED					
	At the beginning of the year		78379	1.96	78379	1.96
	At the end of the year				78379	1.96
3	SANGEETHA S					
	At the beginning of the year		60060	1.5	60060	1.5
	At the end of the year				60060	1.5

## 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	
4	SARLA SINGHAL						
		At the beginning of the year	47749	1.19	47749	1.19	
		At the end of the year			47749	1.19	
5	SANJAYKUMAR SARAWAGI						
		At the beginning of the year	28994	0.72	28994	0.72	
		23/01/2015	Transfer	122	0	29116	0.73
		06/02/2015	Transfer	780	0.02	29896	0.75
		At the end of the year			29896	0.75	
6	MANJULATA JITENDRAKUMAR RANKA						
		At the beginning of the year	21474	0.54	21474	0.54	
		30/06/2014	Transfer	5500	0.14	26974	0.67
		30/01/2015	Transfer	500	0.01	27474	0.69
		13/02/2015	Transfer	-27474	-0.69	0	0
	At the end of the year			0	0		
7	ARUN KUMAR SANCHETI (HUF) .						
		At the beginning of the year	12892	0.32	12892	0.32	
		At the end of the year			12892	0.32	
8	PARMANAND KHANDWALA						
		At the beginning of the year	12700	0.32	12700	0.32	
		31/07/2014	Transfer	-12000	0.3	700	0.02
		13/03/2015	Transfer	700	0.02	700	0.02
	At the end of the year			700	0.02		
9	GANDHI SECURITIES & INVESTMENT PRIVATE LIMITED						
		At the beginning of the year	9600	0.24	9600	0.24	
		At the end of the year			9600	0.24	
10	VIVEK KUMAR KHEMKA						
		At the beginning of the year	9142	0.23	9142	0.23	
		At the end of the year			9142	0.23	
11	SATCO CAPITAL MARKETS LIMITED						
		At the beginning of the year	0	0	0	0	
		20/02/2015	Transfer	27474	0.69	27474	0.69
	At the end of the year			27474	0.69		
12	EDELWEISS FINANCIAL ADVISORS LIMITED						
		At the beginning of the year	0	0	0	0	
		04/04/2014	Transfer	5721	0.14	5721	0.14
		30/05/2014	Transfer	100	0	5821	0.15
		31/12/2014	Transfer	-100	0	5721	0.14
		20/02/2015	Transfer	-5721	-0.14	0	0
	At the end of the year			0	0		
13	JITENDRA M. KANODIA						
		At the beginning of the year	0	0	0	0	
		04/04/2014	Transfer	5850	0.15	5850	0.15
	At the end of the year			5850	0.15		
14	GALARY TRADING PRIVATE LIMITED						
		At the beginning of the year	0	0	0	0	
		13/02/2015	Transfer	27474	0.69	27474	0.69
		20/02/2015	Transfer	-27474	-0.69	0	0
	At the end of the year			0	0		
15	SHRIKANT MANTRI						
		At the beginning of the year	0	0	0	0	
		04/04/2014	Transfer	7200	0.18	7200	0.18
	At the end of the year			7200	0.18		
16	PRITTY DEVI SARAWAGI						
		At the beginning of the year	0	0	0	0	
		05/12/2014	Transfer	8570	0.21	8570	0.21
		12/12/2014	Transfer	1564	0.04	10134	0.25
		09/01/2015	Transfer	1825	0.05	11959	0.3
	At the end of the year			11959	0.3		

## 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
17	MANAS RANJAN BEHERA					
	At the beginning of the year		0	0	0	0
	04/04/2014	Transfer	6800	0.17	6800	0.17
	At the end of the year			6800	0.17	
18	ARVINDKUMAR SANCHETI					
	At the beginning of the year		0	0	0	0
	04/04/2014	Transfer	8963	0.22	8963	0.22
	At the end of the year			8963	0.22	
19	BHAVIKKUMAR NITINKUMAR RAMI					
	At the beginning of the year		0	0	0	0
	29/08/2014	Transfer	12000	0.3	12000	0.3
	05/12/2014	Transfer	-9536	-0.24	2464	0.06
	12/12/2014	Transfer	-2370	-0.06	94	0
	At the end of the year			94	0	
20	VARDHMAN ARVIND SANCHETI					
	At the beginning of the year		0	0	0	0
	04/04/2014	Transfer	8780	0.22	8780	0.22
	At the end of the year			8780	0.22	

(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
	Dr. B. Venkataraman		600	0.02%	600	0.02%
	At the beginning of the year					
	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)		0	0	0	0
	At the end of the year		600	0.02%	600	0.02%

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>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	505910	0	0	505910
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	505910	0	0	505910
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	0	0
Reduction	450334	0	0	450334
<b>Net Change</b>	450334	0	0	450334
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	55576	0	0	55576
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	55576	0	0	55576

## SOUTH ASIAN ENTERPRISES LTD.

### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of the MD/WTD/ Manager	Total Amount
1	<b>Gross salary</b>	Mr T. B. Gupta- MD	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	480000.00	480000.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00
2	Stock option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission	0.00	0.00
	as % of profit	0.00	0.00
	others (specify)	0.00	0.00
5	Others, please specify	0.00	0.00
	<b>Total (A)</b>	480000.00	480000.00
	<b>Ceiling as per the Act per annum</b>	3000000.00	3000000.00

