

SOUTH ASIAN ENTERPRISES LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 22nd 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 Friday, the 30th day of September, 2011 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, 2011, the Profit & Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Dr. B. Venkataraman, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri S. V. S. Juneja, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri K. K. Soni, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri S. C. Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
6. 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."

SPECIAL BUSINESS:

7. **Approval for Revision in remuneration of Shri T. B. Gupta as Managing Director of the Company.**

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

"RESOLVED THAT the revision of remuneration of Shri T. B. Gupta as Managing Director as set out in explanatory statement annexed to this notice be and is hereby approved."

8. **Approval for Re-appointment of Shri T. B. Gupta as Managing Director of the Company.**

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 310 and 316 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and pursuant to Article No.108 of the Articles of Association of the Company, consent of the Company be and is hereby accorded for reappointment of Shri T. B. Gupta who is also Executive Director of VLS Capital Ltd. as Managing Director of the Company for a period of three years w.e.f. 30th September, 2011, on such remuneration and other terms and conditions as are expressed and contained in the agreement entered into for this purpose between the Company and the Managing Director.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary and/or revise the remuneration of the Managing Director within the permissible limits under the provisions of the Companies Act, 1956 or any statutory amendment/modification thereof, from time to time and to do all such things, deeds and acts including delegation of powers herein to any person/committee as may be necessary or expedient for giving effect to said appointment and in case required to obtain the consent of Company in this regard, to end and intent that it shall be deemed to have been accorded expressly by authority of this resolution."

9. **To approve the amendment in Objects Clause of Memorandum of Association of the Company.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution through Postal Ballot**** :-

"RESOLVED THAT pursuant to the provisions of Section 17 of the Companies Act, 1956 and other applicable provisions, if any, subject to such other approvals as may be required, the Clause III i.e. the Object Clause of the Memorandum of Association (MOA) of the Company be and is hereby altered in the following manner:-

- A. **By insertion of the following 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:-**

57. To carry on the business of establishing, running, maintaining, otherwise deal in all type of educational institutions including schools, college, franchisee, accredited center for imparting education, training and placement of any level, to provide ancillary services for this purpose including to act as placement agents for supply of labour/manpower to various institutes, corporate, firms and individuals and to act as management consultants for corporate and other entities.

58. To carry on the business of providing information through holding, managing, running, operating and administering events, conferences, seminars, marketing surveys, meeting, exhibitions, displays, cinema, theater, shows,

street plays, rallies, demonstration, stalls and through print, vocal and cyber media, hoardings, playcards, posters, banners and other re-creative medias.

59. To carry on business of imparting education and skill training in martial arts, self defence, combat warfare and security related areas as permitted from time to time, to civilians, government law enforcement agencies, security personnel including military, paramilitary, industrial and private security, to act as consultants, advisors, trainers in security and related areas, to undertake research and development in security, warfare and related areas.

60. To carry on the business in India and abroad of providing security services, housekeeping and maintenance services of all type which expression shall include but not limited to renovate, repair, improve, enlarge, demolish, taking preventive measures or other activity for maintenance of equipments of all types whether industrial or otherwise, including plant and machinery, infrastructure, non-conventional energy driven appliances and sources thereof, buildings and other edifice whether constructed or not and for any other object for the time being in vogue, to undertake facility management for entities, equipments and other items of all types.

61. To carry on the business of providing infrastructure facilities of all types including road, highways, bridges, waterways, dams, reservoir, airports, ports, rail system, health centers, hospitals, research institute, educational institutions or any other public facility in vogue as may be decided by the company from time to time including water supply projects, energy, environment, irrigation, sanitation, sewerage system, communication systems, providing greenery and tree plantation and other things relating to the ecological, development and to acquire, promote, develop hill station and activities related to that, land and hereditaments and to erect and build thereon flats, houses, shops and other buildings and to hold occupancy, exchange, underlet, mortgage, sell or otherwise deal with the same and to establish, maintain and operate shipping, air transport and road transport services and all ancillary services including any structural or architectural work of any kind, preparation of estimates, designs, plans, specification or models etc. for aforesaid purpose and project management.

62. To guide, inspire and act as consultants, advisors & surveyors for developing economic role models in the field of infrastructure, tourism, ventures and to provide bureaus, technology, literature, background material or any other service in relation thereto.

63. To carry on business of running nursing homes, clinics, pharmacies, indoor and outdoor hospitals, medical, anatomical, orthopedic, surgical and X-ray units, laboratories, diagnostic centers, research establishments, nature cure centers, centers for treatment under alternative therapies and to acquire land, buildings, plants, equipments, accessories, instruments, gadgets, furniture and fittings and other facilities for treatment and nursing of patients of various types of diseases, ailments, sickness, illness and other body or mental troubles.

64. To carry on the business as producer, makers, dealers, analysers, investigator and consultants in public health and environmental engineering, wildlife conservation, water, sewage and effluent treatment, water, air and land pollution control, industrial engineering.

65. To carry on all or any of the business as manufacturers, producers, importers, exporters, buyers, sellers, stockiest, suppliers, distributors, repairers of and workers in motor cars, motor buses or mini-buses, motor lorries, motor trucks, motor cycles, scooters, jeeps, tractors, trolleys, trailers, cycles, tri-cycles, aeronautical and aerospace products, marine diesel engines, boats of every kind, aeroplanes, helicopters, ships, tramway, carriages and other conveyances of all kinds, to purchase, sell and deal in petrol, mobile oil, and kerosene oil and otherwise deal in petroleum products, lubricants, gasoline and other oils used in automobiles or machines of all kinds and to own service stations and petrol pumps.

"RESOLVED FURTHER THAT Sub sub-clause 47 contained in Other Objects aforesaid be and is hereby amended and after the words, "related therewith", the following words be inserted:

"to act as postal agent of Post & Telegraph Department or other agency for distribution of mail and allied services."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do such things, deeds and acts and to resolve any question or doubts relating thereto, or otherwise considered necessary in the best interest of the Company including the modification (s), if any, suggested by the concerned authorities, to comply with all the legal, procedural formalities and further to authorise any of its committee or any of its Directors and/or any of the officers of the Company or any other person(s) to do all such acts, deeds or things as may be considered necessary, desirable or expedient for implementing the aforesaid resolution and in case being required to seek any further approval of the members or otherwise to end and intent that the members shall be deemed to have given their approval therefor expressly by authority of this resolution."

10. **To approve the Commencement of certain business stated in the Other Objects of the Memorandum Of Association of the Company.**

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

"RESOLVED THAT subject to such other approvals and permissions as may be required, the consent of the Members of the Company be and is hereby accorded in terms of provisions contained in section 149 (2A) of the Companies

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Act, 1956 and other applicable provisions if any, for commencement of business stated in Clause Nos. 57, 59, 60, 61, 63 and 64 of Other Objects in Part C of Object Clause in part III of Memorandum of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to perform all such acts, deeds, things and matters as in its absolute discretion, it may consider necessary, expedient or desirable including delegation of authority conferred herein, in order to give effect to the foregoing resolution and to settle any question or doubt that may arise in relation thereto, in the best interest of the Company and in case of need to seek further approval or authorization of the members, to the end and intent, the members shall be deemed to have given their express approval by authority of this resolution."

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

Place: New Delhi
Date: 13/08/2011

** Separate arrangement has been made for sending the proposed resolution alongwith requisite enclosures in respect of item to be passed through postal ballot in time to the members, as per applicable regulations of Companies (Passing of the resolutions by postal ballot) Rules 2011. The result may be declared at the Annual General Meeting on 30/9/2011.

