



**SOUTH ASIAN
ENTERPRISES LTD.**

XXIII Annual Report 2011-12

SOUTH ASIAN ENTERPRISES LIMITED

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

CORPORATE OFFICE :
2nd Floor,
13, Sant Nagar,
East of Kailash,
New Delhi-110 065

SHARE TRANSFER & INVESTOR SERVICES
RCMC Share Registry Pvt. Ltd.
Unit : South Asian Enterprises Ltd.
B-106, Sector-2, Noida,
U.P. - 201301

SOUTH ASIAN ENTERPRISES LIMITED

TWENTY THIRD ANNUAL GENERAL MEETING
at Mikky House, K-Block Kidwai Nagar,
Kanpur - 208 011 (U.P.)
at 1.30 p.m.
on Saturday, 29th September, 2012

BOARD OF DIRECTORS :
DR. B. VENKATARAMAN Chairman
SHRI T.B. GUPTA Vice-Chairman & Managing Director
SHRI M.P. MEHROTRA
SHRI P.K. SHARAN
SHRI S.V.S. JUNEJA
DR. S. RAMESH
SHRI PRIYA BRAT
SHRI R. K. GOSWAMI
SHRI GIAN VIJESHWAR
SHRI K.K. SONI
SHRI S.C. AGARWAL

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.sael.co.in

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 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

BANKERS

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

CONTENTS

	Page No.
Notice of Annual General Meeting	1-2
Directors' Report	3-4
Report on Corporate Governance	4-7
Auditors' Report	8
Balance Sheet	9
Statement of Profit & Loss	9
Notes	10-15
Cash Flow Statement	16

SOUTH ASIAN ENTERPRISES LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of **SOUTH ASIAN ENTERPRISES LTD.** will be held at the Registered Office of the Company at Mikky House, K-Block, Kidwai Nagar, Kanpur-208 011 on Saturday, the 29th day of September, 2012 at 1.30 p.m. to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2012, the statement of Profit & Loss for the year ended on that date together with the Report of Auditors and Directors thereon.
2. To appoint a Director in place of Shri M. P. Mehrotra, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Gian Vijeshwar who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri P.K. Sharan who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint the Auditors and to fix their remuneration and in this connection to consider and if thought fit, to pass following resolution, with or without modification(s), as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 224 and other applicable provisions of the Companies Act, 1956 M/s. Anil Pariek & Garg, Chartered Accountants, (Firm's Registration No. 01676C) the present Statutory Auditors of the Company be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and that the Board of Directors of the Company be and are hereby authorized to fix their remuneration."

By Order of the Board
For South Asian Enterprises Ltd.
T. B. Gupta
Managing Director

Place: New Delhi
Date: 7/8/2012

NOTES: -

1. A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself/herself. **The proxy need not be a member of the Company.** The appointment of proxy in order to be effective must be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the 23rd Annual General Meeting in the form, enclosed hereto, duly filled and authenticated. A proxy may not vote except on a poll.
2. The submission of form of proxy by a member does not preclude such member from attending and voting at the meeting. The proxy in such event shall not be eligible to attend the meeting. Only bonafide members of the Company whose names appear on the Register of Members/ Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
3. In case of joint holders attending the meeting, the vote of only such joint holder who is higher in the order of names will be counted and vote of other joint holders will be excluded. Corporate Members intending to send their authorized representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. The Company has retained M/s. RCMC Share Registry Pvt. Ltd., ("Registrar & Transfer Agent") at B-106, Sector -2, Noida, U.P. 201301 (Phone Nos. 0120 - 4015880, 4015886) w.e.f. 01/04/2003 for entire shareholder services. All correspondence, therefore, may be addressed to the said Registrar & Transfer Agent. However, for any further assistance in said matters, queries may be addressed to the Secretarial Department at Corporate Office at 2nd floor, 13, Sant Nagar, East of Kailash, New

Delhi-110065 Phone No. 46656666 (5 lines), Fax: 46656699. Dedicated Investor Services e-mail: investordesksael@gmail.com.

5. SEBI vide circular ref. no. MRD/DoP/Cir-05/2009 dated May 20, 2009 had clarified that providing the PAN information will be mandatory for transactions in securities in physical form as well. Members may voluntarily also provide the details of PAN to Company for updating Company's records.
6. The shares of the Company are being traded in Demat segment only, w.e.f. 24th July, 2000. **The ISIN No.** allotted to Company is **INE118B01010** for both the Depositories viz. The National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
7. Members, who are holding shares in identical order of names in more than one Folio i.e. physical form, are requested to write to the 'Registrar & Transfer Agent' of the Company or the Company at its Corporate Office, to enable the Company to consolidate their holding under one Folio. Members can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of Section 109A of the Companies Act, 1956. Members desiring to avail of this facility may send their nomination in prescribed form No. 2B, duly filled in, to the 'Registrar & Transfer Agent' of Company. Members are also requested to intimate change in address, if any, to the Company's 'Registrar & Transfer Agent' or to the Company at its Corporate Office for shares held in physical mode. Members holding shares in Demat (Electronic) form are requested to notify any change in address, mandate/bank details/nominations to their Depository Participants.
8. The Register of Members of the Company shall remain closed **from 22nd September, 2012 to 29th September, 2012** (both days inclusive).
9. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all days between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting, except on Saturdays, Sundays and other Holidays.
10. Member/Proxies are requested to bring their copies of the Annual Report to the meeting. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting.
11. The unclaimed & unpaid dividend upto financial year 1994-95 had been transferred to General Revenue Account of Central government and can be claimed from Central Government, through Registrar of Companies, U. P. & Uttarakhand. The unclaimed & unpaid dividend for the period from 1995-96 to 1997-98 was transferred in time, to the Investor Education and Protection Fund (IEPF) of Central Government in accordance with section 205A and 205C of the Companies Act, 1956. Since no dividend had been declared for the year 1998-99 and in subsequent years till date, hence no unclaimed & unpaid dividend remains to be transferred to IEPF.
12. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its member. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their Depository Participant. Members holding shares in physical form are requested to send their e-mail addresses to the Registrar and Transfer Agents M/s RCMC Share Registry Pvt. Ltd., at B-106, Sector -2, Noida, U.P. 201301.
13. The Company in adherence to its policy to provide par excellence Investor service, periodically undertakes to locate members whose share certificate are lying undelivered and promptly sends share certificates upon identification of members. With the advent of clause 5A in the Listing agreement, the undelivered shares will be credited to "Unclaimed Suspense Account" with a depository participant in due course. As a consequence inter-alia, the voting rights in respect of such shares shall be stand frozen till shares are restored to members. The members are, therefore requested to update their address in Company's records by informing respective depository participant, in case shares are held in demat (electronic) form and where shares are held in physical form by writing to Company or its Registrar and Transfer Agent.

DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the Twenty Third Annual Report of your Company with the Audited Statement of Accounts for the year ended 31st March, 2012.

1. Financial Results	(Rs. in Lacs)	
	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Total Income	166.00	198.52
Less: Total Expenditure	158.88	174.87
Less: Interest	1.25	1.52
Gross Profit/(loss)	5.87	22.13
Less: Depreciation	15.90	15.95
Less: Provision for Taxation (Net)	(2.56)	0.82
Other provisions	0.30	0.32
Net Profit after tax	(7.78)	5.03
Paid up Equity Share Capital (excluding calls in arrears)	399.90	399.90
Reserves, excluding revaluation reserve	801.74	809.52
Earnings per share (Rs.)	(0.19)	0.13

2. Management Discussion and Analysis

Financial Review

Your Company recorded a total income of Rs. 166.00 lacs during the year under review compared to previous year's figure of Rs. 198.52 lacs. The Company has incurred a net loss of Rs. 7.78 lacs as against the net profit of Rs. 5.03 lacs in the previous year. The marketing of earthing products and execution of contracts for earthing and lightning protection systems have made a significant contribution in the total revenue of the Company inspite of marginal decrease in revenue generation in this segment compared to previous year. The Company expects good progress in this segment and incoming years will witness better results.

The revenue from amusement parks remained at same level with a marginal increase compared to previous year. The perception of common man on spending towards entertainment and available disposable income in his hands remains the key factor for revenue generation in amusement industry. The rising inflation and relatively low per capita income in the regions where amusement parks are located have significant bearing on revenue from this segment. Notwithstanding the odds, the Company is continuing its efforts to sustain and improve its performance in this area.

