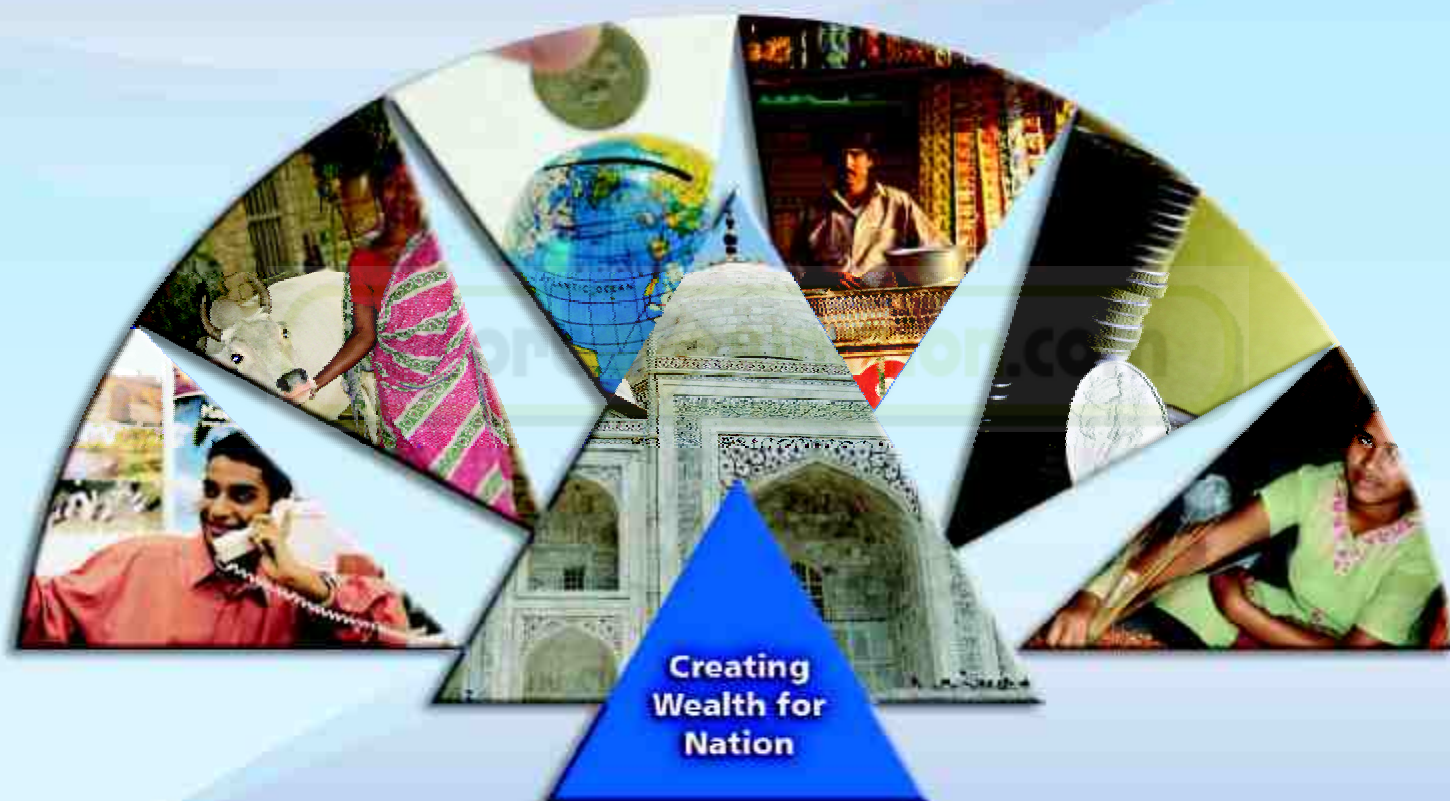


17th
Annual Report
2008-09



अर्थ: समाजस्य न्यासः

S. E. INVESTMENTS LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. PURUSHOTTAM AGRAWAL
CHAIRMAN

MR. SUNIL AGARWAL
MANAGING DIRECTOR

MR. HARISH SINGH
EXECUTIVE DIRECTOR

MR. SACHIN AGARWAL
WHOLE TIME DIRECTOR

DR. ARUN GOPAL AGARWAL
DIRECTOR

DR. SHYAM LAL GARG
DIRECTOR

MR. SANJAY AGARWAL
DIRECTOR

MR. SURESH CHAND SHARMA
DIRECTOR

COMPANY SECRETARY

MR. SACHIN AGARWAL, FCS

STATUTORY AUDITORS

M/s R. LAL & COMPANY
CHARTERED ACCOUNTANTS

BANKERS & FINANCIAL INSTITUTIONS

PUNJAB NATIONAL BANK

ICICI BANK LIMITED

HDFC BANK LIMITED

AXIS BANK LIMITED

FULLERTON INDIA CREDIT COMPANY LIMITED

SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA

INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED

HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED

DEVELOPMENT CREDIT BANK LIMITED

REGISTRAR & TRANSFER AGENTS

M/s Alankit Assignments Ltd.

Alankit House, 2E/21, Jhandewalan Extension

New Delhi—110 055 E-mail : info@alankit.com

CREDIT RATINGS

ICRA Limited (MA—)

Micro-Credit Ratings International Limited (α Positive)

Report  junction.com

NETWORK OF OFFICES

CORPORATE OFFICE

5-D, Atmaram House, 1, Tolstoy Marg, New Delhi-110001 (INDIA)
Ph. +91 11 43518888 Fax. : +91 11 43518816 E-mail : delhi@seil.in

REGISTERED OFFICE

S-547, IInd Floor, Main Road, Shakarpur, Delhi-110092
Ph. +91 11 43018888 Fax. +91 11 43018802 E-mail : delhi@seil.in

HEAD OFFICE

Block 54, Ist Floor, Sanjay Place, Agra-282 002
Ph. +91 562 4028888 2853092 Fax. +91 562 4028822 E-mail : agra@seil.in

BRANCHES

JAIPUR

H.No. 622, Bordi Ka Rasta, Marva House,
Shop No. 203-204, First Floor, Kishanpole Bazar, Jaipur
Ph. +91 141 4068888 Fax. : +91 141 4068810 E-mail : jaipur@seil.in

JODHPUR

Gulab Singh Building, 11th Chopasni Road,
Near Bombay Motor Circle, Jodhpur
Ph. +91 291 2638926 2638929 Fax. : + 91 291 2638927 E-mail: jodhpur@seil.in