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 22nd 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 relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 for item nos. 7 to 10 is annexed hereto and forms part of this notice. **Members may also note that the business at item no. 9 of the notice shall be transacted through postal ballot and thus shall not be considered again at the Annual General Meeting..**
5. 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.
6. 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.
7. 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).
8. Members, who are holding shares in identical order of names in more than one Folio, 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.
9. The Register of Members of the Company shall remain closed from **23rd September, 2011 to 30th September, 2011** (both days inclusive).
10. 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.
11. 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.

12. 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.
13. *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.*
14. 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.
15. Information regarding Directors retiring by rotation and seeking re-appointment:

(A)

S No.	Name of the Director	Date of Birth	Date of Appointment	Qualifications and Expertise in specific functional areas	Other Directorships	Membership in Committees of other Companies and designation, as on 31/03/2011.	Whether qualified u/s 274 (1) (g) of the Companies Act, 1956
1)	Dr. B. Venkataraman IAS (Retd.)	19/09/1925	26/12/1992	B. Sc. (H), M.A., D.Litt. He is Former Secretary to the Govt. of India, Ministry of Tourism and Civil Aviation, having over 5 decades of experience in administration and govt. affairs with rich experience in planning and development of Amusement Industry in India.	a) C.J. International Ltd. b) Indraprastha Medical Corporation Ltd.	i) Audit Committee, Member ii) Management Committee, Member iii) Audit Committee, Chairman iv) Shareholders/ Investor Grievance Committee - Member	Yes
2	Shri S. V. S. Juneja IAS (Retd)	13/05/1931	26/03/1993	B.A. Economics, MPA (Harvard). He has held several key positions in the Government of India and possesses over 50 years of experience in planning and administration. He had been the Chairman and Chief Executive Officer of the NODA and also the Director, Infrastructure Department and officer - in-charge Office of Environment, Asian Development Bank.	Nil	N.A.	Yes
3	Shri K. K. Soni	14/09/1953	30/01/2006	B.Com., FCA, FCS He is a qualified Chartered Accountant and Company Secretary with over 34 years experience in the area of Finance, Taxation, Corporate Planning and other corporate affairs.	a) VLS Capital Ltd. b) VLS Securities Ltd. c) VLS Asset Management Ltd. d) Om Sai Sports Ltd.	NIL Audit Committee - Member NIL	Yes
4	Shri S. C. Agarwal	12/01/1962	30/01/2006	B.A. He has vast experience in field of Accounts, administration, running Amusement Parks and allied areas. He has been associated with the Company since inception in various capacities and was Chief Executive of Company till 29/01/2006 designated as Manager.	a) VLS Capital Limited b) VLS Asset Management Limited	a) Remuneration Committee - Member b) Audit Committee - Member NIL	Yes

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(B) Shareholding of above stated Directors (As on 31-03-2011):

S. No.	Name of Director	No. of Equity Shares held in Company	Percentage of voting Capital
1)	Dr. B. Venkataraman	100	0.0025
2)	Shri S. V. S. Juneja	Nil	Nil
3)	Shri K. K. Soni	Nil	Nil
4)	Shri S. C. Agarwal	Nil	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 7:

In its meeting held on 13/8/2011, the Board, concurring to the recommendations made by Remuneration Committee had approved the revision in the remuneration payable to Shri T.B. Gupta - Managing Director effective from 1st April, 2011, subject to the approval of the members as set out hereinafter. All other terms and conditions of service of Managing Director will remain unchanged.

The present remuneration of Shri T.B. Gupta is Rs. 31,000/- (Rupees Thirty One Thousand only). The revised remuneration of Shri T. B. Gupta – Managing Director, if approved, will be as under:

A: Salary

A salary of Rs.40,000/- (Rupees Forty Thousand only) per month.

B: Perquisites

In addition to the aforesaid salary, no perquisites shall be paid to the Managing Director.

Besides the above, the Managing Director shall be entitled to the reimbursement of out of pocket expenses incurred for performance of his official duties.

C: Sitting Fees

The Managing Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.

Shri T.B. Gupta is also the Executive Director of VLS Capital Ltd. and draws remuneration from that Company. The overall remuneration of Shri T.B Gupta shall be within the prescribed limits of the relevant provisions of the Companies Act, 1956. In terms of Section 269 read with other applicable provisions of the Companies Act, 1956 any modification in terms and conditions of appointment including remuneration is subject to the approval of members. This Statement may also be construed as an abstract of variation in terms and conditions of appointment of Managing Director in terms of Section 302 of the Companies Act, 1956.

A copy of the resolution passed by the Board of Directors on 13/8/2011 modifying the remuneration of Shri T. B. Gupta as Managing Director is available for inspection by the members of the Company at Registered office of the Company between 11:00 a.m. and 1:00 p.m. on all working days till the date of the Annual General Meeting except on Saturdays, Sundays and Holidays.

The Board of Directors recommends the resolution for your approval. Shri T. B. Gupta does not hold any shares in the Company.

None of the Directors except Shri T. B. Gupta is concerned or interested in the resolution.

ITEM NO. 8:

The Board had re-appointed Shri T. B. Gupta as the Managing Director of the Company on 13/08/2011 subject to approval of members and other permissions required, if any, for Three years since his present term would expire on 29/9/2011. The next term of Shri T.B. Gupta as Managing Director, will be from 30/09/2011 to 29/9/2014. He is M.Tech., from IIT, Kharagpur. He has over 48 years of experience in Electrical & Amusement Industry, securities market and financial services and has held senior positions with various public and private sector undertakings. He has been associated with the Company since the very beginning and was earlier also Managing Director till October 1999. Shri T.B. Gupta is also the Executive Director of VLS Capital Ltd. and continues to hold that position. He is Non- Executive Director of VLS Securities Ltd., and Arien (New Delhi) Pvt. Ltd.

Shri T.B. Gupta's re-appointment as Managing Director w.e.f. 30/09/2011 has been made in accordance with the conditions specified in Part I of Schedule XIII and the remuneration payable is within the ceilings laid down in Part II thereof and the requirements of Part III thereof are being complied with. The total remuneration of Shri T.B Gupta i.e. including remuneration drawn from VLS Capital Ltd. is also within the limits prescribed in Schedule XIII of the Companies Act, 1956.

The agreement entered into by the Company with Shri T. B. Gupta inter-alia contains the following terms and conditions: -

I. **Period of agreement:** 3 years w.e.f. 30th September, 2011.

II. Remuneration:

A) Salary

A salary of Rs.40,000/- (Rupees Forty Thousand only) per month.

B) Perquisites

In addition to the aforesaid salary, no perquisites shall be paid to the Managing Director.

Besides the above, the Managing Director shall be entitled to the reimbursement of out of pocket expenses incurred for performance of his official duties.

C) **Sitting Fees:** - The Managing Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.

In terms of Article 109 of the Articles of Association of the Company, Shri T.B. Gupta shall not be liable to retire by rotation during his tenure as Managing Director of the Company.

The Board may from time to time, review and if deemed fit, revise the remuneration payable to the Managing Director within the limits permissible and in the manner permitted under the Companies Act, 1956 or any other applicable law, in force, for the time being. The other terms and conditions of Shri T. B. Gupta's re-appointment as Managing Director may be varied, altered or otherwise revised from time to time by the Board as it may in its discretion deem fit, subject to the provisions of the Companies Act, 1956 and other applicable laws, for the time being in force.