Industry Structure and Development

During the year under review, inspite of the growing interest of masses towards Malls and multiplexes, the subdued spending outlay on amusement by common man indicates cautionary attitude for this activity. Your Company intends to make the best out of opportunities available vis-à-vis the means at its disposal and the available options are being explored.

Outlook, risks and concerns

"Something new" is the keyword for survival in amusement industry. To retain the attraction of amusement park and increase the footfalls, both disposable income per person and constant innovation whether by inducting new rides or promotional programs etc. are equally important. However, the increased cost of improvement/new rides, the maintenance expenditure and the stiff competition from other sources of entertainment have put profit margins of the industry under pressure. Your Company already operates on thin margins and infusion of funds on improvement/new rides is constant challenge. Further, due to relatively low per capita income in the regions where your company operates amusement parks, entry costs have to be kept low to keep the parks within the reach of masses that have further stressed the cash flows. The entertainment tax of 30% continues to be additional burden and a challenge for boosting 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. The management is going full thrust to explore all possible areas in order to establish strong foothold in this arena. Additionally, some of the new areas where Company can explore possibilities of revenue generation are being examined by management.

Opportunities and threats

The Company is exposed to normal industry risks attributable to respective segments. In order to meet the challenge of sustaining itself inspite of thinning of margins in amusement segment, the strategy is to focus on increasing the volume of visitors, exploring avenues for diversification and accordingly 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. However, due to relatively higher cost and lack of awareness about said technology in target clients, there is tough competition. To meet the challenge, the Company aims not only to educate or spread awareness about its product but also secure credentials from its clients about its performance.

Adequacy of Internal 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 being complied with at all levels.

The Audit Committee reviews the internal control mechanisms periodically.

Segment wise Performance

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. 43.06 Lacs and the Trading segment's revenue amounted to Rs.112.57 lacs during the year under review.

The other income accounted for Rs. 10.38 lacs. The segment of entertainment incurred a loss of Rs. 38.20 lacs. However, the profit from trading segment of Rs. 19.14 lacs coupled with 'other' segment's profit of Rs. 10.38 lacs culminated into loss of Rs. 10.04 lacs after adjusting for unallocables. Your Board is hopeful of better performance in future.

Human Resource

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 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, 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 37.

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

Due to loss sustained, no dividend is recommended.

4. Directors

Shri M. P. Mehrotra, Shri Gian Vijeshwar and Shri P.K. Sharan - Directors, will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. To enable the Company to obtain their continued valuable direction, guidance and assistance in the conduct of the affairs of your Company, the Board recommends their reappointment.

5. Directors' Responsibility Statement

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility statement, the Directors hereby state:

- that in the preparation of the annual accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of

SOUTH ASIAN ENTERPRISES LIMITED

the Company at the end of the financial year and of the Loss of the Company for that period;

- c. that they have taken proper and sufficient care for the maintenance of proper accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. that they have prepared the annual accounts for the financial year ended 31st March, 2012 on a going concern basis.

6. Corporate Governance and Compliance Certificate

As the equity shares of the Company are listed with BSE, in terms of clause 49 of the listing agreement with Stock Exchange, requisite compliance report on corporate governance along with the Auditors' Certificate is enclosed with this Report as **Annexure -1**. In line with the requirements of clause 49 of listing agreement, the management discussion and analysis is also provided in this Report.

7. Auditors

The tenure of the Statutory Auditors, M/s. Anil Pariek & Garg, Chartered Accountants, will end at the forthcoming Annual General Meeting scheduled to be held on 29th September, 2012. The Company has received a Certificate from the Auditors that they are qualified under Section 224 (1B) of the Companies Act, 1956 to act as the Auditors of the Company, if appointed.

The Audit Committee in its meeting held on 28th May, 2012 had recommended the re-appointment of M/s. Anil Pariek & Garg, Chartered Accountants, as Statutory Auditors for the next term. The Board, concurring with the Audit Committee's recommendation, recommends their reappointment as the Statutory Auditors of the Company. The Board may also be authorised to fix their remuneration.

8. Auditors' Report

The observations made by the Auditors in their report have been adequately dealt with in the relevant Notes on Accounts and need no further comments from the Directors.

9. 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 2012-2013 to the said Exchange.

10. Statutory Information

The information as required under the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 with respect to Conservation of Energy and Technology Absorption is enclosed as **Annexure-2** and forms part of this report.

11. Fixed Deposits

The Company has not accepted any fixed deposit, during the year under review. Also, the Company has no plans to accept any deposits in future.

12. Subsidiary Company and Consolidated Statements

There being no subsidiary of the Company, no statement pursuant to Section 212 (1)(e) read with sub-section (3) of the said section of the Companies Act, 1956 for the Financial year 2011-2012 is required to be enclosed. Accordingly, there is no need of consolidation of accounts.

14. Group

The SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 had been promulgated w.e.f. 23/9/2011 repealing SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997. The new regulations does not prescribe disclosure requirement of 'group' in Annual Report of target Company as stipulated in earlier regulations, hence dispensed with in this report.

15. Acknowledgement

Your Directors wish to express their sincere appreciation and gratitude to the Company's bankers, Kanpur Nagar Mahapalika, Ayodhya Faizabad Vikas Pradhikaran, 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: 7/8/2012
Place: New Delhi

P. K. Sharan T.B. Gupta
Director Managing Director

Annexure-1

REPORT ON CORPORATE GOVERNANCE

CORPORATE PHILOSOPHY

The philosophy of the Company is to enhance the long-term economic value of the Company, its stakeholders and the society at large by adopting better corporate practices in a fair and transparent manner and align the Company's interests with that of its shareholders and other key stakeholders. Your Company has been practicing the principles of good Corporate Governance over the years and strives to reward its shareholders to the maximum.

1. BOARD OF DIRECTORS

- a) The present strength of the Board is 11 Directors, comprising 1 (One) Promoter Director, 7 (Seven) Independent Directors and 3 (Three) Non-Independent Directors headed by a Non-Executive Chairman who is an independent Director. All the Directors except the Managing Director are Non- Executive. With two third of the Board members being independent Directors, the present constitution of Board adequately complies with requirement of Clause-49 of Listing agreement, which stipulates that at least one third of the Board Members should be independent if the Chairman is Non-Executive director.

S. No.	Name of the Director	Whether Promoter, Executive or Non-Executive/ Independent	No. of Board Meetings attended during 2011-2012	Whether Attended AGM held on 30/09/2011	No of Directorships in other Public Limited Companies as on 31/07/2012	No. of Committee position held in other Public Limited Company \$	
						Chairman	Member
1.	Dr. B. Venkataraman Chairman	Non-Executive, Independent	4	NO	2	1	2
2.	Shri T.B. Gupta Vice-Chairman & Managing Director	Executive, Non-Independent	3	YES	2	-	1
3.	Shri S.V.S. Juneja	Non-Executive, Independent	4	NO	-	-	-
4.	Shri P.K. Sharan	Non-Executive, Independent	4	YES	1	-	-
5.	Dr. S. Ramesh	Non-Executive, Independent	4	NO	3	1	2
6.	Shri Priya Brat	Non-Executive, Independent	4	NO	3	2	3
7.	Shri R. K. Goswami	Non-Executive, Independent	4	NO	1	-	-
8.	Shri K. K. Soni	Non-Executive, Non-Independent	0	NO	4	-	1
9.	Shri S. C. Agarwal	Non-Executive, Non-Independent	1	NO	2	-	1
10.	Shri Gian Vijeshwar	Non-Executive, Independent	0	NO	6	1	2
11.	Shri M. P. Mehrotra	Non-Executive, Promoter	4	NO	9	3	3

\$ Memberships of only Audit Committee and Shareholders/Investor Grievance Committee have been considered. None of the directors is member of more than 10 Board-level committees or a Chairman of more than five such committees, as required under Clause 49 of the listing agreement.