#### B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors							Total Amount
1	Independent Directors	Dr. B. Venkataraman	Shri P K Sharan	Dr. S Ramesh	Shri R. K. Goswami	Shri Priya Brat	Shri Gian Vijeshwar	Shri S.V.S. Juneja	
	(a) Fee for attending board/ committee meetings	25000.00	55000.00	45000.00	55000.00	45000.00	0.00	30000.00	255000.00
	(b) Commission	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Others, please specify	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total (1)</b>	25000.00	55000.00	45000.00	55000.00	45000.00	0.00	30000.00	255000.00
2	Other Non Executive Directors								
	Non Independent Directors	Shri M. P. Mehrotra	Shri K. K. Soni	Shri S. C. Agarwal	Shri Anurag Bhatnagar	Dr. (Mrs.) Sushma Mehrotra			
	(a) Fee for attending board/ committee meetings	5000.00	0.00	0.00	0.00	0.00			5000.00
	(b) Commission	0.00	0.00	0.00	0.00	0.00			0.00
	(c) Others, please specify.	0.00	0.00	0.00	0.00	0.00			0.00
	<b>Total (2)</b>	5000.00	0.00	0.00	0.00	0.00			5000.00
	<b>Total (B)=(1+2)</b>	30000.00	55000.00	45000.00	55000.00	45000.00	0.00	30000.00	260000.00
	<b>Total Managerial Remuneration</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
	<b>Overall Ceiling as per the Act. Per meeting</b>	100000.00	100000.00	100000.00	100000.00	100000.00	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 S. P. Singh CFO	Total
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N. A.	0	276120	276120
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N. A.	0	15000	15000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N. A.	0	0	0
2	Stock Option	N. A.	0	0	0
3	Sweat Equity	N. A.	0	0	0
4	Commission	N. A.	0	0	0
	as % of profit	N. A.	0	0	0
	others, specify	N. A.	0	0	0
5	Others, please specify (Professional Charges)	N. A.	60000	0	60000
	<b>Total</b>	N. A.	60000	291120	351120

## SOUTH ASIAN ENTERPRISES LTD.

### 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	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

#### Annexure-C

A. 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 Executive Director to the median remuneration of the employees of the Company for the year 2014-15:**

Sl.No	Name of the Directors	Designation	Ratio
1	Mr. T. B. Gupta	Managing Director	11.66:1

The Non-Executive Independent Directors of the Company are entitled for sitting fees and reimbursement of expenses as per the statutory provisions and are within the prescribed limits.

2 **The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year 2014-2015:**

Sl.No	Name of the Executive Directors, CFO and Company Secretary	Designation	Remuneration paid during 2013-14 (Rs. In lacs)	Remuneration paid during 2014-15 (Rs. In lacs)	Increase*
1	Mr. T. B. Gupta	Managing Director	4.80	4.80	0.00%
2	Mr. S. P. Singh	CFO	0.00	0.94	NA
3	Mr. Ramesh C. Pandey	Company Secretary	0.00	0.60	NA

\* % 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 2014-2015.

@ Appointed as CFO w.e.f 12/11/2014, hence figures taken for part of the year for 2014-2015. Accordingly the figures are not comparable.

@ Appointed as Company Secretary w.e.f 14/02/2014 but no remuneration was paid till 31/03/2014. Accordingly the figures are not comparable.

There was no change in sitting fees of the Non-Executive Independent Directors during the FY 2014-15.

3 **The percentage increase in the median remuneration of employees in the financial year:**

There was percentage increase in the median remuneration of employees in the financial year of around 50.58%.

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

35 (Thirty five)

5 **The explanation on the relationship between average increase in remuneration and company performance:**

On an average, employees received an increase in remuneration of 11.85%, though the revenue decreased by 12.43% as compared to last year. The profit before tax registered a growth of 2.22 times and profit after tax (PAT) registered growth of 7.86 times as compared to last year.

The increase in remuneration of employees is in line with the market trends and closely linked to corporate performance, business performance and individual performance.

6 **Comparison of the remuneration of the key Managerial Personnel against the performance of the company:**

In the financial year 2014-15, revenue of the company registered a decrease of 12.43% but Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) increased by 1.95 times as compared to last year. The aggregate increase in salary for Executive Directors and other KMPs was 0.00% in FY 2014-15 over Financial Year 2013-14. For this purpose the remuneration paid to CFO and the Company Secretary has been excluded for the reason stated in clause 2 above.

7 **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 2014-15 was about 14%.

Percentage increase in the managerial remuneration for the year was 0.00% (Refer clause 2 above)

8 **Comparison of remuneration of each of the key Managerial Personnel against the performance of the company for the financial year 2014-2015:**

The % the remuneration of each KMP to the Profit After Tax (PAT) is given below:

Sl.No.	Name of the KMP	Designation	Percentage as PAT
1	Mr. T. B. Gupta	Managing Director	23.00
2	Mr. S. P. Singh	CFO	4.49
3	Mr. Ramesh C. Pandey	Company Secretary	2.88

9 **the ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:** Not applicable.

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

Yes, the remuneration is as per the Remuneration policy of the Company.

Place : New Delhi  
Date : 10/8/2015

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

P. K. Sharan  
Director  
DIN: 00107048

T. B. Gupta  
Managing Director  
DIN: 00106181

**Annexure-D**

**Form MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>MARCH, 2015**  
[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 conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **South Asian Enterprises Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2015** 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, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable for the financial year under review);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India,
- ii) The Listing Agreements entered into by the Company with the BSE Limited,

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

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (the compliance of sending the agenda at least seven days in advance was not applicable during the year under review), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

**I further report that** during the audit period the company

- a) Has obtained the consent of members in pursuance to Sec 180(1)(a) and 180(1)(c) under Companies Act, 2013 by way of special resolution at the 25<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2014.

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

**Place: New Delhi**

**Date: 25<sup>th</sup> July, 2015**

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

**Annexure 1**

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

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

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

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

**Place: New Delhi**

**Date: 25<sup>th</sup> July, 2015**



**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, 2015.

**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. 21,62,194/-  
 b) Foreign Exchange Used : Rs. 3,50,283/-

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

**Date: 10/8/2015**  
**Place: New Delhi**

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

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

Covering Letter of the annual audit report to be filed with the Stock Exchange

**FORM A**

1. Name of the Company	South Asian Enterprises Limited
2. Annual financial statement for the year ended	31 <sup>st</sup> March 2015
3. Type of Audit observation	Un-Qualified
4. Frequency of Observation	Not Applicable

T. B. Gupta  
 Managing Director

S. P. Singh  
 Chief Financial Officer

FOR ANIL PARIK & GARG  
 Chartered Accountants  
 ICAI Firm Registration No. 01676C