The re-appointment of Shri T.B. Gupta as Managing Director on the terms and conditions as set out in the agreement entered into between Shri T. B. Gupta and the Company is subject to the approval of the members. The Board recommends his appointment as set out in Item no. 8 of the accompanying Notice. This may also be construed as the abstract of agreement with Shri T.B. Gupta pursuant to provisions of section 302 of the Companies Act 1956.

A copy of agreement entered into between the Company and Shri T. B. Gupta is available for inspection by the members of the Company at Registered office of the Company between 11:00 a.m. and 1:00 p.m. on all working days till the date of the Annual General Meeting except on Saturdays, Sundays and Holidays.

Shri T. B. Gupta does not hold any shares of the Company. None of the Directors except Shri T. B. Gupta is concerned or interested in the resolution.

ITEM NO. 9:

The Company in past had endeavored to diversify its activities because the objects for corresponding activity were available in charter of the Company i.e. in object clause of Memorandum of Association. With new activities coming in vogue in the course of time, it is proposed to incorporate some of these activities in said charter to enable the Company to undertake the activities as and when opportunity comes by. In absence of availability of said activities, the same can not be pursued by the Company being ultra virus or illegal to proceed with activities not covered in object clause in Memorandum of Association. It is, therefore, proposed to incorporate inter-alia the following activities in objects clause:

1. Activities for running educational institutions, providing infrastructure facilities, hospital services, advertising and allied services.
2. Activities relating to security training including for Military (combat and non combat) and similar activities whether for civilians or other security personnel.

In terms of sub section (1) and (2) of section 192A of the Companies Act 1956, read with Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the amendment in object clause of Memorandum of Association of Company is require to be approved by members through postal ballot and not by voting in general Meeting, if any, convened for this purpose. Accordingly, your approval is sought by means of postal ballot for amendment in object clause of Memorandum of Association as set out in the proposed resolution. The Board has not opted for permitted alternative means of voting i.e. electronic voting. Members are requested to carefully follow the instructions for filling postal ballot form before exercising vote as photocopy etc. of postal ballot form shall be invalid and shall be summarily rejected.

Your attention is also invited to sub-section 3 of Section 192A of the Companies Act, 1956 read with clause (f) of Rule 6 of the Companies (Passing of Resolution by Postal Ballot) Rules, 2011 requiring the member to forward his/her vote in respect of each item to the Scrutinizer so as to reach on or before 30th day of posting of the notice. Any communication received after the stipulated day will be treated as if it has not been received at all. The members are requested to forward requisite papers at the earliest so as to reach the Scrutinizer on or before 28/09/2011.

The Board recommends the resolution for approval of the members.

None of the Directors of your Company are concerned or interested in the resolution except as members of the Company to the extent of their

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shareholding. The result of Postal Ballot may be declared at the ensuing Annual General Meeting scheduled to be held on 30.09.2011.

ITEM NO. 10:

At present, apart from the activities specified in the Main Object Clause of Memorandum of Association, the Company is authorized to pursue business envisaged in Clause 2 (Store-keeper), Clause 3 (Exporters, Importers), Clause 4 (Electrical Engineers), Clause 5 (Mechanical Engineers), Clause 6 (Electronics), Clause 16 (Tourist Agents), Clause 19 (Real Estate), Clause 20 (Carriers), Clause 22 (Food, Fruits and related products), Clause 31 (Finance), Clause 43 (Investment), Clause 46 (Exporter, Importer) and Clause 49 (Agents, Factors) of the other objects of Memorandum of Association. Keeping in view the diversification possibilities in new ventures undertaken namely marketing/trading of lightning protection system etc., it is proposed to commence business stated in clauses 57, 59, 60, 61, 63 and 64 of the other objects. In terms of provisions contained in Section 149 of the Companies Act, the approval of the Members is required before commencement of any such business contained in other objects. The business envisaged in Clauses 57, 59, 60, 61, 63 and 64 are reproduced below for reference:

57. To carry on the business of establishing, running, maintaining, otherwise deal in all type of educational institutions including schools, college, franchisee, accredited center for imparting education, training and placement of any level, to provide ancillary services for this purpose including to act as placement agents for supply of labour/manpower to various institutes, corporate, firms and individuals and to act as management consultants for corporate and other entities.
59. To carry on business of imparting education and skill training in martial arts, self defence, combat warfare and security related areas as permitted from time to time, to civilians, government law enforcement agencies, security personnel including military, paramilitary, industrial and private security, to act as consultants, advisors, trainers in security and related areas, to undertake research and development in security, warfare and related areas.
60. To carry on the business in India and abroad of providing security services, housekeeping and maintenance services of all type which expression shall include but not limited to renovate, repair, improve, enlarge, demolish, taking preventive measures or other activity for maintenance of equipments of all types whether industrial or otherwise, including plant and machinery, infrastructure, non-conventional energy driven appliances and sources thereof, buildings and other edifice whether constructed or not and for any other object for the time being in vogue, to undertake facility management for entities, equipments and other items of all type.
61. To carry on the business of providing infrastructure facilities of all types including road, highways, bridges, waterways, dams, reservoir, airports, ports, rail system, health centers, hospitals, research institute, educational institutions or any other public facility in vogue as may be decided by the company from time to time including water supply projects, energy, environment, irrigation, sanitation, sewerage system, communication systems, providing greenery and tree plantation and other things relating to the ecological, development and to acquire, promote, develop hill station and activities related to that, land and hereditaments and to erect and build thereon flats, houses, shops and other buildings and to hold occupy, exchange, underlet, mortgage, sell or otherwise deal with the same and to establish, maintain and operate shipping, air transport and road transport services and all ancillary services including any structural or architectural work of any kind, preparation of estimates, designs, plans, specification or models etc. for aforesaid purpose and project management.
63. To carry on business of running nursing homes, clinics, pharmacies, indoor and outdoor hospitals, medical, anatomical, orthopedic, surgical and X-ray units, laboratories, diagnostic centers, research establishments, nature cure centers, centers for treatment under alternative therapies and to acquire land, buildings, plants, equipments, accessories, instruments, gadgets, furniture and fittings and other facilities for treatment and nursing of patients of various types of diseases, ailments, sickness, illness and other body or mental troubles.
64. To carry on the business as producer, makers, dealers, analysers, investigator and consultants in public health and environmental engineering, wildlife conservation, water, sewage and effluent treatment, water, air and land pollution control, industrial engineering.

The Board recommends the resolution for approval of members. None of the Directors of your Company are concerned or interested in the resolution except as members of the Company to the extent of their shareholding.

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

Place: New Delhi
Date: 13/08/2011

DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the Twenty Second Annual Report of your Company with the Audited Statement of Accounts for the year ended 31st March, 2011.

1. Financial Results (Rs. in Lacs)

	For the year ended 31 st March, 2011	For the year ended 31 st March, 2010
Total Income	198.52	135.94
Less: Total Expenditure	174.87	119.08
Less: Interest	1.52	0.36
Gross Profit/(loss)	22.13	16.50
Less: Depreciation	15.95	15.68
Less: Provision for Taxation (Net)	0.82	0.74
Other provisions	0.32	0.00
Net Profit after tax	5.03	0.08
Paid up Equity Share Capital (excluding calls in arrears)	399.90	399.90
Reserves, excluding revaluation reserve	809.52	804.49
Earnings per share (Rs.)	0.13	0.002

2. Management Discussion and Analysis

Financial Review

Your Company recorded a total income of Rs.198.52 lacs during the year under review compared to previous year's figure of Rs. 135.94 lacs. The Company has posted a net profit after tax of Rs. 5.03 lacs as against the profit of Rs. 0.08 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. The Company has made good progress in this segment and in coming years will witness better results as well.