- b) During the year ended on 31/03/2012, 4 (Four) Board Meetings were held with at least one meeting in every quarter i.e., on 28/05/2011, 13/8/2011, 9/11/2011 and 10/2/2012.
- c) The information regarding pecuniary transaction or relationship with the Executive Director has been disclosed in Annual Accounts for the year under review in the head "Related Party Disclosure" stated in Notes forming part of financial statements (Note no. 28).
- d) Information supplied to the Board:

All relevant information including those envisaged in Clause 49 of Listing Agreement was regularly provided to the Board and Committees thereof. The requisite CEO certification was placed before the Board alongwith the quarterly and the annual accounts for the year under review as required under Clause 41 and Clause 49 respectively of Listing Agreement. The day-to-day affairs of the Company are managed by Shri T.B. Gupta- Vice-Chairman & Managing Director. The Board of Directors oversees the business conduct and continuously examines its governance practices to protect investor trust and enhance Board's effectiveness. Further, Agenda for Board meetings is circulated well in advance to all the directors and every Board member is free to suggest items for inclusion in the Agenda.

- e) Statement of Directors' Remuneration paid during the year ended on 31/03/2012:

SOUTH ASIAN ENTERPRISES LIMITED

Name of the Director	Salary (in Rs.)	Perquisites (in Rs.)	Sitting fee (in Rs.)	Commissions (in Rs.)	Total (in Rs.)
Dr.B. Venkataraman	N.A.	N.A.	16,000	N.A.	16,000
Shri S. V. S. Juneja	N.A.	N.A.	18,000	N.A.	18,000
Shri P. K. Sharan	N.A.	N.A.	26,000	N.A.	26,000
Shri T. B. Gupta	4,80,000	NIL	NIL	N.A.	4,80,000
Dr. S. Ramesh	N.A.	N.A.	24,000	N.A.	24,000
Shri Priya Brat	N.A.	N.A.	24,000	N.A.	24,000
Shri R. K. Goswami	N.A.	N.A.	26,000	N.A.	26,000
Shri K. K. Soni	N.A.	N.A.	NIL	N.A.	NIL
Shri S. C. Agarwal	N.A.	N.A.	NIL	N.A.	NIL
Shri Gian Vijeshwar	N.A.	N.A.	NIL	N.A.	NIL
Shri M. P. Mehrotra	N.A.	N.A.	16,000	N.A.	16,000

Notes:

- i. Currently, the Company does not have any stock option scheme.
- ii. No other remuneration, except sitting fee is paid to Non-Executive Directors.
- iii. Dr. B. Venkataraman (together with spouse) and Shri M. P. Mehrotra held 600 and 6510 equity shares of the Company respectively as on 31.3.2012. No other Director held any shares of the Company on that date.
- iv. The service contract in case of Managing Director, is 3 years, expiring on 29/09/2013 with notice period of one month. All the Non-Executive Directors are liable to retire by rotation.

f) Code of Conduct

The Code of Conduct is applicable on all Directors and Senior Management personnel of the Company with certain provision like insider trading restriction are applicable to all employees of Company. The declaration from Managing Director of compliance with the code of conduct by all Board members is appended to and forms part of this report.

Declaration under Clause 49 I (D) for compliance with the Code of Conduct

As provided under Clause 49 of Listing Agreement with the Stock Exchanges, the Board of Directors and the senior management personnel have confirmed compliance with the code of conduct for the period under review, which ended on 31/03/2012.

Date: 7/8/2012

Place: New Delhi

T. B. Gupta
Managing Director

g) Disclosures regarding appointment or re-appointment of Directors

Shri M. P. Mehrotra, Shri Gian Vijeshwar and Shri P.K. Sharan - Directors, will retire by rotation at the forthcoming Annual General Meeting and being eligible have offered themselves for reappointment. The profile of directors proposed to be reappointed at ensuing Annual General Meeting is given in the notes forming part of notice of forthcoming Annual General Meeting.

2. AUDIT COMMITTEE

a) Composition

As on 01/04/2011 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.

Shri P.K. Sharan, IRS (Retd.), is a tax expert, Shri K. K. Soni is qualified Chartered Accountant & Company Secretary. Shri R. K. Goswami and Shri Priya Brat are retired bankers. They possess rich financial management expertise as envisaged in Clause 49 of listing agreement. Dr. S. Ramesh is a retired IAS officer and has adequate knowledge of financial matters.

b) Terms of reference

The role, terms of reference, authority and powers of the Audit Committee are in conformity with Clause 49 of the listing agreement read with Section 292A of the Companies Act 1956. The Company Secretary is the Secretary of the Committee. The Statutory Auditor is regularly invited for meetings of Audit Committee. The Internal Auditor, the Managing Director and the functional head of Finance department are also invited to its meetings, whenever required. The Board had accepted all the recommendations made by Audit Committee for appropriate implementation during the year under review.

The minutes of Audit committee meetings are regularly placed before the Board.

c) Meetings and attendance

During the year ended on 31/03/2012, 4 (Four) Audit Committee Meetings were held on 28/05/2011, 11/8/2011, 9/11/2011 and 10/2/2012. The summary of attendance of members is as under:

Name	Shri R. K. Goswami	Shri P. K. Sharan	Dr. S. Ramesh	Shri K. K. Soni	Shri Priya Brat
No of Meetings attended	4	4	4	3	4

3. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

a) Composition and terms of reference

The Shareholders/Investors Grievance Committee consists of Shri P.K. Sharan, Chairman of the Committee with Shri S.V.S. Juneja and Shri T.B. Gupta as members.

The Committee is vested with the requisite power and authority in accordance with the requirements of Listing Agreement and apart from approval of share transfer and related aspects, it specifically looks into the redressal of the shareholders and investors' grievances.

As a step towards providing better services to its shareholders, individual members exercising the authority delegated by the Committee, regularly approve demat requests during the intervening period between two Committee meetings. Thus, the time gap between the demat approvals on an average is less than 15 days. The summary of dematerialisation request approved by the members is regularly placed before the Committee. The minutes of Committee meetings are regularly placed before the Board.

b) Meetings and attendance

During the year ended on 31/03/2012, 10 (Ten), meetings of Shareholders/ Investors Grievance Committee were held i.e. on 29/04/2011, 28/05/2011, 29/06/2011, 29/07/2011, 26/8/2011, 28/10/2011, 30/11/2011, 27/01/2012, 29/02/2012 and 29/03/2012. Details of attendance of Members are as under:

Name	Shri P. K. Sharan	Shri S. V. S. Juneja	Shri T. B. Gupta
No. of Meeting attended	10	10	9

c) Shareholder's Complaints

The Company has not received any complaints during the financial year ended 31st March, 2012.

General correspondence e.g. change of address, enquiry on dividend for the year, ISIN No. of the Company etc. has not been included in complaints.

4. GENERAL BODY MEETINGS

a) Details of the last three Annual General Meetings are given below.

Financial year ended	Date	Time	Venue
March 31, 2011	September 30, 2011	1.30 p.m.	Mikky House, K-Block Kidwai Nagar, Kanpur (U.P.).
March 31, 2010	September 18, 2010	1.30 p.m.	Mikky House, K-Block Kidwai Nagar, Kanpur (U.P.).
March 31, 2009	September 2, 2009	1.30 p.m.	Mikky House, K-Block Kidwai Nagar, Kanpur (U.P.).

b) Special Resolution passed in previous 3 Annual General Meetings (AGM)

In the Annual General Meeting held on 30.9.2011, Special Resolution relating to commencement of business under other objects clause nos. 57, 59, 60, 61, 63 and 64 was passed in terms of section 149(2A) of the Companies Act, 1956. Additionally, a special resolution for amendment of Objects Clause of Memorandum of Association was passed through Postal Ballot.