(H.K. PARIK)  
 Partner  
 Membership No.070250

P. K. Sharan  
 Chairman – Audit committee

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of **South Asian Enterprises Limited** ("the Company"), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making

judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2015 and
- (b) in the case of the Statement of Profit and Loss, of the profit of the company for the year ended on that date; and
- (c) in case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

- 1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of

those books;

- (c) the Balance sheet, the statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **ANIL PARIK & GARG**  
*Chartered Accountants*  
*ICAI Firm Registration No. 01676C*  
**H.K. PARIK**  
*Partner*  
*Membership No.070250*  
Place: New Delhi  
Date: 29/5/2015

**ANNEXURE TO THE AUDITOR'S REPORT**  
**(Referred to in our report of even date)**

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2015, we report that:

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of its only fixed assets.
- b. The company has a regular programme of physical verification of fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were physically verified by the management during the year and we are informed that no material discrepancies were noticed on such verification.
- ii. a. The Inventories have been physically verified during the year by the management. In our opinion, the frequency of the physical verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management was found reasonable and adequate in relation to the size of the Company and nature of its business.
- c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

- iii. The Company has not granted loans to any company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- iv. In our opinion and according to the information and explanations given to us, the Company has an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- v. The Company has not accepted any deposits from public during the year.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- c. According to the information and explanations given to us, there are no amounts outstanding which are required to be transferred in investor education and protection fund in accordance with the relevant provisions of Companies Act, 1956 (1 of 1956) and rules made there under.
- viii. The Company neither has any accumulated losses as at the end of the year nor incurred any cash losses during the current financial year, or in the immediately preceding Financial Year.
- ix. The Company did not have any outstanding dues to financial institutions or banks during the year.
- x. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The Company did not have any term loans outstanding during the year.
- xii. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **ANIL PARIK & GARG**  
*Chartered Accountants*  
*ICAI Firm Registration No. 01676C*  
**H.K. PARIK**  
*Partner*  
*Membership No.070250*  
Place: New Delhi  
Date: 29/5/2015

# SOUTH ASIAN ENTERPRISES LTD.

## BALANCE SHEET AS AT 31st March, 2015

Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	3,99,90,500	3,99,90,500
(b) Reserves and Surplus	4	<u>8,15,53,674</u>	<u>7,95,77,207</u>
<b>Total 1</b>		<u><b>12,15,44,174</b></u>	<u><b>11,95,67,707</b></u>
<b>(2) Non-Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	5	4,85,777	6,35,572
(b) Long-Term Provisions	6	<u>1,96,929</u>	<u>51,626</u>
<b>Total 2</b>		<u><b>6,82,706</b></u>	<u><b>6,87,198</b></u>
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	7	55,576	5,05,910
(b) Trade Payables	8	8,184	6,71,921
(c) Other Current Liabilities	9	9,49,519	15,98,902
(d) Short-Term Provisions	10	<u>12,86,479</u>	<u>5,11,149</u>
<b>Total 3</b>		<u><b>22,99,758</b></u>	<u><b>32,87,882</b></u>
<b>Total (1+2+3)</b>		<u><u><b>12,45,26,638</b></u></u>	<u><u><b>12,35,42,787</b></u></u>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<i>(a) Fixed Assets</i>			
Tangible Assets	11	25,45,122	30,04,383
(b) Non-Current Investments	12	10,02,00,705	10,02,00,705
(c) Long-Term Loans and Advances	13	<u>78,050</u>	<u>78,050</u>
<b>Total 4</b>		<u><b>10,28,23,877</b></u>	<u><b>10,32,83,138</b></u>
<b>(2) Current Assets</b>			
(a) Inventories	14	25,07,413	30,92,807
(b) Trade Receivables	15	40,62,441	65,08,769
(c) Cash and Bank Balances	16	1,15,39,221	82,77,972
(d) Short-Term Loans and Advances	17	16,79,361	12,67,033
(e) Other Current Assets	18	<u>19,14,325</u>	<u>11,13,068</u>
<b>Total 5</b>		<u><b>2,17,02,761</b></u>	<u><b>2,02,59,649</b></u>
<b>Total (4+5)</b>		<u><u><b>12,45,26,638</b></u></u>	<u><u><b>12,35,42,787</b></u></u>

See accompanying notes forming part of financial statements

1 to 37

As per our report of even date

**For Anil Pariek and Garg**

Chartered Accountants

FRN : 01676C

**H. K. Pariek**

Partner

Membership No. 070250

Place: New Delhi

Date : 29/05/2015

**For & on behalf of the Board**

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

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

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

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

**S.P. Singh**  
Chief Financial Officer  
PAN:BMGSP6300E

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March, 2015

Particulars	Note No.	For the Year ended 31.03.2015	For the Year ended 31.03.2014
I. Revenue from Operations	19	2,08,63,386	2,35,35,211
II. Other Income	20	<u>16,63,129</u>	<u>21,89,833</u>
<b>III. Total Revenue (I +II)</b>		<u><b>2,25,26,515</b></u>	<u><b>2,57,25,044</b></u>
<b>IV. Expenses:</b>			
Purchase of Stock-in-Trade		66,54,937	98,91,686
Changes in Inventories of Stock-in-Trade	21	5,85,394	2,538,173
Employee Benefit Expense	22	40,12,651	35,24,483
Finance Cost	23	53,164	2,45,986
Depreciation and Amortization Expense		4,22,051	5,57,306
Other Expenses	24	<u>78,11,376</u>	<u>80,40,345</u>
<b>Total Expenses (IV)</b>		<u><b>1,95,39,573</b></u>	<u><b>2,47,97,979</b></u>
V. Profit/(Loss) before tax (III-IV)		<u><b>29,86,942</b></u>	<u><b>9,27,065</b></u>
<b>VI. Less: Tax Expenses</b>			
(1) Current Tax		10,50,000	7,00,000
(2) Deferred Tax		(149,795)	(8,321)
(3) Earlier Year Adjustments		-	-
VII. Profit (Loss) For The Year (V-VI)		<u><b>20,86,737</b></u>	<u><b>2,35,386</b></u>
VIII. Earning Per Equity Share (of Rs.10/- each)			
Basic and Diluted	29	<u><b>0.52</b></u>	<u><b>0.06</b></u>

See accompanying notes forming part of financial statements

1 to 37

As per our report of even date

**For Anil Pariek and Garg**

Chartered Accountants

FRN : 01676C

**H. K. Pariek**

Partner

Membership No. 070250

Place: New Delhi

Date : 29/05/2015

**For & on behalf of the Board**

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

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

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

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

**S.P. Singh**  
Chief Financial Officer  
PAN:BMGSP6300E

# SOUTH ASIAN ENTERPRISES LTD.

## NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31.3.2015.

### Note 1

#### Corporate Overview

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

### Note 2

#### Significant Accounting Policies

##### a) General

The accompanying financial statements have been prepared on historical cost convention and conform to the statutory provisions and practices prevailing in the country.