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, while there was uptrend in Indian economy and 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. Despite of such odds, with investments continued to be made in the form of water parks, family entertainment centers, multiplexes, interactive arcades, food bazaar and sports zones the growth of amusement industry is foreseen. 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 due to need for continuous innovation, 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 as it needs to constantly upgrade itself by introduction of new features and rides. But the high cost of rides and low revenue inflow from parks pose additional challenge in this regard. 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. Your Company thus, exploring other viable sources of earning. 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 have been identified, which require your approval for commencement thereof after necessary amendment in charter of the Company. The management, taking cue from success of electrical

engineering segment envisage positive results in these new areas.

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 a revenue of Rs. 40.96 Lacs and the Trading segment's revenue amounted to Rs.150.33 lacs during the year under review.

The other income accounted for Rs. 7.23 lacs. The segment of entertainment incurred a loss of Rs. 21.19 lacs. However, the profit from trading segment of Rs. 21.66 lacs coupled with 'other' segment's profit of Rs. 7.23 lacs culminated into profit before tax of Rs. 6.17 lacs after adjusting for unallocables. Keeping in view the encouraging results from Trading segment, in the current year, 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 inadequate profit, no dividend is recommended.

4. Directors

During the year under review Shri Rakesh Babbar – Director of the Company resigned from the directorship of the Company w.e.f. 26/7/2010. The Board takes this opportunity to place on record its sincere appreciation and thanks to Shri Rakesh Babbar for the valuable contribution made by him during his tenure as Director.

Dr. B. Venkataraman, Shri S. V. S. Juneja, Shri K.K. Soni, and Shri S. C. Agarwal - 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, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the

Company for that period;

- 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
- that they have prepared the annual accounts for the financial year ended 31st March, 2011 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, compliance report along with the Auditors' Certificate is provided in the Corporate Governance section of 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 30th September, 2011. 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, 2011 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 2011-2012 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

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 2010-2011 is required to be enclosed.

13. Consolidated Financial Statements

As stated above, there is no subsidiary of the Company, so there is no need of Consolidation of accounts.

14. Group

Group for inter se transfer of shares under Clause 3 (e) of Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997:

- Shri M. P. Mehrotra
- Dr. (Mrs.) Sushma Mehrotra
- Shri Somesh Mehrotra
- Ms. Divya Mehrotra
- Mrs. Sadhana Mehrotra
- Ms. Daya Mehrotra
- Shri Ramji Mehrotra
- Mrs. Sushma Mehrotra
- Gaurav Overseas Exports Pvt. Ltd.
- Pragati Moulders Ltd.
- M. P. Mehrotra (HUF)
- VLS Capital Ltd.
- VLS Finance Ltd.
- VLS Securities Ltd.
- VLS Asset Management Ltd.

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: 13/08/2011
Place: New Delhi

P. K. Sharan
Director

T.B. Gupta
Managing Director

SOUTH ASIAN ENTERPRISES LIMITED

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 respects the right of shareholders to the information on performance of the Company and endeavors to provide detailed information on various issues concerning its business and financial performance. 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 2010-2011	Whether Attended AGM held on 18/09/2010 Companies	No of Directorships in other Public Limited	No. of Committee position held in other Public Limited Company s	
						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	4	NO	2	-	1
3.	Shri S.V.S. Juneja	Non-Executive, Independent	4	NO	-	-	-
4.	Shri P.K. Sharan	Non-Executive, Independent	2	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	1	NO	4	-	1
9.	Shri S. C. Agarwal	Non-Executive, Non- Independent	0	NO	2	-	1
10.	Shri Gian Vijeshwar	Non-Executive, Independent	0	NO	6	1	2
11.	Shri M. P. Mehrotra	Non-Executive, Promoter	3	NO	14	5	5
12.	Shri Rakesh Babbar *	Non-Executive, Independent	0	NO	5	0	3

* Resigned w.e.f. 26/07/2010

\$ 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 31/03/2011, 4 (Four) Board Meetings were held with at least one meeting in every quarter i.e., on 27/05/2010, 26/07/2010, 27/10/2010 and 08/02/2011.

c) The information regarding pecuniary transaction or relationship with the Executive Director has been disclosed in Annual Accounts for the year under review in 'Clause 2 (ii)' under the head "Related Party Disclosure" stated in Notes to Accounts (Schedule 12).

d) Information supplied to the Board:

The Board has unfettered and complete access to all information within the Company, and to any employee of the Company. 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.

All relevant information including those envisaged in clause 49 of Listing Agreement was regularly provided to the Board and Committees thereof. The requisite CEO and CFO 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.

e) Statement of Directors' Remuneration paid during the year ended on 31/03/2011:

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.	14,000	N.A.	14,000
Shri T. B. Gupta	3,72,000	NIL	NIL	N.A.	3,72,000
Dr. S. Ramesh	N.A.	N.A.	24,000	N.A.	24,000
Shri Priya Brat	N.A.	N.A.	18,000	N.A.	18,000
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 Rakesh Babbar	N.A.	N.A.	NIL	N.A.	NIL
Shri M. P. Mehrotra	N.A.	N.A.	12,000	N.A.	12,000

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 31.3.2011. No other Director held any shares of the Company on that date.
- iv. The service contract in case of Managing Director, upon approval of appointment by members will be 3 years, expiring on 29/09/2014 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 31/03/2011.

Date: 13/08/2011

Place: New Delhi

T. B. Gupta
Managing Director

g) Disclosures regarding appointment or re-appointment of Directors

Dr. B. Venkataraman, Shri S. V. S. Juneja, Shri K.K. Soni and Shri S. C. Agarwal - 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 01/04/2010 the Audit Committee consisted of Shri P. K. Sharan (Chairman of the Committee) with Shri R. K. Goswami, Shri K. K. Soni and Dr. S. Ramesh as members. The Board nominated Shri Priya Brat to the Audit Committee w.e.f. 27/10/2010. Majority of the members are independent Directors including chairman of the committee. Now the Committee comprises Shri P. K. Sharan (Chairman of the Committee) with Shri R. K. Goswami, Shri K. K. Soni, Dr. S. Ramesh and Shri Priya Brat as members.

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 Chief Executive i.e. 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 31/03/2011, 4 (Four) Audit Committee

SOUTH ASIAN ENTERPRISES LIMITED

Meetings were held on 27/05/2010, 26/07/2010, 27/10/2010 and 08/02/2011. 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	2	4	3	1

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 powers 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 demat 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 31/03/2011, 10 (Ten), meetings of Shareholders/ Investors Grievance Committee were held i.e. on 27/04/2010, 27/05/2010, 30/06/2010, 28/09/2010, 27/10/2010, 30/11/2010, 29/12/2010, 29/01/2011, 28/02/2011 and 29/03/2011. 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	7	10	10

c) Shareholder's Complaints

The Company has not received any complaints during the financial year ended 31st March, 2011.

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, 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.)
March 31, 2008	September 12, 2008	1.30 p.m.	Mikky House, K-Block Kidwai Nagar, Kanpur (U.P.)

