



**SOUTH ASIAN
ENTERPRISES LTD**

SOUTH ASIAN ENTERPRISES LIMITED

XVIII ANNUAL REPORT 2006-2007

REGISTERED OFFICE :

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

CORPORATE OFFICE :

C-489, Defence Colony,
New Delhi-110 024

SHARE TRANSFER & INVESTOR SERVICES

RCMC Share Registry Pvt. Ltd.,
Unit: South Asian Enterprises Ltd.,
1515, 1st Floor, Bhishm Pitamah Marg,
Kotla Mubarakpur, Near South Extension,
New Delhi-110 003.

SOUTH ASIAN ENTERPRISES LIMITED

EIGHTEENTH ANNUAL GENERAL MEETING

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

at 1.30 p.m.

on Monday, 24th September, 2007

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

Our e-mail address :

For investor services : investordesk.sael@gmail.com
Other than above : southasianenterprises@gmail.com

BOARD OF DIRECTORS :

DR. B. VENKATARAMAN
SHRI T.B. GUPTA
SHRI M.P. MEHROTRA
SHRI P.K. SHARAN
SHRI S.V.S. JUNEJA
DR. S. RAMESH
SHRI A.R. GANGAL
SHRI R. K. GOSWAMI
SHRI GIAN VIJESHWAR
S. ABAR
SHRI K.L. SONI
SHRI S.C. AGARWAL

Chairman

Vice-Chairman & Managing Director

COMPANY SECRETARY

MS. POOJA GANDHI

SHARES ARE LISTED AT :

THE BOMBAY STOCK EXCHANGE LTD.

PHIROZE JEEJEEBHAY TOWERS,
DALAL STREET,
MUMBAI-400 001

AUDITORS

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

BANKERS

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

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SOUTH ASIAN ENTERPRISES LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 18th 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 Monday, the 24th day of September, 2007 at 1.30 p.m. to transact the following business:-

ORDINARY BUSINESS:

- To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2007, the Profit & Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
- To appoint a Director in place of Dr. S. Ramesh, who retires by rotation, and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Shri P. K. Sharan, who retires by rotation, and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Shri R. K. Goswami, who retires by rotation, and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Shri A. R. Gangal, who retires by rotation, and being eligible, offers himself for re-appointment.
- 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, 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:

- Appointment of Shri Gian Vijeshwar as Director.**

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

"RESOLVED THAT Shri Gian Vijeshwar be and is hereby appointed as Director of the Company, liable to retire by rotation."

- Appointment of Shri Rakesh Babbar as Director.**

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

"RESOLVED THAT Shri Rakesh Babbar be and is hereby appointed as Director of the Company, liable to retire by rotation."

- Appointment of Shri M. P. Mehrotra as Director.**

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

"RESOLVED THAT Shri M. P. Mehrotra be and is hereby appointed as Director of the Company, liable to retire by rotation."

- Approval of revision in terms of 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 pursuant to the provisions of Sections 198, 269 and 310 and other applicable provisions including any amendments thereof, read with Schedule XIII of the Companies Act, 1956 as amended up to date, subject to such approvals, permission and sanctions, if any, as may be required from appropriate authorities or bodies from time to time, and in partial modification of the resolution passed at the Annual General Meeting of the Company held on 29/09/2006, approval of the Company be and is hereby accorded to the revision in remuneration of Shri T. B. Gupta - Managing Director of the Company and the revised remuneration package of Shri T. B. Gupta - Managing Director shall be as under:

A: Salary

A salary of Rs.20000/- (Rupees Twenty Thousand only) per month.

B: Perquisites

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

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.

All other terms and conditions of service as contained in the agreement dated 30.01.2006 entered into between the Company and the Managing Director will remain unchanged.

RESOLVED FURTHER THAT the revision in remuneration shall be effective from 1st July, 2007, for residual period of appointment of Managing Director unless enhanced during the intervening period, in accordance with applicable provisions of Companies Act, 1956 and/or other law(s), for the time being in force."