##### b) Revenue recognition

Items of income and expenditure are generally accounted for on accrual basis unless otherwise stated. Dividend income is accounted for when the right to receive the same is established.

##### c) Fixed assets

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

ii) Depreciation on tangible assets is provided on the straight line method over the useful lives of assets in accordance with Part C of Schedule II of the Companies Act, 2013. There are no intangibles with the company as at 31.03.2015.

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

##### d) Investments

Investments are classified into long-term and current Investments. Long-term investments are stated at cost and income thereon is accounted for when accrued. The company follows 'FIFO method' for calculating the cost of each investment sold by the company for computing the profit or loss thereon Provision for diminution in value of investments is made to recognize a decline other than temporary in nature.

##### e) Inventory

Inventories are valued at cost or net realisable value whichever is lower. Cost is arrived at on FIFO basis and comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition.

##### f) Taxation

i) Deferred tax resulting from timing difference between book and taxable profit is accounted for using the tax rates and law that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized only to the extent that there is a virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realized. The deferred tax liability is recognized on having a reasonable certainty for crystallization of the same.

ii) Provision for taxation is made on the basis of the taxable profits computed for the current accounting period in accordance with the Income Tax Act, 1961.

##### g) Retirement Benefit Costs:

i) In respect of Provident Fund, monthly contribution is paid to Government and is charged to revenue.

ii) Company's Gratuity and Leave encashment Schemes are defined benefit plans.

##### Gratuity Fund:

The cost of providing benefits is determined using the Project unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Gratuity benefits are funded through a trust with Life Insurance Corporation of India Group Gratuity Scheme.

##### Unencashed Leave salary:

Leave encashment Scheme is not funded. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation.

##### h) Impairment Loss:

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amounts. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount attainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal, a previously recognised impairment loss is increased or reversed depending on changes in circumstances.

### Note 3

#### Share Capital

Authorised

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

Issued, Subscribed & Called Up Capital

Issued, Subscribed & Paid up

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

Less: Calls-in -Arrears-by others

	As at 31.03.2015	As at 31.03.2014	
	5,00,00,000	5,00,00,000	
	<u>5,00,00,000</u>	<u>5,00,00,000</u>	
	<u>4,00,00,000</u>	<u>4,00,00,000</u>	
	4,00,00,000	4,00,00,000	4,00,00,000
	<u>9,500</u>	<u>9,500</u>	<u>9,500</u>
	<u><u>3,99,90,500</u></u>	<u><u>3,99,90,500</u></u>	

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

##### Equity Shares

At the beginning of the year

Issued during the year

Outstanding at the end of the year

As at 31.03.2015		As at 31.03.2014	
No. of shares	Rupees	No. of shares	Rupees
40,00,000	3,99,90,500	40,00,000	3,99,90,500
-	-	-	-
<u>40,00,000</u>	<u>3,99,90,500</u>	<u>40,00,000</u>	<u>3,99,90,500</u>

##### 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.\*

VLS Finance Ltd.

The Dhampur Sugar Mills Ltd.

As at 31.03.2015		As at 31.03.2014	
No. of shares	% of holding	No. of shares	% of holding
23,84,289	59.61	6,73,000	16.83
-	-	17,11,289	42.78
<u>2,50,000</u>	<u>6.25</u>	<u>2,50,000</u>	<u>6.25</u>

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

23,84,289 (Previous year 6,73,000) Equity Shares held by VLS Capital Limited\* Holding Company since 03.02.2015.

### Note 4

#### Reserves & Surplus

##### Securities Premium Reserves

As per Last Balance Sheet

Less: Calls Unpaid - by other

6,00,00,000  
(28,500)

6,00,00,000  
(28,500)

Total (A)

5,99,71,500

5,99,71,500

## SOUTH ASIAN ENTERPRISES LTD.

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

	As at 31.03.2015	As at 31.03.2014
<b>General Reserve</b>		
As per Last Balance Sheet	1,85,99,415	1,85,99,415
Less : Adjustment relating to Fixed Assets (Refer Note No. 34(c))	1,10,270	-
<b>Total (B)</b>	<b>1,84,89,145</b>	<b>1,85,99,415</b>
<b>Profit and Loss Account</b>		
As per Last Balance Sheet	10,06,292	7,70,906
Add: Profit/(Loss) for the year	20,86,737	235,386
<b>Total (C)</b>	<b>30,93,029</b>	<b>10,06,292</b>
<b>Total (A+B+C)</b>	<b>8,15,53,674</b>	<b>7,95,77,207</b>
<b>Note 5</b>		
<b>Deferred Tax</b>		
a. Deferred Tax Liabilities		
- Depreciation on Fixed Assets	5,68,814	7,06,036
b. Deferred Tax Assets		
- Employee Benefits	68,287	18,634
- Provision for bad & doubtful debts	14,750	51,830
<b>Net Deferred Tax Liabilities</b>	<b>4,85,777</b>	<b>6,35,572</b>
<b>Note 6</b>		
<b>Long Term Provisions</b>		
Provision for Employee Benefits	1,96,929	51,626
<b>Total</b>	<b>1,96,929</b>	<b>51,626</b>
<b>Note 7</b>		
<b>Short Term Borrowings</b>		
Secured Working Capital Loans from Banks*	55,576	5,05,910
*Secured against Pledge of Fixed Deposit	55,576	5,05,910
<b>Total</b>	<b>55,576</b>	<b>5,05,910</b>
<b>Note 8</b>		
<b>Trade Payables</b>		
Micro, Small and Medium Enterprises	-	-
Trade Payables	8,184	6,71,921
<b>Total</b>	<b>8,184</b>	<b>6,71,921</b>
<b>Note 9</b>		
<b>Other Current Liabilities</b>		
Others Payables	9,05,519	15,46,902
Security Deposits	44,000	44,000
Advance from Customers	-	8,000
<b>Total</b>	<b>9,49,519</b>	<b>15,98,902</b>
<b>Note 10</b>		
<b>Short Term Provisions</b>		
Advance Income Tax and Tax Deducted as source (Less: Provision for Taxation Rs. 7,13,587/- (P.Y. Rs. 4,23,529/-)	12,62,413	5,02,471
Provision for Employees Benefits	24,066	8,678
<b>Total</b>	<b>12,86,479</b>	<b>5,11,149</b>