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

There were no matters required to be dealt/passed by the Company by special resolution or through postal ballot during the financial years 2007-2008, 2008-2009 and 2009-2010.

c) Postal Ballots:

No item was transacted through the process of postal Ballot during the year under review. However, in current year, one resolution for amendment in the Object Clause of Memorandum of Association of the Company is proposed to be passed through postal ballot and the result of the same may be declared in the ensuing Annual General Meeting.

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 "Notes on Accounts".

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) Whistle blower policy

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.

d) 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 01/04/2011 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 2010-11 on 27/10/2010.

iii. The periodic results were not sent to every shareholder. However, they have been published in newspapers as prescribed in the listing agreement and were posted on website www.sebiedifar.nic.in in terms of Clause 51 of the Listing Agreement. The operation of the said website has been discontinued by SEBI w.e.f. 01/04/2010 and Clause 51 of the Listing Agreement has been deleted vide SEBI's circular no. CIR/CFD/DCP/3/2010 dated 19/04/2010. The periodic reporting is now being done on www.corpfilling.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 evaluation by the Board, of its members. Your Directors being seasoned and highly experienced personalities in their field keep themselves abreast of latest developments in their area of expertise and in the area of technology, management etc. However, the Directors are also 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.

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.corpfilling.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.investordesk.sael@gmail.com.

7. SHAREHOLDERS INFORMATION

a) Annual General Meeting:

- Date and Time : **Friday, 30th September, 2011 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 23/09/2011 to 30/09/2011 (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 2011-12.

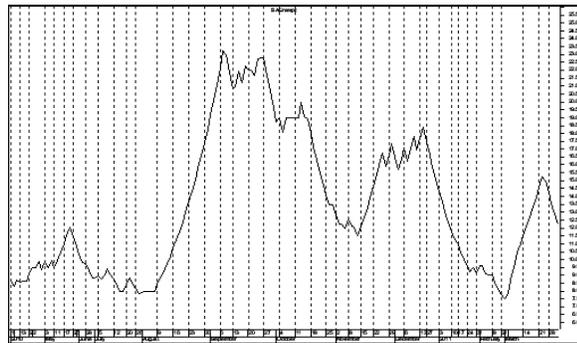
SOUTH ASIAN ENTERPRISES LIMITED

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

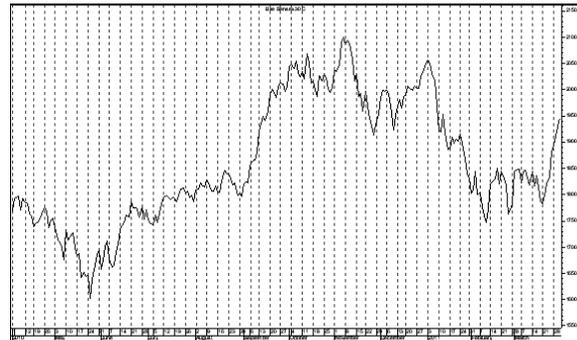
Monthly highs, lows and trading volume for Financial Year 2010-2011

MONTH	BSE Ltd.		
	High Rs.	Low Rs.	Volume No. of Share
Apr-10	9.88	8.26	3627
May-10	12.06	9.50	860
Jun-10	10.35	8.85	860
Jul-10	9.91	7.61	18866
Aug-10	18.25	7.90	48059
Sep-10	24.40	19.15	284372
Oct-10	20.80	13.50	46911
Nov-10	17.55	11.25	46105
Dec-10	18.60	15.10	6804
Jan-11	14.50	9.15	18465
Feb-11	9.60	7.78	2875
Mar-11	15.90	7.25	22741
TOTAL			500545

Company's Share Price at BSE- Graphical



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 Company Secretary 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, 2011.

Slab of share holdings (No. of Shares)	No. of Share holders	%age	Nominal value of Shares held (Rs.)	%age
1-500	5701	96.32	7350830.00	18.3771
501-1000	113	1.91	881090.00	2.2027
1001-2000	50	0.84	764590.00	1.9115
2001-3000	12	0.20	308240.00	0.7706
3001-4000	9	0.15	319500.00	0.7988
4001-5000	6	0.10	288510.00	0.7213
5001-10000	17	0.29	1196240.00	2.9906
10001 and above	11	0.19	28891000.00	72.2275
Total	5919	100.00	40000000.00	100.0000

According to categories of shareholders as on March 31, 2011)

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	371418	3714180.00	9.285
6.	Indian Public	1176136	11761360.00	29.403
7.	Clearing Member	10817	108170.00	0.270
8.	NRI/OCBs	510	5100.00	0.013
	Grand Total	4000000	40000000.00	100.000

f) Dematerialisation of Shares and liquidity:

80.62 % of the total holdings of equity shares have been dematerialized up to 31.03.2011. 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 31/03/2011.

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, 2011	Mid of August, 2011
Quarter ending September 30, 2011	Mid of November, 2011
Quarter ending December 31, 2011	Mid of February, 2012
Year ending March 31, 2012 #	End of May, 2012
Annual General Meeting for the year ended March 31, 2011	30 th September, 2011

For the quarter ending 31/03/2012 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, 2011.

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

Date : 13/08/2011

Place : New Delhi

For and on behalf of the Board of Directors

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 March 31, 2011, 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 was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

FOR ANIL PARIK & GARG
CHARTERED ACCOUNTANTS
(F. R. No. 01676C)

PLACE: KANPUR

DATE : 13, AUGUST 2011

(H.K. PARIK)

PARTNER

M.No. 70250

SOUTH ASIAN ENTERPRISES LIMITED

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, 2011, the Profit and Loss Account and 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, Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of accounts;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and 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, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 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, 2011;
 - (ii) In the case of the Profit and Loss account of the profit 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
(H.K. PARIEK)
PARTNER
M.No. 70250
Firm Regn. No. 01676C**

**PLACE : NEW DELHI
DATE : 28.05.2011**

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 and no material discrepancies were noticed on physical verification.
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) There are no transactions for value exceeding Rs. 5,00,000/- during the year.
 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 31.03.2011.
 - (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 & GARG
CHARTERED ACCOUNTANTS**

**PLACE: NEW DELHI
DATE : 28.05.2011**

**(H.K. PARIEK)
PARTNER
M.No. 70250
Firm Regn. No. 01676C**

SOUTH ASIAN ENTERPRISES LIMITED

BALANCE SHEET AS AT 31st March, 2011

		Schedule No.	As at 31st March, 2011	(Amount in Rupees) As at 31st March, 2010
I. SOURCES OF FUNDS				
1	Share Holders' Funds			
	a) Share Capital	1	3,99,90,500	3,99,90,500
	b) Reserves & Surplus	2	8,09,52,656	8,04,49,351
2	Secured Loans	3	21,02,235	985,842
3	Deferred Tax Liability(Net)		19,33,604	23,01,676
TOTAL			12,49,78,995	12,37,27,369
II. APPLICATION OF FUNDS				
1.	Fixed assets			
	(a) Gross Block	4	8,95,48,439	8,94,15,350
	(b) Less: Depreciation and Impairment		8,04,95,520	7,89,00,387
	(c) Net Block		90,52,919	1,05,14,963
2.	Investments	5	10,01,93,387	9,98,42,506
3.	Current Assets, Loans & Advances	6		
	a) Inventories		45,50,606	46,63,234
	b) Sundry Debtors		37,54,370	20,48,384
	c) Cash & Bank Balances		91,74,207	98,07,844
	d) Loans & Advances		27,78,742	16,07,147
			2,02,57,925	1,81,26,609
	Less: Current Liabilities & Provisions	7	45,25,236	47,56,709
	Net Current Assets		1,57,32,689	1,33,69,900
TOTAL			12,49,78,995	12,37,27,369