MATHURA

369/2, Krishna Nagar, Goverdhan Road, Mathura
Ph. +91 565 2423660 2424310 E-mail : mathura@seil.in

AHMEDABAD

203, 2nd Floor, Jitendra Chambers, Near RBI (P.F. Office) Income Tax,
Ashram Road, Ahmedabad
Ph. +91 79 27540060 Fax. : +91 79 27544830 E-mail: ahmedabad@seil.in

MUMBAI

108, Gokul Arcade, 'B' Building, Subhash Road, Opp. Garware House,
Ville Parle (East), MUMBAI-400057
Ph. +91 22 26835584

ALIGARH

76, Malviya Pustakalaya Market, G. T. Road, Aligarh
Ph. : +91 571 2421866

THIRUVANANTHPURAM

Kovilazhikam, TC 7/1816, Kochullor,
Thiruvananthapuram-695 001 (Kerala)
Ph. +91 471 3258014

LISTING OF EQUITY SHARES

Bombay Stock Exchange Limited, Mumbai
Delhi Stock Exchange Limited, New Delhi
The Uttar Pradesh Stock Exchange Association Limited, Kanpur
Ahmedabad Stock Exchange Limited, Ahmedabad

OUR MISSION



- To uphold the motto 'Arthah Samajasya Nyasah' that is 'Wealth is the Trust Property of the Society'
- To achieve excellence in service, quality, reliability, safety and customer care.
- To earn the trust and confidence of all customers and stakeholders, exceeding their expectations and make the Company a respected household name.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 17th Annual General Meeting of the members of the Company will be held on Saturday, 4th July 2009 at 10.00 A.M. at Conference Hall No.2, Second Floor, YWCA of Delhi, Near Gurudwara Bangla Sahib, Ashoka Road, New Delhi- 110001 to transact the following business:

Ordinary Business:

1. To consider and adopt the audited Balance Sheet as at 31st March 2009, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares and preference shares.
3. To appoint a Director in place of Mr. Sanjay Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Suresh Chand Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that M/s R. Lal & Co., Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company."