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, to settle any question or difficulty in connection therewith or incidental thereto and to do all such things deeds and acts including delegation of powers herein to any person/committee as may be deemed necessary or expedient for giving effect to said revision and in case required to obtain the consent of Company in this regard, to the end and intent that it shall be deemed to have been accorded expressly by authority of this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby also authorised to take all necessary steps in this regard in order to comply with all the legal, procedural and other formalities and further to authorise any of its committee or any of its

directors and/or any of the officer of Company to do all such acts, deeds or things to give effect to the aforesaid resolution."

- 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 Act, 1956 and other applicable provisions if any, for commencement of business stated in Clause Nos. 4, 5 and 6 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 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.

Pooja Gandhi

Company Secretary

Place: New Delhi

Date: 19/07/2007

NOTES:

- 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 18th Annual General Meeting in the form, enclosed hereto, duly filled and authenticated. A proxy may not vote except on a poll.
- 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.
- 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.
- The Company has retained M/s RCMC Share Registry Pvt. Ltd., 1515, 1st floor, Bhishm Pitamah Marg, Kotla Mubarakpur, Near South Extension, New Delhi-110003 (Phone No. 24692346, 24601017) as its Registrar & Transfer Agents ("Registrar") w.e.f. 01/04/2003 for entire shareholder services. All correspondence, therefore, may be addressed to the said "Registrar". However, for any further assistance in said matters, queries may be addressed to the Company Secretary at Corporate Office - C-489, Defence Colony, New Delhi-110024, Phone No. 41553081(5 lines), Fax: 41553091. **Dedicated Investor Services e-mail: investordesk.sael@gmail.com**
- The shares of the Company are being traded in Demat segment only, w.e.f. 24th July, 2000. Members who still hold the shares of Company in physical form are advised to contact their depository participant for dematerialization of their holdings in their own interest. **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).
- Members, who are holding shares in identical order of names in more than one Folio, are requested to write to the "Registrar" 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" of Company. Members are also requested to intimate change in address, if any, to the Company's "Registrar" 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.**
- The Register of Members of the Company shall remain closed from **17th September, 2007 to 24th September, 2007** (both days inclusive).
- 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. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 for item No. 7, 8, 9, 10 and 11 of the notice is annexed hereto and forms part of this notice.
- 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.
- 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. As per provisions of Section 205A & 205C of the Companies Act, 1956 the Company is required to transfer any money lying in the Unpaid Dividend Account, from the year 1995-96 onwards, which remains unclaimed or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of Investor Education and Protection Fund ("IEPF") established by the Central Government and no claim shall lie against the Company or the said fund after such transfer to IEPF. The unclaimed & unpaid dividend for the period from 1995-96 to 1997-98 was transferred to IEPF in time. 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.

SOUTH ASIAN ENTERPRISES LIMITED

11. 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 Directorship	Membership in Committees of other Companies and designation as on 19/07/2007	Whether qualified u/s 274(1)(g) of the Companies Act, 1956
1	Dr. S. Ramesh (IAS (Retd.))	28/10/1936	23/03/1995	M.A., M.P.A. (Harvard), Ph.D. He is former Secretary to the Govt. of U.P. having over 4 decades experience in administration, planning and govt. affairs.	a) VLS Finance Ltd. b) Uttarakhand Jal Vidyut Nigam Ltd. c) Uttarakhand Power Corporation Ltd.	i) Audit Committee-Chairman ii) Remuneration Committee-Member iii) Audit Committee-Member iv) Audit Committee-Member	Yes
2	Shri P.K. Saran, (IFS (Retd.))	07/07/1930	29/09/1993	B.Com., M.A., LL.B. He is the former Commissioner of Income Tax. He is presently a practicing advocate specialized in Taxation and has over 4 decades experience in financial planning, taxation and government affairs.	VLS Securities Ltd.	Nil	Yes
3	Shri Rajender Kumar Goswami	18/04/1936	27/07/2005	M.B.A., Diploma in Business Management, Diploma-Industrial Management, Diploma- Labour Laws. He is a retired banker with over 40 years of experience in Banking, Finance, administration and allied areas.	VLS Securities Ltd.	Nil	Yes
4	Shri Atma Ram Gangal (PCS (Retd.))	04/12/1931	29/01/2004	M.Sc. (Math). He has held various senior positions in Government of Uttar Pradesh, the last being Deputy Provincial Controller of Iron and Steel. He is former Vice-President (Projects) of the Company and has been associated with the Company for past over 14 years in various capacities.	Omkar Nagreeya Sahakar Bank Ltd.	Nil	Yes