Notes on Accounts

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 : 28/05/2011

For & on behalf of the Board

T. B. Gupta
Managing Director

P. K. Sharan
Director

S. C. Agarwal
Director

PROFIT & LOSS FOR THE YEAR 31st March, 2011

		Schedule No.	For the year ended 31st March, 2011	(Amount in Rupees) For the year ended 31st March, 2010
INCOME				
	Park Receipts		40,95,944	39,50,271
	Sale of Traded Goods		1,45,70,201	84,25,141
	Other Income	8	11,85,922	12,18,335
Total			1,98,52,067	1,35,93,747
EXPENDITURE				
	Employee's Cost	9	27,87,717	19,61,684
	Operating & Other Expenses	10	55,13,300	49,19,784
	Purchase of Trading Materials		90,73,380	74,61,712
	(Increase)/ Decrease in Stock	11	1,12,628	(2,435,922)
	Depreciation and Impairment	4	15,95,133	15,68,184
	Interest other than on fixed loans		1,52,216	35,852
Total			1,92,34,374	1,35,11,294
PROFIT/ (LOSS) BEFORE TAX AND PRIOR PERIOD ITEMS			6,17,693	82,453
Less: Provision for Taxation:				
	- Deferred		(368,072)	(320,860)
	- Current		450,000	395,000
	- Earlier Year Adjustments		32,460	-
PROFIT/ (LOSS) AFTER TAX			5,03,305	8,313
	Surplus b/fd. from previous year		18,78,436	18,70,123
SURPLUS CARRIED TO BALANCE SHEET			23,81,741	18,78,436
Earning Per Share (Basic and Diluted)			0.13	0.00

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 : 28/05/2011

For and on behalf of the Board

T. B. Gupta
Managing Director

P. K. Sharan
Director

S. C. Agarwal
Director

SOUTH ASIAN ENTERPRISES LIMITED

SCHEDULES TO BALANCE SHEET

(Amount in Rs.)

	As at 31st March, 2011	As at 31st March, 2010
SCHEDULE 1 SHARE CAPITAL		
AUTHORISED CAPITAL		
50,00,000 Equity Shares of Rs.10/- each	5,00,00,000	5,00,00,000
ISSUED, SUBSCRIBED & CALLED UP CAPITAL		
40,00,000 Equity Shares of Rs. 10/- each	4,00,00,000	4,00,00,000
PAID-UP CAPITAL		
40,00,000 Equity Shares of Rs. 10/- each fully paid up in cash	4,00,00,000	4,00,00,000
Less: Calls unpaid	9,500	9,500
	3,99,90,500	3,99,90,500
SCHEDULE 2 RESERVES & SURPLUS		
a) SECURITIES PREMIUM ACCOUNT		
As per last Balance Sheet	6,00,00,000	6,00,00,000
Less : Calls Unpaid	28,500	28,500
	5,99,71,500	5,99,71,500
b) GENERAL RESERVE		
As per last Balance Sheet	1,85,99,415	1,85,99,415
Total (b)	1,85,99,415	1,85,99,415
c) PROFIT & LOSS A/C		
Surplus as per account	18,78,436	1,870,123
Add: Transfer From Profit & Loss Account	5,03,305	8,313
	23,81,741	18,78,436
Total (a) + (b)+ (c)	8,09,52,656	8,04,49,351
SCHEDULE 3 SECURED LOANS		
Credit Limit from Bank	21,02,235	985,842
(Secured against fixed deposit)	21,02,235	9,85,842

SCHEDULE 4: FIXED ASSETS

Particulars	Gross Block			As at 31.03.2011	Impairment			Depreciation			Net Block		
	Opening Balance as on 01.04.2010	Additions During the year	Deductions During the year		Upto 31.03.2010	For the Year	As at 31.03.2011	Upto 01.04.2010	For the Year	Adjustments	As at 31.03.2011	As at 01.04.2011	As at 31.03.2010
A. Assets for own use													
Building	85,79,133	-	-	85,79,133	-	-	-	44,53,490	2,74,342	-	47,27,832	38,51,301	41,25,643
Plant & Machinery	2,91,15,633	-	-	2,91,15,633	15,18,524	-	15,18,524	2,13,25,130	12,63,945	-	2,25,89,075	50,08,034	62,71,979
Vehicles	51,300	49,545	-	1,00,845	-	-	-	48,876	4,707	-	53,583	47,262	2,424
Furniture & Fixtures & Office Equipments	11,40,084	21,945	-	11,62,029	-	-	-	10,47,091	28,901	-	10,75,992	86,037	92,993
Computers	93,240	61,599	-	1,54,839	-	-	-	71,316	23,238	-	94,554	60,285	21,924
B. Assets on Lease													
Plant & Machinery	5,04,35,960	-	-	5,04,35,960	-	-	-	5,04,35,960	-	-	5,04,35,960	-	-
Total	8,94,15,350	1,33,089	-	8,95,48,439	15,18,524	-	15,18,524	7,73,81,863	15,95,133	-	7,89,76,996	90,52,919	1,05,14,963
Previous Year	9,10,87,044	17,485	1,689,179	8,94,15,350	1,518,524	-	1,518,524	7,74,35,576	15,68,184	1,621,897	7,73,81,863	1,05,14,963	1,21,32,944

SCHEDULE 5: INVESTMENTS (LONG - TERM)

PARTICULARS	As on 01.04.2010 (Nos.)	Purchased during the year (Nos.)	Sold/Adjusted during the year (Nos.)	As on 31.03.2011 (Nos.)	Book Value	
					As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
Non Trade Investments (At Cost)						
Quoted Investments						
A) Equity Share of Rs.10 each (fully paid up unless otherwise stated)						
i) Bank of Baroda	1	-	-	1	251	251
ii) Titan	-	5	5	-	-	-
iii) Tata Steel	-	200	-	200	1,38,235	-
iii) Reliance Media	-	500	-	500	1,12,085	-
iii) Reliance	-	100	-	100	1,00,561	-
Unquoted Investments						
A) Equity Share of Rs.10 each (fully paid up)						
i) Indhra Dhan Agro Products Ltd.	5,000	-	-	5,000	5,00,000	5,00,000
ii) Hotline Electronics Ltd.	15,00,000	-	-	15,00,000	1,50,00,000	1,50,00,000
iii) VLS Capital Ltd.	10,00,000	--	-	10,00,000	6,00,00,000	6,00,00,000
B) Equity Share of Rs.100 each (fully paid up)						
i) Alok Fintrade (P) Ltd.	35,000	-	-	35,000	35,00,000	35,00,000
Investment in Real Estate					2,08,42,255	2,08,42,255
Total					10,01,93,387	9,98,42,506
Note : Aggregate value of Quoted Investments						
: Book Value (Rs.)					3,51,132	251
: Market Value (Rs.)					3,05,700	639

SOUTH ASIAN ENTERPRISES LIMITED

Schedules to Balance Sheet (Cont'd.)