Special Business:

6. To consider and, if thought fit, to pass, with or without modification, the following resolution as **Ordinary Resolution**:

"RESOLVED that Dr. Arun Gopal Agarwal, who had been co-opted as an Additional Director of the Company and who in terms of Section 260 of the Companies Act, 1956 holds office as an Additional Director until this Annual General Meeting, and for the appointment of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company whose period of office will be liable to retirement by rotation."

7. To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution**:

"RESOLVED that pursuant to the provisions of sections 198, 269, 309, 310, 311, Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities in granting such approvals, permissions and sanctions, and pursuant to the approval of the remuneration committee of the Board and the Board of Directors at its meeting held on 27th March 2009, approval of the Company be accorded to the re-appointment of Mr. Sachin Agarwal as the Whole Time Director of the Company for a period of 5 (Five) years with effect from 1st April 2009 on the following remuneration:

- (i) Basic Salary of Rs.26,40,000/- per annum (Rs.2,20,000/- per month) and House Rent Allowance of Rs.6,00,000/- per annum (Rs.50,000/- per month) subject to annual increment in basic salary of Rs.2,40,000/- per annum.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to vary, alter, increase, enhance or widen the scope of remuneration and perquisites, to the extent specified in schedule XIII and other applicable provisions, if any, of the Act as amended from time to time.

RESOLVED FURTHER that where in any financial year during the currency of the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company may pay to the Whole Time Director the above remuneration as the minimum remuneration by way of salary subject to obtaining of the requisite approvals, if any.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, any Director of the Company be authorised to do all acts, deeds, matters and things as he may in his absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

8. To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution**:

"RESOLVED that subject to the provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956, and the rules framed there under, Listing Agreement, SEBI (Delisting of Securities) Guidelines, 2003, and such other applicable laws, rules, regulations and guidelines, and subject to such approvals, permission and sanctions, as may be necessary, the Board of Directors of the Company be and is hereby authorised to seek voluntarily delisting of its securities from the three Stock Exchanges, i.e., Delhi Stock Exchange Limited, The Uttar Pradesh Stock Exchange Association Limited and Ahmedabad Stock Exchange Limited.

RESOLVED FURTHER that the securities of the Company shall continue to be listed on the Stock Exchanges having nation wide trading terminals viz. Bombay Stock Exchange Limited and therefore as per the said guidelines issued by the Securities and Exchange Board of India, no exit opportunity need to be given to the shareholders of the Company.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to execute all such deeds and documents as may be considered necessary and expedient to give effect to the above said resolution."

9. To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution**:

"RESOLVED that in modification of the resolution passed at the Extraordinary General Meeting of the Company held on 19th January 2007, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company pursuant to Section 293(1)(d) and other applicable provisions of the Companies Act, 1956, for borrowing from time to time, any sum or sums of money for the purposes of the Company upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding, that the money or monies to be borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the money already borrowed, may exceed the aggregate of the Paid-up Share Capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose(s), provided however that the money or monies to be borrowed by the Company together with the money already borrowed shall not, at any time exceed Rs. 1000 Crores (Rupees One Thousand Crores only)".

Place : New Delhi
Date : 6th June 2009

By order of the Board of Directors
For S. E. Investments Limited,
(SACHIN AGARWAL)
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxies, in order to be effective must be lodged with the Company not less than 48 hours before the commencement of the Annual General Meeting.
2. Shareholders are requested to bring their copy of Annual Report to the Meeting.
3. Members/Proxies should fill the Attendance Slip for attending the meeting.
4. In case of Joint holders attending the meeting, only such joint holder whose name appears first in the order of names will be entitled to vote.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Numbers in the attendance slip for attending the meeting.
6. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Sunday between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from 29th June 2009 to 4th July 2009 (both days inclusive).
8. Members are requested to notify their change of address, if any, to the Company/Share Transfer Agent, M/s. Alankit Assignments Limited, Alankit House, 2E/21, Jhandewalan Extension, New Delhi.
9. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
10. Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Transfer Agent, Alankit Assignments Limited.
11. Re-appointment/ Appointment of Director: At the forthcoming Annual General Meeting Mr. Sanjay Agarwal and Mr. Suresh Chand Sharma retire by rotation and being eligible offer themselves for re-appointment. The information or details pertaining to the Directors, to be provided in terms of clause 49 of the Listing Agreement are furnished in the statement on Corporate Governance published elsewhere in this Report.