Further, there were no matters required to be dealt/passed by the Company by special resolution or through postal ballot during the financial years 2008-2009 and 2009-2010.

c) Postal Ballots:

In current year the proposal for amendment in the Object Clause of Memorandum of Association of the Company was transacted through the process of postal Ballot. The members accorded approval to the proposed amendment by passing the Special Resolution. The result of

SOUTH ASIAN ENTERPRISES LIMITED

postal ballot was declared in the Annual General Meeting held on 30/9/2011 and is reproduced below:

S. No.	Resolution	Votes in favour of the resolution	Votes against the resolution	Invalid Votes	Total votes polled	Result
1	Alteration in Objects Clause of the Memorandum of Association of the Company by insertion of the new sub-sub Clauses No. 57 to 65 consecutively in sub Clause C (i.e. other objects) of clause III of MOA of Company after sub-sub Clause 56 thereof and amendment of Sub sub-clause 47 contained in Other Objects.	2405685	1500	1200	2408385	Passed as Special Resolution

5. DISCLOSURES

a) Related party transactions

There were no transactions with promoters, Directors and related persons, which were materially significant, having conflict with the interest of Company at large, during the financial year under review. However, in compliance of AS-18, necessary disclosure of related party transaction has been made in Audited Financial Accounts for the year under review under the head forming part of financial statements (Note No. 28).

b) Statutory compliance, penalties, strictures and Legal proceedings

The Company has complied with all the requirements of Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets and no penalties or strictures have been imposed on the Company during the last three years.

None of the pending cases in which Company is a party are material in nature, hence not reported here.

c) Compliance of Non Mandatory requirements

i. The Company does not maintain separate office for the Non-Executive Chairman. However, he may claim reimbursement of expenses incurred for performance of duties as Chairman. No expenses on this account have been claimed during the year under review.

ii. Remuneration Committee:

The Remuneration Committee was constituted primarily to formulate the remuneration package for managerial personnel including Executive Director for approval of the Board. However, it also discharges such assignments as may be given by the Board from time to time. The Remuneration Committee as on 1/04/2011 had Shri S.V.S. Juneja, Shri P.K. Sharan, Shri R. K. Goswami and Shri S. C. Agarwal with Shri S. V. S. Juneja as Chairman of the Committee. The Company Secretary is secretary designated for the Committee. The constitution of committee conforms to requirement of Clause 49 of listing agreement. One meeting of Remuneration Committee was held during the year 2011-2012 on 11/8/2011.

iii. The periodic results were not sent to every member. However, they have been published in newspapers as prescribed in the listing agreement and the periodic reporting is also done on www.corpfiling.co.in in terms of clause 52 of the Listing Agreement as well as on Company's website namely www.sael.co.in in time.

iv. The Board has so far not adopted Peer group evaluation of Directors and restricting the tenure of Independent Directors to nine years in aggregate. However, since the Board including non executive Directors are vested with strategic supervision of the Company, the individual contribution made by non-executive Directors for fulfilling this responsibility is basis of evolution by the Board, of its members. The Directors are kept abreast of requisite information about business activities of the Company and risks involved therein to enable the Directors to discharge their responsibilities in best possible manner.

v. There was no qualification in the Auditor's Report on the Annual Accounts of the Company for the year under review.

vi. The company does not have a whistle blower policy at present, but no employee is denied access to the Audit Committee. The existing working setup also provides unfettered approach to management by the employees in reporting any matter envisaged to be covered in the whistle blower policy.

6. COMMUNICATION TO SHAREHOLDERS

a) The Company publishes un-audited quarterly results in prescribed format and other information in The Pioneer (in English) and Swatantra

Bharat (vernacular language).

b) The Management discussion and analysis forms part of Annual Report for year under review. The Company, however, assumes no responsibility in respect of forward looking statements, which may be amended or modified in future on the basis of subsequent developments or events.

c) The Company has its official website namely www.sael.co.in. The requisite information under listing agreement has been posted on the website including financial results. The periodic financial reporting is also being done on www.corpfiling.co.in. Further, disclosures pursuant to the listing agreement are promptly communicated to the Stock Exchanges. The documents filed by the Company with Registrar of Companies can be inspected at MCA's website namely www.mca.gov.in and the Company identification number (CIN) of Company is **L91990UP1990PLC011753**.

d) The Company has dedicated an e-mail ID exclusively for redressal of Investor Complaints in compliance of Clause 47 (f) of listing agreement namely www.investordesksael@gmail.com.

7. SHAREHOLDERS INFORMATION

a) Annual General Meeting:

- **Date and Time** : Saturday, 29th September, 2012 at 1.30 p.m.
- **Venue** : Mikky House, K- Block, Kidwai Nagar, Kanpur-208011 (U.P.)
- **Financial Year** : April to March
- **Date of Book Closure** : From 22/09/2012 to 29/09/2012 (both days inclusive)
- **Buy back of shares** : There was no proposal for buy back of shares by the Company, during the year under review.
- **Dividend Payment Date** : Not applicable as no dividend has been recommended by the Board.

b) Listing at Stock Exchanges:

The Company's equity shares are listed at BSE Ltd., formerly The Bombay Stock Exchange, Mumbai, (Stock Code-526477). Listing fees to said Stock Exchange has been paid up to the financial year 2012-2013.

c) Stock Market data related to shares listed in India: (Source: Metastock)

Monthly highs, lows and trading volume for Financial Year 2011-2012

MONTH	BSE Ltd.			Volume No. of Share
	High Rs.	Low Rs.		
Apr-11	11.65	10.00		19673
May-11	11.00	10.00		5272
Jun-11	11.55	10.00		6473
Jul-11	11.01	10.00		5450
Aug-11	13.38	10.47		1564
Sep-11	13.00	10.60		642
Oct-11	10.08	7.92		2460
Nov-11	9.20	7.51		6322
Dec-11	8.01	7.30		6569
Jan-12	8.90	7.50		1003
Feb-12	9.13	7.45		7269
Mar-12	8.24	6.70		1600
		TOTAL		64297

Company's Share Price at BSE- Graphical



SOUTH ASIAN ENTERPRISES LIMITED

BSE Sensex



d) Registrar and Transfer Agents & Investors correspondence:

The Company has retained M/s. RCMC Share Registry Pvt. Ltd., as its Registrar & Transfer Agents w.e.f. 01/04/2003 for entire shareholder services viz., processing request for transfer, other shareholder services, dematerialisation of holding, providing connectivity services with depositories in compliance with SEBI's circular No.D&CC/F/TTC/CIR-15/2002 dated 27/12/2002.

For any query relating to transfer/transmission of shares, dematerialisation, change of address etc., please write to M/s. RCMC Share Registry Pvt. Ltd., (the "Registrar") at B-106, Sector -2, Noida U.P. 201301 (Phone Nos. 0120 - 4015880, 4015886). For any further assistance in said matters, queries may also be addressed to the Secretarial department at the Corporate office of the Company at : 2nd Floor, 13, Sant Nagar, East of Kailash, New Delhi-110065 Phone : 46656666 (5 lines), Fax: 46656699.

e) Distribution of shareholding as on March 31, 2012.

Slab of share holdings (No. of Shares)	No. of Share holders	%age	Nominal value of Shares held (Rs.)	%age
1-500	5611	96.34	7220750.00	18.0519
501-1000	114	1.96	883380.00	2.2085
1001-2000	45	0.77	663950.00	1.6599
2001-3000	13	0.22	324930.00	0.8123
3001-4000	8	0.14	286320.00	0.7158
4001-5000	6	0.10	290540.00	0.7264
5001-10000	14	0.24	959020.00	2.3976
10001 and above	13	0.22	29371110.00	73.4278
Total	5824	100.00	40000000.00	100

According to categories of shareholders as on March 31, 2012

S. No.	Categories	No. of shares	Amount in Rs.	Percentage of shareholding
1	Promoters, Directors and Relatives	2440919	24409190.00	61.023
2	Financial Institutions and Banks	200	2000.00	0.005
3	Mutual Fund	0	0.00	0.000
4	FII's	0	0.00	0.000
5	Corporate Bodies	375135	3751350.00	9.378
6	Indian Public	1164814	11648140.00	29.120
7	Clearing Member	18432	184320.00	0.461
8	NRI	500	5000.00	0.013
	Grand Total	4000000	40000000.00	100.000

f) Dematerialisation of Shares and liquidity:

80.75 % of the total holdings of equity shares have been dematerialized up to 31.03.2012. Trading in Company's shares is permitted only in demat form w.e.f. 24-07-2000.

g) There were no ADRs/GDRs/ Warrants or other convertible instruments outstanding as on 31/03/2012.

h) The Amusement Parks of the Company are located as under:

1. Mikky House, K-Block, Kidwai Nagar, Kanpur-208011 U.P.
2. Gautam Buddha Park, Lucknow -226003, U.P.
3. Naya Ghat, Ayodhya- 224123, U.P.

i) Financial Calendar (Tentative)

Quarter ending June 30, 2012	Mid of August, 2012
Quarter ending September 30, 2012	Mid of November, 2012
Quarter ending December 31, 2012	Mid of February, 2013
Year ending March 31, 2013 #	End of May, 2013
Annual General Meeting for the year ended March 31, 2012	29 th September, 2012

For the quarter ending 31/03/2013 un-audited results may not be published and only audited results will be published, unless decided otherwise.

j) Subsidiary Company

The Company has no subsidiary.