	As at 31st March, 2011	(Amount in Rs.) As at 31st March, 2010
SCHEDULE 6 CURRENT ASSETS, LOANS & ADVANCES		
CURRENT ASSETS		
Inventories		
a) Trading Goods	45,50,605	33,37,234
b) Music Album	<u>1</u>	<u>13,26,000</u>
	45,50,606	46,63,234
Sundry Debtors (Unsecured, considered good)		
a. Debts outstanding for a period exceeding six months	1,77,355	1,39,947
b. Other Debts	<u>35,77,015</u>	<u>19,08,437</u>
	37,54,370	20,48,384
Cash & Bank Balances		
a. Cash in hand	90,348	1,16,664
b. Balance with Banks		
In Current Accounts	2,33,859	8,41,180
In Fixed Deposits	<u>88,50,000</u>	<u>88,50,000</u>
	91,74,207	98,07,844
LOANS AND ADVANCES		
(Unsecured considered good)		
Advances recoverable in cash or kind for which value to be received.	30,90,491	15,89,715
Less: Provisions made for doubtful advance	<u>5,00,000</u>	<u>5,00,000</u>
	25,90,491	10,89,715
Prepaid Taxes: Advance Tax/FBT	-	3,900
Tax Deducted at Source	<u>1,88,251</u>	<u>5,13,532</u>
Total	<u>2,02,57,925</u>	<u>1,81,26,609</u>
SCHEDULE 7 CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
1. Sundry Creditors	19,84,644	27,29,734
(Total outstanding dues of creditors, SSI Units - Nil)		
2. Advances From Customers	127,158	179,002
3. Other Liabilities	14,30,218	11,97,496
4. Security Deposits	77,000	68,250
Total of (A)	<u>36,19,020</u>	<u>41,74,482</u>
B. PROVISIONS		
1. Provision for Taxation	8,45,000	4,91,688
2. Provision for Leave Encashment	61,216	90,539
Total of (B)	<u>9,06,216</u>	<u>5,82,227</u>
Total (A)+(B)	<u>45,25,236</u>	<u>47,56,709</u>

SCHEDULES TO PROFIT & LOSS ACCOUNT

	(Amount in Rs.) For the year 31st March, 2011	For the year ended 31st March, 2010
SCHEDULE 8 OTHER INCOME		
Interest on Fixed Deposit (Gross)	6,89,702	749,237
(Tax deducted at source - Rs.68,970/- Previous Year Rs.4,69,288/-)		
Profit on Sale of Assets	-	160,478
Miscellaneous Income	3,627	3,009
Unspent Liabilities/ Unclaimed Balances Written Back	29,323	2,776
Income from Installations, Erections and Supervision	4,63,270	302,835
	<u>11,85,922</u>	<u>12,18,335</u>
SCHEDULE 9 EMPLOYEES' COST		
Salaries	23,68,168	16,14,181
Staff Amenities	1,45,184	1,47,184
Employer's Contribution to PF, ESI, Gratuity Fund etc.	2,74,365	2,00,319
	<u>27,87,717</u>	<u>19,61,684</u>

SOUTH ASIAN ENTERPRISES LIMITED

Schedules to Profit & Loss Account (Cont'd.)

(Amount in Rs.)

	<i>For the year 31st March, 2011</i>	<i>For the year ended 31st March, 2010</i>
SCHEDULE 10 OPERATING & OTHER EXPENSES		
Cost of Food & Beverages Sold	2,29,517	2,03,256
Development Cost of Music Album	-	-
Power & Fuel	4,00,136	4,47,874
Repairs & Maintenance :		
Building	910	10,610
Machinery	74,566	1,91,757
Others	2,105	3,691
	77,581	2,06,058
Lease Rent & Hire Charges	10,34,279	10,93,867
Park Running & Maintenance	1,29,833	1,53,232
Rent	45,000	45,000
Rates & Taxes	27,458	31,604
Consultation & Professional Charges	1,82,155	11,76,686
Postage & Telephone	1,30,271	1,19,557
Advertisement & Selling Expenses	4,83,737	2,49,780
Travelling Expenses	5,31,002	4,08,213
Directors' Sitting Fee	1,28,000	1,24,000
Remuneration to Auditors:		
Statutory Audit Fee	16,545	16,545
Tax Audit Fee	8,273	8,273
Reimbursement of Expenses	17,050	19,125
	41,868	43,943
Insurance Charges	7,848	7,891
Bank Charges	10,975	6,099
Miscellaneous Expenses	4,12,393	2,62,419
Misc. Installation & Supervision Charges	13,35,337	3,40,305
Bad Debts	3,05,910	-
Total	55,13,300	49,19,784
SCHEDULE 11 (INCREASE)/ DECREASE IN STOCK		
Opening Stock of Trading Goods	33,37,234	9,01,312
Opening Stock of Music Album	13,26,000	1,326,000
	46,63,234	22,27,312
Closing Stock of Trading Goods	45,50,605	33,37,234
Closing Stock of Music Album	1	13,26,000
	45,50,606	46,63,234
	112,628	(2,435,922)

SCHEDULE 12: NOTES TO ACCOUNTS

1. 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.

SOUTH ASIAN ENTERPRISES LIMITED

2. Notes to Accounts:

i) Contingent liabilities

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (Previous Year Rs. Nil).
Counter Guarantee given against Bank Guarantees – Rs.6,43,000/- (Previous Year- Rs.1,25,000/-)

ii) 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. 3,72,000/- (Previous year- 2,40,000)-

iii) Earning Per Share

Calculation of EPS (Basic and Diluted)

Particulars	Equivalent No. of Shares	
	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Basic and Diluted		
Total Shares Outstanding	40,00,000	40,00,000
Profit after Taxes	Rs.5,03,305/-	Rs.8,313/-
EPS	Rs.0.13	Rs.(0.00)

iv) Remuneration

a) Managing Director:

- i) An amount aggregating to Rs.3,72,000/- (Previous Year - Rs.2,40,000) as remuneration has been paid to the Managing Director.
- ii) Accommodation facility – Rs. Nil (Previous Year - Nil)

v) Deferred Tax

	As at 01.04.2010	Current Year Charge/ (Credit)	As at 31.03.2011
a) Deferred Tax Liability on account of:			
Depreciation	24,84,153	(3,80,905)	21,03,248
Total (a)	24,84,153	(3,80,905)	21,03,248
b) Deferred Tax Assets on account of:			
Employee Benefits	27,977	12,833	15,144
Provision for Bad Debts	1,54,500	NIL	1,54,500
Total (b)	1,82,477	12,833	1,69,644
Total (a-b)	23,01,676	(3,68,072)	19,33,604

vi) Segment Reporting

(Amount in Rs.)