Place : New Delhi
Date : 6th June 2009

By order of the Board of Directors
For S. E. Investments Limited,
(SACHIN AGARWAL)
Company Secretary

Explanatory Statement pursuant to Section 173(1) of the Companies Act, 1956**Item No. 6**

Dr. Arun Gopal Agarwal was co-opted as an Additional Director in the Board Meeting held on June 25, 2008. Under Section 260 of the Companies Act, 1956 read with Article 107 of the Articles of Association of the Company, Dr. Arun Gopal Agarwal vacates the office on the forthcoming Annual General Meeting.

A notice has been received from a member as required under Section 257 of the Companies Act, 1956 proposing Dr. Arun Gopal Agarwal as a candidate for the office of Director.

Dr. Arun Gopal Agarwal is an independent accounting consultant. He specializes in commercial arbitration, management accounting, financial management including budgetary controls, cost accounting, internal audit, etc. He is a fellow member of the Institute of Cost & Works Accountants of India and the Institute of Company Secretaries of India and also Ph.D. in Commerce. He is also a fellow member of Management Association and Arbitration Council of India. Dr. Agarwal had served as Chairman and Managing Director of Central Electronics Limited, a pioneer industry in solar photovoltaic system. He had also served as Director (Finance) at India Tourism Development Corporation Limited. He is a Director of Wapcos Limited.

Dr. Arun Gopal Agarwal may be deemed to be interested or concerned in the Resolution at Item No. 6.

Item No. 7

The tenure of Mr. Sachin Agarwal as Whole Time Director was upto 31st March 2009. Subject to the approval of the shareholders, the Board of Directors has at its meeting held on 27th March 2009, pursuant to the approval of the remuneration committee, approved the re-appointment of Mr. Sachin Agarwal as the Whole Time Director of the Company for a period of 5 years w.e.f. 01.04.2009 up to 31.03.2014.

Mr. Sachin Agarwal is a Commerce Graduate having multifunctional experience of 15 years. He is very well versed in all aspects of finance, technical matters and administration. The operations of the Company have grown multiple due to his contribution. He is aged about 34 years. The proposed remuneration will be within overall limit of Schedule XIII of the Companies Act, 1956.

Briefly, the terms and conditions of the re-appointment and remuneration of Mr. Sachin Agarwal are as follows:

1. He shall carry out such duties as may be entrusted to him subject to the supervision of the Board of Directors.
2. The re-appointment shall be for a period of 5 (Five) years w.e.f. 01.04.2009.
3. Remuneration:
 - (i) Basic Salary of Rs.26,40,000/- per annum (Rs.2,20,000/- per month) and House Rent Allowance of Rs.6,00,000/- per annum (Rs.50,000/- per month) subject to annual increment in basic salary of Rs.2,40,000/- per annum.

The proposed resolution is required to be passed as Special Resolution and as such, the Directors commend your approval.

Copy of the terms and conditions governing the appointment is available for inspection by members during business hours on any working day before the date of Annual General Meeting.

None of the directors except Mr. Sachin Agarwal, Mr. Sunil Agarwal and Mr. Purushottam Agrawal are interested or concerned in this resolution.

Item No. 8

The Securities & Exchange Board of India (SEBI) notified guidelines for voluntary delisting of securities from the stock exchanges. As per clause 5.2 of SEBI (Delisting of Securities) Guidelines, 2003 an exit opportunity to the shareholders need not be given where securities of the Company remain listed on the stock exchanges having nation wide trading terminal, i.e., Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) and any other stock exchange that may be specified by SEBI in this regard.

At present the equity shares of the Company are listed at Bombay Stock Exchange Limited, Delhi Stock Exchange Limited, The Uttar Pradesh Stock Exchange Association Limited and Ahmedabad Stock Exchange Limited.

Considering the negligible volume of trading and as a part of its cost reduction measure, the consent of members is sought for getting its securities delisted from Delhi Stock Exchange Limited, The Uttar Pradesh Stock Exchange Association Limited and Ahmedabad Stock Exchange Limited as proposed in the special resolution. The securities of the Company shall continue to be listed on Bombay Stock Exchange Limited, Mumbai.