Certificate on Corporate Governance

As required by Clause 49 of the Listing Agreement, the requisite certificate is annexed hereto.

Annexure-2

Annexure to Directors' Report

Information as per Section 217(1)(e) read with Companies (Disclosure of Particulars in report of Board of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31st March, 2012.

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	:	Nil
b) Foreign Exchange Used	:	Nil

For and on behalf of the Board of Directors

Date : 7/8/2012
Place: New Delhi

P. K. Sharan
Director

T.B. Gupta
Managing Director

CERTIFICATE

To

The Members of

SOUTH ASIAN ENTERPRISES LIMITED

We have examined the compliance of conditions of Corporate Governance by South Asian Enterprises Limited, for the year ended on 31st March, 2012, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the abovementioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Share transfer & investors' relation committee.

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

FOR ANIL PARIK & GARG
CHARTERED ACCOUNTANTS
(Firm Registration No. 01676C)

PLACE: Delhi
DATE: 07.08.2012

(H. K. PARIK)
PARTNER
M. No. 70250

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

AUDITORS' REPORT

To,
The Members
South Asian Enterprises Limited
Kanpur

We have audited the attached Balance Sheet of **South Asian Enterprises Limited** as at 31st March, 2012, the statement of Profit and Loss & the cash flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's report)(Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclosed in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order, to the extent applicable to the company.

2. Further to our comments in the annexure referred to in paragraph 1 above, we report that:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (c) The Balance Sheet, the statement of Profit and Loss & cash flow statement dealt with by this report are in agreement with the books of accounts;
- (d) In our opinion, the Balance Sheet, the statement of Profit and Loss & cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (e) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and other notes appearing thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2012;
 - (ii) In the case of the statement of Profit and Loss of the loss of the Company for the year ended on that date, and
 - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

FOR ANIL PARIEK AND GARG
CHARTERED ACCOUNTANTS
(F. R. No. 01676C)
(H.K. PARIEK)
PARTNER
M.No. 70250

PLACE : New Delhi
DATE : 28th May, 2012

ANNEXURE TO THE AUDITORS' REPORT

REFERRED TO IN PARAGRAPH (1) OF OUR REPORT OF EVEN DATE

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of 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.
- (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off substantial part of fixed assets having effect on going concern.
2. (a) The Inventories have been physically verified during the year by the management. In our opinion, the frequency of 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 were found reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to information and explanation given to us, the company has maintained proper records of its inventories. The discrepancies noticed on verification between the physical stocks and book records were material in relation to the company, have been properly dealt with in the books of accounts.
3. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Act.
4. 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.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements that need to be entered into the register in pursuance of Section 301 of the Act, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupee Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposits from the public during the year within the meaning of section 58A & 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
7. In our opinion, the company has an internal audit system, commensurate with its size and nature of its business.
8. In our opinion and according to the information and explanation given to us, maintenance of cost records as prescribed by the Central Govt. under section 209 (1) (d) of the Act, is not required as the Company is not in the manufacturing activity.
9. (a) The company is regular in depositing undisputed statutory dues like provident fund, investor education and protection fund, employees state insurance, income-tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities. There were no outstanding dues for a period exceeding six months against any undisputed statutory dues as on 31.03.2012.
- (b) According to information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute.
10. The Company neither have 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.
11. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of securities by way of pledge of shares, debentures or other securities.
12. The company has maintained proper records for investments made in shares, securities, debentures and other investments and timely entries have been made therein. The shares, securities, debentures and the other investments have been held by the company in its own name except to the extents of exemption granted under section 49 of the Act. However, some of the investments made in shares are under process for transfer in the name of the Company.
13. 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.
14. The Company has not raised any Term Loan during the year.
15. According to the records examined by us and the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
16. To the best of our knowledge and information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.
17. The provisions of clauses Nos. 4 (xi), (xiii), (xviii), (xix) and (xx) of paragraph 4 of the Companies (Auditors' Report) (Amendment) Order, 2004 are not applicable to the company for the current year.

FOR ANIL PARIEK AND GARG
CHARTERED ACCOUNTANTS
(F. R. No. 01676C)
(H.K. PARIEK)
PARTNER
M.No. 70250

PLACE : New Delhi
DATE : 28th May 2012

SOUTH ASIAN ENTERPRISES LIMITED

BALANCE SHEET AS AT 31st March, 2012

(Amount in Rupees)

Particulars	Note No.	As at 31st March, 2012	As at 31st March, 2011
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	3,99,90,500	3,99,90,500
(b) Reserves and Surplus	4	<u>8,01,74,362</u>	<u>8,09,52,656</u>
Total 1		<u>12,01,64,862</u>	<u>12,09,43,156</u>
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	5	10,27,400	19,33,604
(b) Long-Term Provisions	6	<u>48,801</u>	<u>40,727</u>
Total 2		<u>10,76,201</u>	<u>19,74,331</u>
(3) Current Liabilities			
(a) Short-Term Borrowings	7	5,36,255	21,02,235
(b) Trade Payables	8	34,50,458	16,72,489
(c) Other Current Liabilities	9	18,47,618	19,46,531
(d) Short-Term Provisions	10	<u>11,79,389</u>	<u>8,65,489</u>
Total 3		<u>70,13,720</u>	<u>65,86,744</u>
Total (1+2+3)		<u>12,82,54,783</u>	<u>12,95,04,231</u>
II. Assets			
(1) Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	11	56,84,344	90,52,919
Non-Current Investments	12	10,02,99,158	10,01,93,387
(c) Long-Term Loans and Advances	13	<u>7,98,023</u>	<u>10,87,571</u>
Total 4		<u>10,67,81,525</u>	<u>11,03,33,877</u>
(2) Current Assets			
(a) Inventories	14	53,04,221	45,50,606
(b) Trade Receivables	15	37,94,219	37,54,370
(c) Cash and Cash Equivalents	16	1,02,75,459	91,74,207
(d) Short-Term Loans and Advances	17	16,21,188	7,78,140
(e) Other Current Assets	18	<u>4,78,171</u>	<u>9,13,031</u>
Total 5		<u>2,14,73,258</u>	<u>1,91,70,354</u>
Total (4+5)		<u>12,82,54,783</u>	<u>12,95,04,231</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
(Firm Regn. No.01676C)

H. K. Pariek

Partner
M.No. 70250

Place: New Delhi

Date : 28/05/2012

For & on behalf of the Board

T. B. Gupta
Managing Director

P. K. Sharan
Director

S. C. Agarwal
Director

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2012

(Amount in Rupees)

Particulars	Note No.	Year Ended 31.3.2012	Year Ended 31.3.2011
I. Revenue from Operations	19	1,55,62,823	1,91,29,415
II. Other Income	20	<u>10,37,699</u>	<u>7,22,652</u>
III. Total Revenue (I + II)		<u>1,66,00,522</u>	<u>1,98,52,067</u>
IV. Expenses:			
Purchase of Stock-in-Trade		64,46,804	93,02,897
Power and Fuel	21	3,98,300	4,00,136
Changes in Inventories of Stock-in-Trade	22	<u>(753,615)</u>	<u>1,12,628</u>
Employee Benefit Expense	23	31,94,376	27,87,717
Financial Cost	24	1,36,435	1,63,191
Depreciation and Amortization Expense		15,90,817	15,95,133
Other Expenses	25	<u>65,91,795</u>	<u>48,72,672</u>
Total Expenses (IV)		<u>1,76,04,912</u>	<u>1,92,34,374</u>
V. Profit/(Loss) before tax (III-IV)		<u>(1,004,390)</u>	<u>617,693</u>
VI. Less: Tax Expenses			
(1) Current Tax		6,50,000	4,50,000
(2) Deferred Tax		<u>(906,204)</u>	<u>(368,072)</u>
(3) Earlier Year Adjustments		<u>30,108</u>	<u>32,460</u>
VII. Profit/(Loss) For The Year (V-VI)		<u>(778,294)</u>	<u>5,03,305</u>
VIII. Earning Per Equity Share (of Rs.10/- each)			
Basic and Diluted		<u>(0.19)</u>	<u>0.13</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
(Firm Regn. No.01676C)