#### Note 11: Fixed Assets

Description	Plant and machinery	Building	Vehicle	Furniture & fixtures	Office equipment	Computers	Total
Balance as at 01 April 2013	2,25,00,173	85,79,133	1,00,845	6,66,433	5,40,881	2,07,029	<b>3,25,94,494</b>
Additions			-	-	-	-	-
Deduction	5,004,755	-	-	-	-	-	<b>50,04,755</b>
<b>Balance as at 31 March 2014</b>	<b>1,74,95,418</b>	<b>85,79,133</b>	<b>1,00,845</b>	<b>6,66,433</b>	<b>5,40,881</b>	<b>2,07,029</b>	<b>2,75,89,739</b>
Balance as at 01 April 2014	1,74,95,418	85,79,133	1,00,845	6,66,433	5,40,881	2,07,029	<b>2,75,89,739</b>
Additions	59,063			-	13,997		<b>73,060</b>
Deduction							-
<b>Balance as at 31 March 2015</b>	<b>1,75,54,481</b>	<b>85,79,133</b>	<b>1,00,845</b>	<b>6,66,433</b>	<b>5,54,878</b>	<b>2,07,029</b>	<b>2,76,62,799</b>
<b>Depreciation &amp; Impairment</b>							
Balance as at 01 April 2013	2,03,24,263	52,76,516	65,419	6,55,567	4,53,533	1,52,625	<b>2,69,27,923</b>
Depreciation for the year	3,13,952	2,14,200	4,707		6,164	18,283	<b>5,57,306</b>
Impairment	5,63,526	12,59,648		10,866			<b>18,34,040</b>
Deduction	47,33,913	-	-	-			<b>47,33,913</b>
<b>Balance as at 31 March 2014</b>	<b>1,64,67,828</b>	<b>67,50,364</b>	<b>70,126</b>	<b>6,66,433</b>	<b>4,59,697</b>	<b>1,70,908</b>	<b>2,45,85,356</b>
Balance as at 01 April 2014	1,64,67,828	67,50,364	70,126	6,66,433	4,59,697	1,70,908	<b>2,45,85,356</b>
Depreciation for the year.	1,84,759	2,20,816	5,119		11,357	-	<b>4,22,051</b>
adjustment on account of transition effect	-	3,663	-		70,486	36,121	<b>1,10,270</b>
<b>Balance as at 31 March 2015</b>	<b>1,66,52,587</b>	<b>69,74,843</b>	<b>75,245</b>	<b>6,66,433</b>	<b>5,41,540</b>	<b>2,07,029</b>	<b>2,51,17,677</b>
<b>Fixed assets (Continued)</b>							
Description	Plant and machinery	Building	Vehicle	Furniture & fixtures	Office equipment	Computers	Total
<b>Net block</b>							
<b>As at 31 March 2014</b>	10,27,590	18,28,769	30,719	-	81,184	36,121	<b>30,04,383</b>
<b>As at 31st March 2015</b>	9,01,894	16,04,290	25,600	-	13,338	-	<b>25,45,122</b>

## SOUTH ASIAN ENTERPRISES LTD.

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

#### 12. Non-Current Investments

PARTICULARS	As at 31.03.2015	As at 31.03.2014
<b>A- Non trade -At cost-Fully paid up</b>	<b>Rs</b>	<b>Rs</b>
<b>I- (QUOTED)</b>		
<b>Investment in Equity Instruments of Other entities</b>		
5 (P.Y. 1) Equity Shares of Rs. 2/- each (P.Y. Rs. 10 each) of Bank of Baroda	251	251
200 Equity Shares of Rs.10/- each of Tata Steel Limited	1,38,235	1,38,235
500 Equity Shares of Rs.5/- each of Reliance Mediaworks Ltd	1,12,085	1,12,085
110 Equity Shares of Rs.10/- each of Reliance Industries Limited	1,07,879	1,07,879
Total (A)	<b>3,58,450</b>	3,58,450
<b>II- UNQUOTED</b>		
50,000 Equity Shares of Rs.10/- each of Indhra Dhan Agro Products Ltd.	5,00,000	5,00,000
15,00,000 Equity Shares of Rs.10/- each of Hotline Electronics Ltd.	1,50,00,000	1,50,00,000
10,00,000 Equity Shares of Rs.10/- each of VLS Capital Ltd.*	6,00,00,000	6,00,00,000
35,000 Equity Shares of Rs.100/- each of Alok Fintrade (P) Ltd.	35,00,000	35,00,000
* Holding Company w.e.f. 03.02.2015	<b>7,90,00,000</b>	7,90,00,000
<b>Total Non-Current investment (A+B)</b>	<b>7,93,58,450</b>	7,93,58,450
<b>B) Investment in Property (Real Estate) (At Cost)</b>	2,08,42,255	2,08,42,255
Total (C)	2,08,42,255	2,08,42,255
<b>Total Non - Current investments (A+B+C)</b>	<b>10,02,00,705</b>	10,02,00,705
Aggregate amount of quoted investments	3,58,450	3,58,450
Aggregate market value of quoted investments	1,84,928	3,31,365
Aggregate amount of unquoted investments	7,90,00,000	7,90,00,000