The Board recommends the resolution for approval of members.

None of the directors is, in any way, concerned or interested in the said resolution.

Item No. 9

As per the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Public Company can not borrow money (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the Company's Paid-up Capital and Free Reserves (that is, reserves not set apart for any specific purpose) without the consent of the shareholders in the General Meeting.

The shareholders of the Company at the Extraordinary General Meeting held on 19th January 2007 authorized the Board of Directors to borrow upto Rs.500 Crores. Keeping in view the growth objectives of the Company, the present borrowing limits are proposed to be enhanced. Therefore, for enabling the Company to avail further loans from the Banks/Financial Institutions or any other Lenders for business purposes, it is considered to enhance the said borrowing limits of the Board of Directors to Rs.1000 Crores. The Special Resolution set out at item No.9 of the notice is put forth for consideration of the members as a Special Resolution pursuant to section 293(1)(d) of the Companies Act, 1956, authorizing the Board of Directors to borrow upto a sum of Rs.1000 Crores.

Your Directors recommend the above Resolution for your approval.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

Place : New Delhi
Date : 6th June 2009

By order of the Board of Directors
For S. E. Investments Limited,
(SACHIN AGARWAL)
Company Secretary

DIRECTORS' REPORT

DEAR MEMBERS,

Your Directors have pleasure in placing before you the 17th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 2009.

FINANCIAL RESULTS:

The performance of the Company for the financial year ended March 31, 2009 is summarized below:

	Year Ended 31/03/2009	Year Ended 31/03/2008
	(Rs. in Lacs)	
Total Income	4891.16	3238.71
Less: Expenditure	1156.32	872.63
Profit before Depreciation, Interest and Tax (PBDIT)	3734.84	2366.08
Less: Interest	1776.31	1229.13
Profit before Depreciation & Tax (PBDT)	1958.53	1136.95
Less: Depreciation	252.57	221.54
Profit Before Tax (PBT)	1705.96	915.41
Less : Provision for Tax	333.71	221.41
Less : Income Tax for previous year	0.60	0.00
Less : Provision for Fringe Benefit Tax	7.54	6.56
Less : Deferred Tax	(-)14.02	(-)427.11
Profit After Tax (PAT)	1378.13	1114.55
Add: Profit b/f from previous year	55.95	2.14
Profit Available for Appropriation	1434.08	1116.69
Dividend Including Tax	44.19	36.74
Transfer to General Reserve	1050.00	800.00
Transfer to Reserve Fund (RBI Act)	276.00	224.00
Balance Carried to Balance Sheet	63.89	55.95

FINANCIAL PERFORMANCE:

The Company's gross income for the financial year ended March 31, 2009 increased to Rs.4891.16 Lacs from Rs. 3238.71 Lacs in the last year registering a growth of over 51 Percent.

The operating profit (PBDIT) of the Company increased 58 percent to Rs.3734.84 Lacs during the year, up from Rs.2366.08 Lacs in the last year.

Interest expenses for the year increased by 45 percent to Rs.1776.31 Lacs from Rs.1229.13 Lacs in the last year. Depreciation was at Rs. 252.57 Lacs as against Rs.221.54 Lacs in the last year. Net Profit for the year increased by over 24 percent to Rs.1378.13 Lacs from Rs.1114.55 Lacs in the last year.

An amount of Rs.276 Lacs was transferred to Statutory Reserve Fund pursuant to Section 45-IC of the Reserve Bank of India Act, 1934, and an amount of Rs.1050 Lacs was transferred to the General Reserve during the year under review. The Company's Net Worth as on March 31, 2009, stood at Rs. 6982.54 Lacs, as against Rs.3419.55 Lacs in the last year.

DIVIDEND:

Your Directors have recommended a dividend of Re.1/- (10 percent) per equity share on 31,40,000 equity shares of Rs.10/- each which will absorb Rs.36.74 Lacs (inclusive of dividend tax) for the financial year ended March 31, 2009. This dividend, if approved at the ensuing Annual General Meeting, will be paid to (i) all those equity shareholders whose names appear in the Register of Members as on June 27, 2009 and (ii) to those whose names as beneficial owners, are furnished by the National Securities Depository Ltd. and Central Depository Services (India) Ltd. for the purpose.