H. K. Pariek

Partner
M.No. 70250

Place: New Delhi

Date : 28/05/2012

For & on behalf of the Board

T. B. Gupta
Managing Director

P. K. Sharan
Director

S. C. Agarwal
Director

SOUTH ASIAN ENTERPRISES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

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, Lucknow and Ayodhya. 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 on the basis of approval of the shareholders in their meeting.

c) Fixed assets

- i) All the fixed assets including assets given on lease are stated at cost less accumulated depreciation.
- ii) Depreciation on own assets is provided on the straight line method at the rates and in the manner prescribed in Schedule-XIV of the Companies Act, 1956.
- iii) Depreciation on the assets given on lease is provided in consonance with the method recommended by the Institute of Chartered Accountants of India under which 100% of the cost of assets is depreciated over the primary lease period applying interest rate implicit in the lease on the outstanding balances of the lease advances to calculate the finance earnings for the year and difference between the lease rentals and finance earnings is accounted for as depreciation.
- iv) Depreciation on assets not exceeding Rs.5,000/- is provided for at 100%.

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) Employees Benefits (In accordance with AS- 15)

- i) Defined Contribution Plans
 - Provident Fund- The Company contributes to Regional Provident Fund on behalf of its employees and above contributions are expensed to Profit & Loss Account.
- ii) Defined Benefit Plans
 - Gratuity - The Company makes contribution to scheme managed by LIC to discharge liabilities to the employees.
 - Leave Encashment- Provision for un-availed Leave Benefits payable to employees as per scheme of the Company is made on the basis of actuarial valuation.
- iii) Short Term Employees Benefits
 - Short Term Employees Benefits are recognized as an expense as per the Company's scheme based on expected obligation on undiscounted basis.

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.

Note 3

Share Capital

	Year Ended 31.3.2012	Year Ended 31.3.2011
Authorised		
50,00,000 Equity Shares of Rs.10/- each	5,00,00,000	5,00,00,000
	5,00,00,000	<u>5,00,00,000</u>
Issued, Subscribed & Called Up Capital	4,00,00,000	<u>4,00,00,000</u>
Issued, Subscribed & Paid up		
40,00,000 Equity Shares of Rs.10/- each	4,00,00,000	4,00,00,000
Less: Calls-in -Arrears-by others	9,500	9,500
	3,99,90,500	<u>3,99,90,500</u>
	3,99,90,500	<u>3,99,90,500</u>

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

Equity Shares

	31-Mar-12		31-Mar-11	
	No. of shares	Rupees	No. of shares	Rupees
At the beginning of the year	40,00,000	3,99,90,500	40,00,000	3,99,90,500
Issued during the year	-	-	-	-
Outstanding at the end of the year	40,00,000	3,99,90,500	40,00,000	3,99,90,500

b. Terms/rights attached to equity shares

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

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

	31-Mar-12		31-Mar-11	
	No. of shares	% of holding	No. of shares	% of holding
VLS Capital Ltd.	6,73,000	16.83	6,73,000	16.83
VLS Finance Ltd.	17,11,289	47.78	17,11,289	47.78
The Dhampur Sugar Mills Ltd.	2,50,000	6.25	2,50,000	6.25

SOUTH ASIAN ENTERPRISES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 4

Reserves & Surplus

Securities Premium Reserves

As per Last Balance Sheet
Less: Calls Unpaid - by other

Total (A)

General Reserve

As per Last Balance Sheet

Total (B)

Profit and loss Account

As per Last Balance Sheet
Add: Profit/(Loss) for the year

Total (C)

Total (A+B+C)

	Year Ended 31.3.2012	Year Ended 31.3.2011
	6,00,00,000	6,00,00,000
	(28,500)	(28,500)
	5,99,71,500	5,99,71,500
	1,85,99,415	1,85,99,415
	1,85,99,415	1,85,99,415
	23,81,741	18,78,436
	(778,294)	503,305
	1,603,447	2,381,741
	8,01,74,362	8,09,52,656

Note 5

Deferred Tax

a. Deferred Tax Liabilities
- Depreciation on Fixed Assets

b. Deferred Tax Assets

- Employee Benefits
- Provision for bad & doubtful debts

Net Deferred Tax Liabilities

Note 6

Long Term Provisions

Provision for Leave Encashment

Total

Note 7

Short Term Borrowings

Secured Working Capital Loans from Banks*

*Secured against Pledge of Fixed Deposit

Total

Note 8

Trade Payables

Trade Payables

Total

Note 9

Other Current Liabilities

Others Payables

Security Deposits

Advance from Customers

Total

Note 10

Short Term Provisions

Provision for Taxation

Provision for Leave Encashment

Total

	12,04,565	21,03,248
	22,665	15,144
	1,54,500	1,54,500
	10,27,400	19,33,604
	48,801	40,727
	48,801	40,727
	5,36,255	21,02,235
	5,36,255	21,02,235
	34,50,458	16,72,489
	34,50,458	16,72,489
	18,30,618	17,42,373
	17,000	77,000
	-	1,27,158
	18,47,618	19,46,531
	11,54,840	8,45,000
	24,549	20,489
	11,79,389	8,65,489

Note 11: FIXEDASSETS

Description	Gross Block				Impairment			Depreciation				Net Block	
	Opening Balance as on 01.04.2011	Additions During the year	Deletion During the year	As at 31.03.2012	As at 01.04.2011	For the Year	As at 31.03.2012	As at 01.04.2011	For the Year	Adjustments	As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
TANGIBLE ASSETS													
1 Building	85,79,133	-	-	85,79,133	-	-	-	47,27,832	2,74,342	-	50,02,174	35,76,959	38,51,301
2 Plant & Equipment	2,91,15,633	-	49,05,264	2,42,10,369	15,18,524	-	15,18,524	2,25,89,075	12,63,945	30,85,781	2,07,67,239	19,24,606	50,08,034
3 Vehicle	1,00,845	-	-	1,00,845	-	-	-	53,583	4,707	-	58,290	42,555	47,262
4 Furniture & Fixture	6,60,033	6,400	-	6,66,433	-	-	-	6,52,670	1,423	-	6,54,093	12,340	7,363
5 Office Equipments	5,01,996	15,985	-	5,17,981	-	-	-	4,23,322	20,027	-	4,43,349	74,632	78,674
6 Computer	1,54,839	19,340	-	1,74,179	-	-	-	94,554	26,373	-	1,20,927	53,252	60,285
7 Plant & Equipment - On Lease	5,04,35,960	-	-	5,04,35,960	-	-	-	5,04,35,960	-	-	5,04,35,960	-	-
Total	8,95,48,439	41,725	49,05,264	8,46,84,900	15,18,524	0	15,18,524	7,89,76,996	15,90,817	30,85,781	7,74,82,032	56,84,344	90,52,919
Previous Year	8,94,15,350	1,33,089	-	8,95,48,439	15,18,524	0	15,18,524	7,73,81,863	15,95,133	-	7,89,76,996	90,52,919	1,05,14,963