Note 13	As at 31.03.2015	As at 31.03.2014
<b>Long-term loans and advances</b>		
<b>(Unsecured, considered good)</b>		
Deposits with Others	78,050	78,050
<b>Total</b>	<b>78,050</b>	78,050
<b>Note 14</b>		
<b>Inventories</b>		
Stock in Trade	25,07,412	30,92,806
Music album	1	1
<b>Total</b>	<b>25,07,413</b>	30,92,807
<b>Note 15</b>		
<b>Trade Receivables</b>		
<b>(Unsecured, considered good)</b>		
Debts outstanding for a period exceeding 6 months from the date they are due for payment	14,68,203	1,96,928
Less : Provision made for doubtful debts	47,734	1,67,734
Others	26,41,972	29,194
<b>Total</b>	<b>40,62,441</b>	64,79,575
<b>Note 16</b>		
<b>Cash &amp; Bank Balances</b>		
<b>Cash and Cash Equivalents</b>		
Cash on hand	2,89,415	2,19,436
<b>Balance with Bank</b>		
In current account	3,90,706	4,07,036
<b>Other Bank Balances</b>		
Fixed deposit with maturity more than 12 months	50,50,000	20,00,000
Fixed deposit with maturity more than 12 months*	56,50,000	46,50,000
Balances with bank (held as margin money)	1,59,100	10,01,500
*Pledged with bank against bank overdraft.		
<b>Total</b>	<b>1,15,39,221</b>	82,77,972
<b>Note 17</b>		
<b>Short Term Loans &amp; Advances</b>		
<b>(Unsecured, considered good)</b>		
Security Deposit	10,00,496	4,68,499
Prepaid Expenses	2,63,083	33,827
Others #	4,15,782	7,64,707
# Includes primarily Advance to trade creditors		
<b>Total</b>	<b>16,79,361</b>	12,67,033
<b>Note 18</b>		
<b>Other Current Assets</b>		
Interest Accrued on Deposits	19,14,325	11,13,068
<b>Total</b>	<b>19,14,325</b>	11,13,068

## SOUTH ASIAN ENTERPRISES LTD.

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

	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>Note 19</b>		
<b>Revenue From Operations</b>		
Park Receipts	49,79,905	45,52,878
Sales (Traded Goods)	1,35,72,610	1,77,97,605
Income from Installation, Erection & Supervision	23,10,871	11,84,728
<b>Total</b>	<b>2,08,63,386</b>	<b>2,35,35,211</b>
<b>Note 20</b>		
<b>Other Income</b>		
Interest on fixed deposit	9,91,751	9,65,957
Dividend Income-non trade-non current investments	3,056	2,623
Misc. Income	2,56,756	1,68,842
Prior Period Income	-	38,053
Unspent liabilities/ Unclaimed balance written back	2,91,566	24,249
Profit on sale of Fixed Assets	-	490,109
Provision for doubtful debts written back	1,20,000	500,000
<b>Total</b>	<b>16,63,129</b>	<b>21,89,833</b>
<b>Note 21</b>		
<b>Change in inventories of Stock in Trade</b>		
Stock -in - Trade		
At the beginning of accounting year	30,92,807	56,30,980
At the end of accounting year	25,07,413	30,92,807
<b>Net [(Increase)/Decrease] Total</b>	<b>585,394</b>	<b>2,538,173</b>
<b>Note 22</b>		
<b>Employee Benefit Expenses</b>		
Salaries and Wages	32,99,304	28,88,241
Staff Welfare Expenses	2,84,906	3,19,817
Contribution to Provident and other Funds	4,28,441	3,16,425
<b>Total</b>	<b>40,12,651</b>	<b>35,24,483</b>
<b>Note 23</b>		
<b>Finance Costs</b>		
Interest on overdraft with Bank	53,164	2,45,986
<b>Total</b>	<b>53,164</b>	<b>2,45,986</b>
<b>Note 24</b>		
<b>Other Expenses</b>		
Repair & Maintenance:		
- Building	23,409	2,84,530
- Machinery	1,40,142	4,51,472
- Others	31,947	33,371
- Power and Fuel	4,91,985	6,13,227
- Lease Rent & Hire Charges	11,68,895	11,09,175
- Park Running & Maintenance	2,71,835	2,84,943
- Rent	1,29,250	69,000
- Rates & Taxes	1,37,974	22,670
- Consultation & Professional Charges	5,45,259	4,64,537
- Postage & Telephone	2,30,068	37,773
- Advertising & Selling Expenses	2,60,685	2,75,956
- Travelling Expenses	8,30,878	8,04,214
- Director's Sitting Fee	2,60,000	1,46,000
- Auditors Remuneration		
- Statutory Audit	25,281	22,472
- Tax Audit	14,045	11,236
- For expenses	24,234	15,013
- Insurance Charges	12,904	1,585
- Provision for impairment on fixed Assets	-	3,15,516
- Provision for doubtful debts	-	1,67,734
- Miscellaneous Expenses	6,70,692	5,40,953
- Freight - Inward/Outward	4,18,456	5,12,853
- Installation & Supervision Expenses	20,43,647	11,76,584
- Bank Charges	20,867	28,687
- Rebate and Discount	58,923	150,844
- Irrecoverable balances written off	-	5,00,000
<b>Total</b>	<b>78,11,376</b>	<b>80,40,345</b>

#### 25. Commitments

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

#### 26. Contingent liabilities in respect of

Counter Guarantee given against Bank Guarantees – Rs.1,59,100/- (Previous Year- Rs.10,01,500/-)

#### 27. Related Party Disclosure

Following are the related parties:

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

## SOUTH ASIAN ENTERPRISES LTD.

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

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

Particulars	Holding Company		Key Managerial Personnel	
	As at 31.03.2015	As at 31.03.2014*	As at 31.03.2015	As at 31.03.2014
Remuneration to KMP	-	-	Rs. 7,71,120	Rs. 6,75,480
No. of equity shares of Rs.10/- each fully paid up held in the company at end of the year	23,84,289	6,73,000	-	-

a) VLS FINANCE LTD. has ceased to be an associate during the year w.e.f. 03/02/2015, till that time it was holding 17,11,289 Equity Shares of Rs. 10/- each fully paid up.