(B) Shareholding of above stated Directors (As on 19/07/2007):

S.No.	Name of Directors	No. of Equity Shares held in Company	Percentage of voting capital
1)	Dr. S. Ramesh	Nil	Nil
2)	Shri P. K. Saran	Nil	Nil
3)	Shri R. K. Goswami	Nil	Nil
4)	Shri A. R. Gangal	100	0.0025

12. Information regarding persons seeking appointment as Director of Company, liable to retire by rotation:

(A)

S. No.	Name of the Director	Date of Birth	Date of Appointment	Qualifications and Expertise in specific functional areas	List of Companies in which Directorship held as on 19/07/2007	Chairman/ Member of the Committees of other companies as on 19/07/2007	Whether qualified u/s 274(1)(g) of the Companies Act, 1956
1	Shri Gian Vijeshwar	02/03/1945	30/01/2007	M.A. (Public Administration). He is an eminent figure in Indian amusement industry and had pioneered in establishment of amusement parks in India, the first being 'Appu Ghar' in Delhi. He has over 35 years of rich experience in general management, financial administration and project management.	a) International Amusement Ltd. b) International Recreation Parks Pvt. Ltd. c) Unitech Amusement Parks Ltd. d) Appu Ghar Entertainment Pvt. Ltd. e) Appu Ghar Holding Pvt. Ltd. f) Appu Ghar Recreation Parks Pvt. Ltd. g) Appu Ghar Securities & Solutions Pvt. Ltd. h) International Amusement Solutions Ltd. i) Onus Infrastructures & Developers Pvt. Ltd. j) Uniqdwell Infrastructures & Developers Pvt. Ltd. k) PPS Towers Pvt. Ltd.	i) Share Application Money Committee-Chairman ii) Share Allotment Committee-Chairman iii) Share Transfer Committee-Chairman iv) Audit Committee-Chairman	Yes

S. No.	Name of the Director	Date of Birth	Date of Appointment	Qualifications and Expertise in specific functional areas	List of Companies in which Directorship held as on 19/07/2007	Chairman/ Member of the Committees of other companies as on 19/07/2007	Whether qualified u/s 274(1)(g) of the Companies Act, 1956
2	Shri Rakesh Babbar	03/07/1955	30/01/2007	B. Com. He is a well known personality in amusement industry with over 10 years of rich managerial experience in running amusement parks in India.	a) International Amusement Ltd. b) International Recreation Parks Pvt. Ltd. c) Unitech Amusement Parks Ltd. d) Appu Ghar Entertainment Pvt. Ltd. e) Appu Ghar Holding Pvt. Ltd. f) Appu Ghar Recreation Parks Pvt. Ltd. g) Appu Ghar Securities & Solutions Pvt. Ltd. h) International Amusement Solutions Ltd. i) Onus Infrastructures & Developers Pvt. Ltd. j) Uniqdwell Infrastructures & Developers Pvt. Ltd. k) PPS Towers Pvt. Ltd. l) Network Ltd.	i) Share Application Money Committee-Member ii) Share Allotment Committee-Member iii) Share Transfer Committee-Member iv) Audit Committee-Member v) Remuneration Committee-Chairman vi) Investor's Grievance Committee-Member vii) Audit Committee-Member	Yes
3	Shri M.P. Mehrotra	26/09/1940	30/05/2007	B.Com., LL.B., FCA. He is a Chartered Accountant by profession and a Law graduate with over 40 years of rich experience in areas of taxation, administration and financial services besides being the main Promoter of the Company. He had been actively associated with the Company since its very beginning and was on the Board till July, 2005.	a) Cogent Corporate Pathfinders Ltd. b) VLS Capital Ltd. c) Gaurav Overseas Export Pvt. Ltd. d) Pragati Moulders Pvt. Ltd. e) The Dhampur Sugar Mills Ltd. f) India Securities Ltd. g) Empee Sugars & Chemicals Ltd. h) VLS Finance Ltd. i) Delton Cables Ltd.	i) Audit Committee-Chairman ii) Remuneration Committee-Chairman iii) Audit Committee-Chairman iv) Audit Committee-Member	Yes