SOUTH ASIAN ENTERPRISES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

12. Non-Current Investments

PARTICULARS	As at 31 March, 2012 (Rs.)	As at 31 March, 2011 (Rs.)
A Non trade -At cost-Fully paid up		
I. (QUOTED)		
Investment in Equity Instruments of Other entities		
1 (P.Y. 1) Equity Shares of Rs.10/- each of Bank of Baroda	251	251
200 (P.Y. 200) Equity Shares of Rs.10/- each of Tata Steel Limited	1,38,235	1,38,235
500 (P.Y. 500) Equity Shares of Rs.5/- each of Reliance Mediaworks Ltd	1,12,085	1,12,085
110 (P.Y. 100) Equity Shares of Rs.10/- each of Reliance Industries Limited	1,07,879	1,00,561
500 (P.Y.NIL) Equity Shares of Rs.1/- each of ITC Limited	98,453	-
Total (A)	4,56,903	3,51,132
II. UNQUOTED		
50,000 (P.Y. 50,000) Equity Shares of Rs.10/- each of Indhra Dhan Agro Products Ltd.	5,00,000	5,00,000
15,00,000 (P.Y. 15,00,000) Equity Shares of Rs.10/- each of Hotline Electronics Ltd.	1,50,00,000	1,50,00,000
10,00,000 (P.Y. 10,00,000) Equity Shares of Rs.10/- each of VLS Capital Ltd.	6,00,00,000	6,00,00,000
35,000 (P.Y. 35,000) Equity Shares of Rs.100/- each of Alok Fintrade (P) Ltd.	35,00,000	35,00,000
Total (B)	7,90,00,000	7,90,00,000
Total Non-Current Investment (A+B)	7,94,56,903	7,93,51,132
(B) Investment in Property (Real Estate) (At Cost)	2,08,42,255	2,08,42,255
Total Non - Current investments (A+B+C)	10,02,99,158	10,01,93,387
Aggregate amount of quoted investments	4,56,903	3,51,132
Aggregate market value of quoted investments	3,31,365	3,05,700
Aggregate amount of unquoted investments	7,90,00,000	7,90,00,000

Note 13

Long-term loans and advances

(Unsecured, considered good)

Advance Income tax		5,71,948	1,88,251
Other Loan and Advances	5,00,000		5,00,000
Less: Provision made for doubtful advance	(500,000)	-	(500,000)
Deposits with Others		2,26,075	8,99,320
Total		7,98,023	10,87,571

Note 14

Inventories

Stock in Trade		53,04,221	45,50,606
Total		53,04,221	45,50,606

Note 15

Trade Receivables

(Unsecured, considered good)

Debts outstanding for a period exceeding 6 months from the date they are due for payment		18,97,602	1,77,355
Others		18,96,617	35,77,015
Total		37,94,219	37,54,370

Note 16

Cash & Cash Equivalents

Cash on Hand		97,249	90,347
Balance with Banks			
- Current Account		4,85,210	2,33,860
- Fixed Deposit with Banks*		96,93,000	88,50,000
* Fixed Deposit worth Rs.42,00,000/- pledged with bank against overdraft and worth Rs.6,43,000/- against margin money for bank guarantee.	Total	1,02,75,459	91,74,207

Note 17

Short Term Loans & Advances

(Unsecured, considered good)

Advance Income Tax and Tax Deducted as source		6,31,853	5,19,570
Security Deposit		6,47,202	1,41,793
Prepaid Expenses		29,454	10,871
Others #		3,12,679	1,05,906
# Includes primarily Advance to sundry creditors	Total	16,21,188	7,78,140

Note 18

Other Current Assets

Interest Accrued in Deposits		4,78,171	9,13,031
Total		4,78,171	9,13,031

SOUTH ASIAN ENTERPRISES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS	Year Ended 31.3.2012	Year Ended 31.3.2011
Note 19		
Revenue From Operations		
Park Receipts	43,05,579	40,95,944
Sales (Traded Goods)	1,06,80,002	1,45,70,201
Income from Installation, Erection & Supervision	5,77,242	4,63,270
Total	1,55,62,823	1,91,29,415
Note 20		
Other Income		
Interest on fixed deposit (Gross) (Tax deducted at source - Rs.82,684/- Previous Year Rs.68,970/-)	8,26,837	6,89,702
Dividend Income	5,442	15
Misc. Income	2,00,420	3,612
Unspent liabilities/ Unclaimed balance written back	5,000	29,323
Total	10,37,699	7,22,652
Note 21		
Power and Fuel		
Power and Fuel	3,98,300	4,00,136
Total	3,98,300	4,00,136
Note 22		
Change in inventories of Stock in Trade		
Stock -in - Trade		
At the beginning of accounting year	45,50,606	46,63,234
At the end of accounting year	53,04,221	45,50,606
Total	(753,615)	1,12,628
Note 23		
Employee Benefit Expenses		
Salaries and Wages	25,32,684	23,68,168
Staff Welfare Expenses	1,72,663	1,45,184
Contribution to Provident and other Funds	4,89,029	2,74,365
Total	31,94,376	27,87,717
Note 24		
Finance Costs		
Interest on overdraft	1,25,924	1,52,216
Others (bank charges)	10,511	10,975
Total	1,36,435	1,63,191
Note 25		
Other Expenses		
Repair & Maintenance:		
- Building	66,063	910
- Machinery	1,38,896	74,566
- Others	16,385	2,105
Lease Rent & Hire Charges	10,75,653	10,34,279
Park Running & Maintenance	1,92,846	1,29,833
Rent	69,000	45,000
Rates & Taxes	40,403	27,458
Consultation & Professional Charges	3,81,777	1,82,155
Postage & Telephone	2,85,284	1,30,271
Advertising & Selling Expenses	2,19,671	4,83,737
Travelling Expenses	5,86,020	5,31,002
Director's Sitting Fee	1,50,000	1,28,000
Auditors Remuneration		
- Statutory Audit	16,854	16,545
- Tax Audit	8,427	8,273
- For expenses	22,281	17,050
Insurance Charges	7,445	7,848
Miscellaneous Expenses	4,39,727	4,12,393
Installation & Supervision Expenses	11,58,580	13,35,337
Loss on sale of Fixed Asset	15,94,483	-
Rebate and Discount	1,22,000	-
Bad debts written off.	-	3,05,910
Total	65,91,795	48,72,672

26. Commitments

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

27. Contingent liabilities in respect of

Counter Guarantee given against Bank Guarantees – Rs.6,43,000/- (Previous Year- Rs.6,43,000/-)

SOUTH ASIAN ENTERPRISES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

28. Related Party Disclosure

Related Party disclosures as required under Accounting Standard AS-18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

Key Managerial Personnel: - Shri. T. B Gupta (Managing Director) and Smt. Usha Gupta (Wife of Shri. T. B. Gupta)

Details of transactions:

S. No	Name of Party	Transaction
		Dr. (Rs.)
1.	Remuneration to Managing Director	Rs. 4,80,000/- (Previous year- 3,72,000)

29. Operating Leases

The Company has taken Land on lease for setting up park from Local Development Authorities. The lease rental expense under such operating leases is Rs.10,75,653/- (Previous Year Rs.10,34,279/-). Future minimum lease payments on non-cancellable lease agreements as at March 31, 2012 are as follows:

Particulars	31-March-2012 Amount/Rs.	31-March-2011 Amount/Rs.
Not later than 1 year	11,20,621/-	10,75,653/-
Later than 1 year and not later than 5 year	49,90,357/-	47,97,391/-
Later than 5 year and above	57,00,110/-	70,13,696/-
Total	1,18,11,088/-	1,28,86,740/-

30. Earning Per Share

Calculation of EPS (Basic and Diluted)

Particulars	Equivalent No. of Shares	
	Year ended 31 st March, 2012	Year ended 31 st March, 2011
Basic and Diluted		
Total Shares Outstanding	40,00,000	40,00,000
Profit after Taxes	Rs.(7,78,294/-)	Rs.5,03,305/-
EPS	Rs. (0.19)	Rs. 0.13

31. Deferred Tax

	As at 01.04.2011	Current Year Charge/ (Credit)	As at 31.03.2012
a) Deferred Tax Liability on account of:			
Depreciation	21,03,248	(8,98,683)	12,04,565
Total (a)	21,03,248	(8,98,683)	12,04,565
b) Deferred Tax Assets on account of:			
Employee Benefits	15,144	(7,521)	22,665
Provision for Bad Debts	1,54,500	NIL	1,54,500
Total (b)	1,69,644	(7,521)	1,77,165
Total (a-b)	19,33,604	9,06,204	10,27,400

Note: Deferred tax asset amounting to Rs.4,92,700/- on short term capital loss has not been recognized during the year as there is no certainty of availability of future income to set of the same.

32. Segment Reporting

(Amount in Rs.)