	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
b) Number of Equity Shares of Rs. 10/- each fully paid up : in Holding Company	10,00,000	10,00,000

#### 28. Operating Leases

The Company has taken Land on lease for setting up parks from Local Development Authorities. The lease rental expense under such operating leases is Rs.11,68,895/- (Previous Year Rs.11,09,175/-). Future minimum lease payments on non-cancellable lease agreements as at 31.03.2015 are as follows:

Particulars	As at 31.03.2015	As at 31.03.2014
	Amount/Rs.	Amount/Rs.
Not later than 1 year	11,86,933/-	11,55,552/-
Later than 1 year and not later than 5 year	46,73,850/-	49,52,103/-
Later than 5 year and above	11,84,949/-	20,93,629/-
<b>Total</b>	<b>70,45,732/-</b>	<b>82,01,284/-</b>

#### 29. Earning Per Share

Calculation of EPS (Basic and Diluted)

Particulars	Equivalent No. of Shares	
	Year ended 31.03.2015	Year ended 31.03.2014
<b>Basic and Diluted</b>		
Face value of per share	Rs. 10/-	Rs. 10/-
Total Shares Outstanding	40,00,000	40,00,000
Profit after Taxes	20,86,737/-	2,35,386/-
EPS (In Rs.)	0.52	0.06

#### 30. Segment Reporting

(Amount in Rs.)

Particulars	2014 - 15	2013 - 14
<b>Segment Revenue</b>		
a) Entertainment	49,79,905	45,52,878
b) Trading	1,58,83,481	1,89,82,333
c) Others	16,63,129	21,89,833
<b>Total</b>	<b>2,25,26,515</b>	<b>2,57,25,044</b>
<b>Segment Results</b>		
Profit/ (Loss) before interest and tax		
a) Entertainment	(21,76,915)	(34,16,782)
b) Trading	35,53,892	24,00,000
c) Others	16,63,129	21,89,833
<b>Total Profit/ (Loss) before interest and tax</b>	<b>30,40,106</b>	<b>11,73,051</b>
Less: Interest	53,164	2,45,986
Other Un-allocable expenditure net off		
<b>Net Profit before Tax</b>	<b>29,86,942</b>	<b>9,27,065</b>
Less/(Add) : Taxes expenses (credits)	9,00,205	6,91,679
<b>Net Profit after Tax</b>	<b>20,86,737</b>	<b>2,35,386</b>
<b>Segment Assets</b>		
a) Entertainment	1,65,48,750	1,21,02,774
b) Trading	77,77,183	1,12,39,308
c) Others	10,02,00,705	10,02,00,705
<b>Total Assets</b>	<b>12,45,26,638</b>	<b>12,35,42,787</b>
<b>Segment Liabilities</b>		
a) Entertainment	23,38,820	16,26,793
b) Trading	1,57,867	14,62,715
c) Others	Nil	2,50,000
<b>Total Liabilities</b>	<b>24,96,687</b>	<b>33,39,508</b>

31. 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 (Previous Year- Rs. 18,34,040/-) on assets as provided for in the books in previous year as required by the Accounting Standard -28 on "Impairment on Assets" issued by the Institute of Chartered Accountants of India (ICAI) is sufficient and no further provision is required.

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



## SOUTH ASIAN ENTERPRISES LTD.

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

**i) Defined Contribution Plans:**

Amount of Rs.2,58,349/-(Previous Year Rs.2,22,668/-) contributed to provident funds is recognised as an expense and included in Contribution to Provident & Other Funds under Employee Cost in the Statement of Profit and Loss.

**ii) Defined Benefit Plans**

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

**Long Term Compensated Absences as per actuarial valuation as on 31.03.2015**

(Amount in Rs.)

Actuarial Assumptions	Gratuity	Gratuity	Leave	Leave
	As at 31.03.2015	As at 31.03.2014	Encashment As at 31.03.2015	Encashment As at 31.03.2014
Discount rate (per annum)	9%	9%	8% PA	9% PA
Future salary increase	5%	5%	5% PA	5% PA
Expected rate of return on plan assets	8.75%	8.75%	NA	NA
Mortality	per annum IALM 2006-08 Ultimate	per annum IALM 2006-08 Ultimate	per annum IALM 2006-08 Ultimate	per annum IALM 2006-08 Ultimate
<b>I. Expenses recognized in statement of profit and loss account</b>				
Current service cost	76,447	70,366	7,031	3,895
Interest cost	70,060	56,385	4,824	6,876
Expected return on plan assets	(1,03,500)	(93,988)	—	—
Net actuarial loss/ (gain) recognized in the year	3,45,866	5,290	44,239	(26,866)
<b>Net expenses recognized</b>				
*Netted off with surplus of previous year.	<b>3,88,873*</b>	<b>38,053</b>	<b>56,094</b>	<b>(16,095)</b>
<b>II. Net liability/(assets) recognized in the balance sheet at the year end</b>				
Present value of obligation at the end of period	13,16,869	8,75,756	1,16,398	60,304
Fair value of the plan asset at the end of period	12,12,272	11,60,032	—	—
Funded status [(surplus/(deficit))]	(1,04,597)	2,84,276	(1,16,398)	(60,304)
<b>Net asset/(liability) as at 31<sup>st</sup> March, 2015</b>	<b>(1,04,597)</b>	<b>2,84,276</b>	<b>(1,16,398)</b>	<b>(60,304)</b>
<b>III. Change in present value of obligation during the year</b>				
Present value of obligation at the beginning of period	8,75,756	7,81,850	60,304	76,399
Current service cost	76,447	56,385	7,031	3,895
Interest cost	70,060	70,366	4,824	6,876
Benefits paid	(51,260)	(38,135)	—	—
Actuarial loss/ (gain) on obligations	3,45,866	5,290	44,239	(26,866)
<b>Present value of obligation at the year end</b>	<b>13,16,869</b>	<b>8,75,756</b>	<b>1,16,398</b>	<b>60,304</b>
<b>IV. Change in present value of fair value of plan assets</b>				
Fair value of plan assets as at the beginning of period	11,60,032	11,04,179	—	—
Expected return on plan assets	1,03,500	93,988	—	—
Contributions	—	—	—	—
Benefits paid	(51,260)	(38,135)	—	—
Actuarial loss/ (gain)	—	—	—	—
<b>Fair value of plan assets at the year end</b>	<b>12,12,272</b>	<b>11,60,032</b>	<b>—</b>	<b>—</b>