Particulars	2010 - 11	2009 - 10
Segment Revenue		
a) Entertainment	40,95,944	39,50,271
b) Trading	1,50,33,471	87,27,976
c) Others	7,22,652	9,15,500
Total	1,98,52,067	1,35,93,747
Segment Results		
Profit/ (Loss) before interest and tax		
a) Entertainment	(21,19,215)	(35,24,133)
b) Trading	21,66,472	27,26,938
c) Others	7,22,652	9,15,500
Total Profit/ (Loss) before interest and tax	7,69,909	1,18,305
Less: Interest	1,52,216	35,852
Other Un-allocable expenditure net off	-	-
Net Profit before Tax	6,17,693	82,453
Less: Taxes	1,14,388	74,140
Net Profit after Tax	5,03,305	8,313
Segment Assets		
a) Entertainment	2,01,81,076	2,29,52,440
b) Trading	91,29,768	56,89,129
c) Others	10,01,93,387	9,98,42,506
Total Assets	12,95,04,231	12,84,84,075
Segment Liabilities		
a) Entertainment	21,89,926	19,61,464
b) Trading	38,75,545	35,31,087
c) Others	5,62,000	2,50,000
Total Liabilities	66,27,471	57,42,551

vii) 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.

viii) 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.

ix) Disclosures pursuant to Accounting Standard (AS) 15 (revised)-

Defined Benefit Plans

a) Long Term Compensated Absences as per actuarial valuation as on 31.03.2011

Actuarial Assumptions	Amount in Rs.			
	Gratuity As at March 31, 2011	Gratuity As at March 31, 2010	Leave Encashment As at March 31, 2011	Leave Encashment As at March 31, 2010
Discount rate (per annum)	8%	8%	8.5%	8%
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	41,006	46,894	4,530	6,383
Interest cost	56,090	51,193	7,675	7,445
Expected return on plan assets	(64,956)	(56,873)	—	—
Net actuarial loss/ (gain) recognized in the year	(10,795)	(23,541)	(41,528)	(16,604)
Net expenses recognized	21,345	17,673	(29,323)	(2,776)
II. Net liability/(assets) recognized in the balance sheet at the year end				
Present value of obligation at the end of period	6,48,678	7,01,129	61,216	90,539
Fair value of the plan asset at the end of period	7,65,495	6,88,156	—	—
Funded status [(surplus)/(deficit)]	1,16,817	(12,973)	(61,216)	(90,539)
Net asset/(liability) as at 31st March, 2011	1,16,817	(12,973)	(61,216)	(90,539)
III. Change in present value of obligation during the year				
Present value of obligation at the beginning of period	7,01,129	6,39,910	90,539	93,315
Current service cost	41,006	46,894	4,530	6,383
Interest cost	56,090	51,193	7,675	7,445
Benefits paid	(41,596)	(13,327)	—	—
Actuarial loss/ (gain) on obligations	(1,07,951)	(23,541)	(41,528)	(16,604)
Present value of obligation at the year end	6,48,678	7,01,129	61,216	90,539
IV. Change in present value of fair value of plan assets				
Fair value of plan assets as at the beginning of period	6,88,156	6,08,460	—	—
Expected return on plan assets	64,956	56,873	—	—
Contributions	53,979	36,150	—	—
Benefits paid	(41,596)	(13,327)	—	—
Actuarial loss/ (gain)	—	—	—	—
Fair value of plan assets at the year end	7,65,495	6,88,156	—	—

x) Additional information pursuant to paragraph 3.4C and 4D of Part- II of Schedule VI of the Companies Act, 1956.

Goods	Unit	Opening Stock		Purchases		Turnover		Closing Stock	
		Qty	Value (Rs)	Qty	Value (Rs)	Qty	Value (Rs)	Qty	Value (Rs)
Lightning Protection Systems	Nos.	3	1,31,580	43	36,63,390	37	49,06,280	9	10,89,900
(Previous Year)		(4)	(1,46,880)	(15)	(13,86,945)	(16)	(23,68,050)	(3)	(1,31,580)
Earthing Compound	Nos.	1618	28,82,853	1352	25,55,361	1460	48,52,283	1510	28,56,095
(Previous Year)		(274)	(5,89,495)	(2860)	(49,18,030)	(1516)	(45,37,689)	(1618)	(28,82,853)
Miscellaneous	Nos.	1080	3,22,801	3408	28,54,629	3317	48,11,658	1171	6,04,610
(Previous Year)		(508)	(1,64,937)	(2,101)	(11,56,737)	(1,529)	(15,19,402)	(1,080)	(3,22,801)
Total		2701	33,37,234	4803	90,73,380	4814	1,45,70,201	2690	45,50,605
(Previous Year)		(786)	(9,01,312)	(4976)	(74,61,712)	(3061)	(84,25,141)	(2701)	(33,37,234)

xi) Previous year figures have been regrouped/ rescheduled wherever considered necessary.

xii) Schedules 1 to 12 form an integral part of Balance Sheet and Profit & Loss Account.

As per our report of even date

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

For & on behalf of the Board

H. K. Pariek
Partner
M. No. 70250

T. B. Gupta
Managing

P. K. Sharan
Director

S. C. Agarwal
Director

Place: New Delhi
Date : 28th May, 2011

SOUTH ASIAN ENTERPRISES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Amount in Rs.)

	Year Ended 31.03.2011	Year Ended 31.03.2010
A. Cash Flow from Operating Activities		
Net Profit before Tax and Extra-Ordinary items	617,693	82,453
Adjustments for:-		
Depreciation	1,595,133	1,568,184
Provision for Leave Encashment	(29,323)	(2,776)
Profit on sale of Fixed Assets	-	(160,478)
Interest Income	(689,702)	(749,237)
Interest & Finance Charges	152,216	35,852
	<u>1,028,324</u>	<u>691,545</u>
Operating Profit before Working Capital Changes	1,646,017	773,998
Adjusted for:		
Inventories	112,628	(2,435,922)
Trade Payables	(555,462)	228,346
Trade and Other Receivables	(1,705,986)	(1,417,233)
Loans and Advances	(1,500,776)	10,887,852
	<u>(3,649,596)</u>	<u>7,263,043</u>
Cash Generated from Operations	(2,003,579)	8,037,041
Less: Tax Adjustment	232,493	(481,580)
	<u>(1,771,086)</u>	<u>7,555,461</u>
Cash Flow from Operating Activities	(1,771,086)	7,555,461
Prior Period Items	(32,460)	-
Net Cash from Operating Activities	(1,803,546)	7,555,461
B. Cash Flow from Investing Activities		
Purchase of Investments (Net)	(350,881)	-
Additions in Fixed Assets	(133,089)	(17,485)
Sale of Fixed Assets	-	225,000
Interest Income	689,702	749,237
Net Cash (used in)/ Generated from Investing Activities	205,732	956,752
C. Cash Flow from Financing Activities		
Proceeds from borrowing	1,116,393	985,842
Interest charges paid	(152,216)	(35,852)
Net Cash (used in)/ Generated from Financing Activities	964,177	949,990
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(633,637)	9,462,203
Opening Balance of Cash & Cash Equivalents	9,807,844	345,641
Closing Balance of Cash & Cash Equivalents	9,174,207	9,807,844

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: 28th May, 2011

SOUTH ASIAN ENTERPRISES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration	11753	State Code	20
Balance Sheet Date	31.03.2011		

II. Capital raised during the Year (Amount in Rs.Thousands)

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Total Liabilities	124979	Total Assets	124979
Sources of Funds:			
Paid up Capital	39991	Reserves & Surplus	80953
Secured Loans	2102	Unsecured Loans	Nil
Deferred Tax Liability	1933		
Application of Funds:			
Net Fixed Assets	9053	Investments	100193
Net Current Assets	15733	Misc. Expenditure	Nil
Accumulated Losses	Nil		

IV. Performance of Company (Amount in Rs. Thousands)

Turnover	19852	Total Expenditure	19234
Profit/(Loss) Before Tax	618	Profit/Loss after Tax	503
Earning per Share (Rs.)	0.13	Dividend Rate	Nil

V. Generic Names of Three Principal Products/ Services of Company (as per monetary terms)

Item Code No.

(ITC Code)

Production Description

Running amusement parks
Trading in electrical equipments

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

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S. C. Agarwal
Director

Place: New Delhi
Date: 28th May, 2011