Particulars	2011 - 12	2010 - 11
Segment Revenue		
a) Entertainment	43,05,579	40,95,944
b) Trading	1,12,57,244	1,50,33,471
c) Others	10,37,699	7,22,652
Total	1,66,00,522	1,98,52,067
Segment Results		
Profit/ (Loss) before interest and tax		
a) Entertainment	(38,19,729)	(21,08,240)
b) Trading	19,14,075	21,66,472
c) Others	10,37,699	7,22,652
Total Profit/ (Loss) before interest and tax	(8,67,955)	7,80,884
Less: Interest	1,36,435	1,63,191
Other Un-allocable expenditure net off		-
Net Profit before Tax	(10,04,390)	6,17,693
Less/(Add) : Taxes expenses (credits)	(2,26,096)	1,14,388
Net Profit after Tax	(7,78,294)	5,03,305
Segment Assets		
a) Entertainment	1,75,66,983	2,01,81,076
b) Trading	1,03,88,642	91,29,768
c) Others	10,02,99,158	10,01,93,387
Total Assets	12,82,54,783	12,95,04,231
Segment Liabilities		
a) Entertainment	23,46,451	21,89,926
b) Trading	41,54,070	38,75,545
c) Others	5,62,000	5,62,000
Total Liabilities	70,62,521	66,27,471

SOUTH ASIAN ENTERPRISES LIMITED

33. 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 of Rs. 15,18,524/- 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.
34. There is no amount due and payable to any enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006, at the end of the financial Year.
35. Disclosures pursuant to Accounting Standard (AS) 15 (revised)-

Defined Benefit Plans

a) Long Term Compensated Absences as per actuarial valuation as on 31.03.2012

Amount in Rs.

Actuarial Assumptions	Gratuity	Gratuity	Leave Encashment	Leave Encashment
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
Discount rate (per annum)	8%	8%	8.75%	8.5%
Future salary increase	6%	6%	5%	5%
Expected rate of return on plan assets			NA	NA
Mortality			LIC 94- 96 Ultimate	LIC 94- 96 Ultimate
I. Expenses recognized in profit and loss account				
Current service cost	49,900	41,006	5,587	4,530
Interest cost	51,894	56,090	5,356	7,675
Expected return on plan assets	(67,464)	(64,956)	—	—
Net actuarial loss/ (gain) recognized in the year	1,82,452	(10,795)	1,191	(41,528)
Net expenses recognized	2,16,782	21,345	12,134	(29,323)
II. Net liability/(assets) recognized in the balance sheet at the year end				
Present value of obligation at the end of period	8,86,308	6,48,678	73,350	61,216
Fair value of the plan asset at the end of period	10,11,616	7,65,495	—	—
Funded status [(surplus/(deficit))]	1,25,308	1,16,817	(73,350)	(61,216)
Net asset/(liability) as at 31st March, 2012	1,25,308	1,16,817	(73,350)	(61,216)
III. Change in present value of obligation during the year				
Present value of obligation at the beginning of period	6,48,678	7,01,129	61,216	90,539
Current service cost	49,900	41,006	5,587	4,530
Interest cost	51,894	56,090	5,356	7,675
Benefits paid	(46,616)	(41,596)	—	—
Actuarial loss/ (gain) on obligations	1,82,452	(1,07,951)	1,191	(41,528)
Present value of obligation at the year end	8,86,308	6,48,678	73,350	61,216
IV. Change in present value of fair value of plan assets				
Fair value of plan assets as at the beginning of period	7,65,495	6,88,156	—	—
Expected return on plan assets	67,464	64,956	—	—
Contributions	2,25,273	53,979	—	—
Benefits paid	(46,616)	(41,596)	—	—
Actuarial loss/ (gain)	—	—	—	—
Fair value of plan assets at the year end	10,11,616	7,65,495	—	—

36. Changes in inventories of stock-in-trade

	As at March 31, 2012	As at March 31, 2011
Inventory at close of the year		
Stock-in-trade	53,04,220/-	45,50,605/-
Music album	1/-	1/-
Inventory at beginning of the year		
Stock-in-trade	45,50,605/-	33,37,234/-
Music album	1/-	13,26,000/-
Total	(7,53,615/-)	1,12,628/-

37. The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date

For Anil Pariek and Garg

Chartered Accountants
(Firm Regn. No.01676C)

H. K. Pariek
Partner
M.No. 70250

For and on behalf of the Board

T. B. Gupta
Managing Director

P. K. Sharan
Director

S. C. Agarwal
Director

Place: New Delhi
Date : 28th May, 2012

SOUTH ASIAN ENTERPRISES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

Amount (in Rs.)

	Year Ended <u>31.03.2012</u>	Year Ended <u>31.03.2011</u>
A. Cash Flow from Operating Activities		
Net Profit before Tax	(1,004,390)	6,17,693
Adjustments for:-		
Dividend Income	(5,442)	
Depreciation	15,90,817	15,95,133
Provision for Leave Encashment	12,134	(29,323)
Loss on sale of Fixed Assets	15,94,483	-
Interest Income	(826,837)	(689,702)
Finance Cost	1,25,924	1,52,216
	<u>24,91,079</u>	<u>10,28,324</u>
Operating Profit before Working Capital Changes	14,86,689	16,46,017
Adjusted for:		
Inventories	(753,615)	1,12,628
Trade Payables	16,79,056	(555,462)
Trade and Other Receivables	3,95,011	(1,705,986)
Long Term Loans and Advances	6,73,245	-
Short Term Loans and Advances	(843,048)	(1,500,776)
	<u>11,50,649</u>	<u>(3,649,596)</u>
Cash Generated from Operations	26,37,338	(2,003,579)
Less: Tax Adjustment	(723,857)	2,32,493
Cash Flow from Operating Activities	1,913,481	(1,771,086)
Prior Period Items	(30,108)	(32,460)
Net Cash from Operating Activities	18,83,373	(1,803,546)
B. Cash Flow from Investing Activities		
Purchase of Investments (Net)	(105,771)	(350,881)
Additions in Fixed Assets	(41,725)	(133,089)
Proceeds from Sale of Fixed Assets	2,25,000	-
Dividend Income	5,442	-
Interest Received	8,26,837	6,89,702
Net Cash (used in)/ Generated from Investing Activities	9,09,783	2,05,732
C. Cash Flow from Financing Activities		
Proceeds from borrowing	(1,565,980)	11,16,393
Interest paid	(125,924)	(152,216)
Net Cash (used in)/ Generated from Financing Activities	(1,691,904)	9,64,177
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	11,01,252	(633,637)
Opening Balance of Cash & Cash Equivalents	91,74,207	98,07,844
Closing Balance of Cash & Cash Equivalents	1,02,75,459	91,74,207

As per our report of even date

For & on behalf of the Board

For Anil Pariek & Garg
Chartered Accountants
(Firm Regn. No.01676C)

H. K. Pariek
Partner
M.No. 70250

T. B. Gupta
Managing Director

P. K. Sharan
Director

S. C. Agarwal
Director

Place: New Delhi
Date : 28/05/2012

SOUTH ASIAN ENTERPRISES LIMITED

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

ATTENDANCE CARD

TWENTY THIRD ANNUAL GENERAL MEETING

Saturday, the 29th Day of September, 2012

Folio No./DP ID & CL ID

No. of Shares

Name

Address

I hereby record my presence at the 23rd ANNUAL GENERAL MEETING of the Company at MIKKY HOUSE, K-BLOCK, KIDWAI NAGAR, KANPUR-208011 at 1.30 P.M. ON SATURDAY, the 29th DAY OF SEPTEMBER, 2012.

Proxy's Name

Proxy's Signature

Member's Signature

NOTE :

1. Member/Proxy wishing to attend the meeting must present this card duly filled in at the Entrance of the Venue.
2. No Gift/Coupons or equivalent will be given to members who are present in the meeting.

SOUTH ASIAN ENTERPRISES LIMITED

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

FORM OF PROXY

I/We

of

of SOUTH ASIAN ENTERPRISES LIMITED hereby appoint

of

of

of

as my/our proxy to vote for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Saturday, the 29th Day of September, 2012 at 1.30 P.M. and at any adjournment thereof.

Dated this

day of

2012.

Reg. Folio/DP ID & CL ID

No. of Shares

Member's Signature

Affix

Revenue

Stamp

FOR OFFICE USE ONLY

Proxy No.

NOTE :

1. The form should be signed across the stamp as per specimen signature registered with the Company.
2. The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
3. A Proxy need not be a Member.
4. In case of jointholding, all the jointholders must sign the proxy form.

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