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

Particulars	As at 31.03.2015	As at 31.03.2014
	Amount/Rs.	Amount/Rs.
CIF Value of Import (Stock-in-Trade)	3,50,283/-	12,69,373/-

**(b) Earnings in Foreign Exchange**

Particulars	As at 31.03.2015	As at 31.03.2014
	Amount/Rs.	Amount/Rs.
FOB Value of Import (Stock-in-Trade)	21,62,194/-	Nil

**34. (a)** In the absence of necessary information with the company, relating to the registration status of suppliers under the micro, small and medium enterprises development ACT, 2006, the information required under the said act could not be complied and disclosed.

**(b)** The Company has become the subsidiary company of VLS Capital Ltd. during the year 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 hold 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.

## SOUTH ASIAN ENTERPRISES LTD.

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

(c)As required under schedule II of the companies Act 2013, the company has adopted the revised estimates of the useful life of the tangible assets w.e.f. 1<sup>st</sup> April, 2014, whereas rates prescribed in schedule XIV of companies Act 1956 were applied up to the previous accounting year. Consequent to this change, the depreciation for the current year is higher by Rs.88,380/- and profit before tax is lower by Rs.88,380/-. Further an amount of Rs.1,10,270/- has been adjusted against the opening balance of retained earnings as on that date in respect of the residual value of the assets wherein the remaining useful life has become NIL.

35. Park receipts of Rs.49,79,905/- (PY Rs.45,52,878/-) is net off of entertainment tax of Rs.7,96,518/- (PY. Rs.8,92,242/-).

#### 36. Purchases of stock-in-trade

Particulars	As at 31.03.2015	As at 31.03.2014
	Amount/Rs.	Amount/Rs.
Lightning Protection Systems	7,29,327/-	1,79,464/-
Earthing Compound	25,56,855/-	9,75,528/-
Others	33,68,755/-	87,36,694/-
<b>Total</b>	<b>66,54,937/-</b>	<b>98,91,686/-</b>

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

As per our report of even date

**For Anil Pariek & Garg**

Chartered Accountants

ICAI Firm Registration No.01676C

**H. K. Pariek**

Partner

Membership No. 070250

**For & on behalf of the Board**

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

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

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

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

**S.P. Singh**  
Chief Financial Officer  
PAN:BMGPS6300E

Place: New Delhi

Date : 29/05/2015

## SOUTH ASIAN ENTERPRISES LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015		
		<i>Amount (in Rs.)</i>
	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	29,86,942	9,27,065
Adjustments for:-		
Dividend Income	(3,056)	(2,623)
Depreciation	4,22,051	5,57,306
Provision for Leave Encashment	1,60,691	(16,095)
Provision for doubtful debts	-	-
Provision for impairment of fixed assets	-	3,15,516
Loss/(Profit) on sale of fixed assets	-	(490,109)
Interest Income	(991,751)	(965,957)
Finance Cost	53,164	2,45,986
	<u>(358,901)</u>	<u>(188,242)</u>
<b>Operating Profit before Working Capital Changes</b>		
	<b>26,28,041</b>	<b>7,38,823</b>
Adjusted for:		
Inventories	5,85,394	25,38,173
Trade Payables, other liabilities and provisoin	(1,313,120)	1,06,859
Trade and Other Receivables	16,45,071	(4,518,394)
Long Term Loans and Advances	4,23,529	63,675
Short Term Loans and Advances	(412,328)	(540,213)
	<u>9,28,546</u>	<u>(2,349,900)</u>
<b>Cash Generated from Operations</b>		
	<b>35,56,587</b>	<b>(1,611,077)</b>
Less: Tax Paid	(713,587)	(423,529)
<b>Cash Flow from Operating Activities</b>		
	<u>28,43,000</u>	<u>(2,034,606)</u>
Prior Period Items	-	-
<b>Net Cash from Operating Activities</b>		
	<b>28,43,000</b>	<b>(2,034,606)</b>
<b>B. Cash Flow from Investing Activities</b>		
Sale of Investments	-	-
Additions in Fixed Assets	(73,060)	-
Proceeds from Sale of Fixed Assets	-	7,60,952
Dividend Income	3,056	2,623
Interest Received	9,91,751	9,65,957
<b>Net Cash (used in)/ Generated from Investing Activities</b>		
	<u>9,21,747</u>	<u>17,29,532</u>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from borrowing	(450,334)	(1,652,637)
Interest paid	(53,164)	(245,986)
<b>Net Cash (used in)/ Generated from Financing Activities</b>		
	<u>(503,498)</u>	<u>(1,898,623)</u>
<b>Net Increase/ (Decrease) in Cash &amp; Bank Balances (A+B+C)</b>		
	<u>3,261,249</u>	<u>(2,203,697)</u>
<b>Opening Balance of Cash &amp; Bank Balances</b>		
	<u>82,77,972</u>	<u>1,04,81,669</u>
<b>Closing Balance of Cash &amp; Bank Balances</b>		
	<b>1,15,39,221</b>	<b>82,77,972</b>

As per our report of even date  
**For Anil Pariek and Garg**  
Chartered Accountants  
ICAI Firm Registration No.01676C  
**H. K. Pariek**  
Partner  
Membership No. 070250

For & on behalf of the Board

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

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

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

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

**S.P. Singh**  
Chief Financial Officer  
PAN:BMGPS6300E

Place: New Delhi  
Date : 29/05/2015

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