



**SOUTH ASIAN
ENTERPRISES LTD.**

XXIV Annual Report 2012-2013

SOUTH ASIAN ENTERPRISES LIMITED

REGISTERED OFFICE :

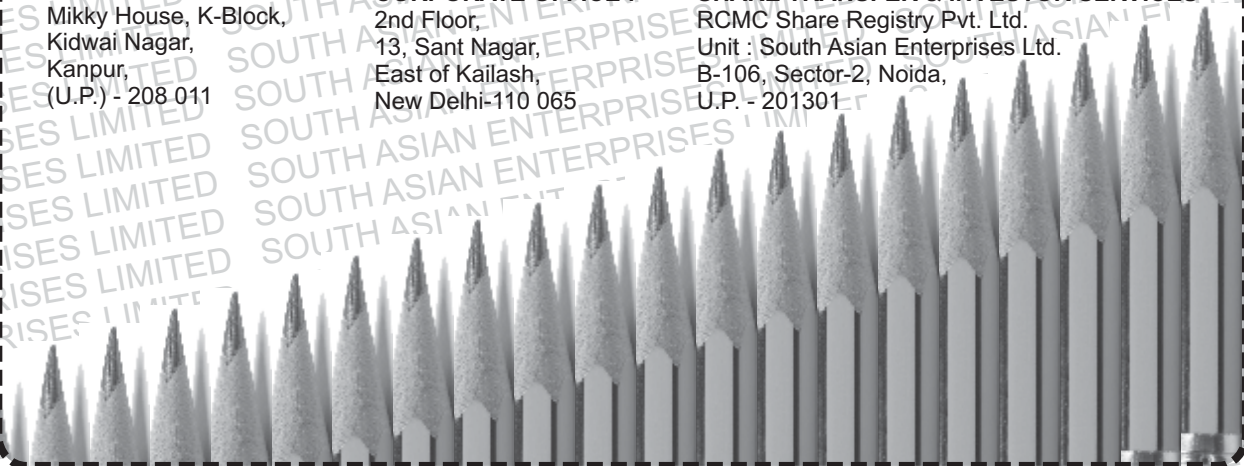
Mikky House, K-Block,
Kidwai Nagar,
Kanpur,
(U.P.) - 208 011

CORPORATE OFFICE :

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

SHARE TRANSFER & INVESTOR SERVICES

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



SOUTH ASIAN ENTERPRISES LIMITED

TWENTY FOURTH ANNUAL GENERAL MEETING
at Mikky House, K-Block Kidwai Nagar,
Kanpur - 208 011 (U.P.)
at 12:30 p.m.
on Saturday, 28th September, 2013

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 PRIYA BRAT
SHRI R. K. GOSWAMI
SHRI GIAN VIJESHWAR
SHRI K.K. SONI
SHRI S.C. AGARWAL
SHRI ANURAG BHATNAGAR

Chairman

Vice-Chairman & Managing Director

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

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

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

EQUITY SHARES ARE LISTED AT :

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

AUDITORS :

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

BANKERS

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

CONTENTS

Page No.

Notice of Annual General Meeting	1-3
Directors' Report	3-4
Report on Corporate Governance	4-7
Compliance Certificate	8
Auditors' Report	9
Balance Sheet	10
Statement of Profit & Loss	10
Notes	11-15
Cash Flow Statement	16

SOUTH ASIAN ENTERPRISES LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 24th 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 (U.P.) on Saturday, the 28th day of September, 2013 at 12:30 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, 2013, the Statement of Profit & Loss for the year ended on that date together with the Report of Auditors and Directors thereon.
2. To appoint a Director in place of Shri R. K. Goswami, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr. S. Ramesh who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Priya Brat who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint the Auditors and to fix their remuneration and in this connection to consider and if thought fit, to pass following resolution, with or without modification(s), as an **Ordinary Resolution**:

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

SPECIAL BUSINESS:

6. Appointment of Shri Anurag Bhatnagar 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 Anurag Bhatnagar, who was appointed as an Additional Director on 27th May, 2013 and who holds office till the date of this Annual General Meeting under Section 260 of the Companies Act, 1956 but is eligible for re-appointment; and for whose appointment as a Director, a notice in writing alongwith requisite deposit pursuant to Section 257 of the Companies Act, 1956 has been received from a member of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

By Order of the Board
For South Asian Enterprises Ltd.

Place: New Delhi
Date: 23/7/2013

T. B. Gupta
Managing Director

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 24th Annual General Meeting in the form, enclosed hereto, duly filled and authenticated. A proxy may not vote except on a poll.
2. The submission of form of proxy by a member does not preclude such member from attending and voting at the meeting. The proxy in such event shall not be eligible to attend the meeting. Only bonafide members of the Company whose names appear on the Register of Members/ Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
3. In case of joint holders attending the meeting, the vote of only such joint holder who is higher in the order of names will be counted and vote of other joint holders will be excluded. Corporate Members intending to send their authorized representative are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.

4. The Company has retained M/s. RCMC Share Registry Pvt. Ltd., ("Registrar & Transfer Agent") at B-106, Sector -2, Noida, U.P. 201301 (Phone Nos. 0120 - 4015880, 4015886) w.e.f. 01/04/2003 for entire shareholder services. All correspondence, therefore, may be addressed to the said Registrar & Transfer Agent. However, for any further assistance in said matters, queries may be addressed to the Secretarial Department at Corporate Office at 2nd floor, 13, Sant Nagar, East of Kailash, New Delhi-110065 Phone No. 46656666, Fax: 46656699. Dedicated Investor Services e-mail: investordesk.sael@gmail.com.
5. SEBI vide circular ref. no. MRD/DoP/Cir-05/2009 dated May 20, 2009 had clarified that providing the PAN information i.e. Permanent Account Number allotted by Income Tax Authority will be mandatory for transactions in securities in physical form as well. Existing members may also voluntarily provide the details of PAN to Company for updating Company's records.
6. The shares of the Company are traded in Demat segment only, w.e.f. 24th July, 2000 in Stock Exchange. The **ISIN No.** allotted to Company is **INE118B01010** for both the Depositories viz. The National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
7. Members, who are holding shares in identical order of names in more than one Folio i.e. physical form are requested to write to the 'Registrar & Transfer Agent' of the Company or the Company at its Corporate Office, to enable the Company to consolidate their holding under one Folio. Members can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of Section 109A of the Companies Act, 1956. Members desiring to avail of this facility may send their nomination in prescribed form No. 2B, duly filled in, to the 'Registrar & Transfer Agent' of Company. Members are also requested to intimate change in address, if any, to the Company's 'Registrar & Transfer Agent' or to the Company at its Corporate Office for shares held in physical mode. Members holding shares in Demat (Electronic) form are requested to notify any change in address, mandate/bank details/nominations to their Depository Participants.
8. The Register of Members of the Company shall remain closed **from 21st September, 2013 to 28th September, 2013** (both days inclusive).
9. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all days between 11:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting, except on Saturdays, Sundays and other Holidays.
10. Member/Proxies are requested to bring their copies of the Annual Report to the meeting. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting.
11. The unclaimed & unpaid dividend upto financial year 1994-95 had been transferred to General Revenue Account of Central Government and can be claimed from Central Government, through Registrar of Companies, U. P. & Uttarakhand. The unclaimed & unpaid dividend for the period from 1995-96 to 1997-98 was transferred in time, to the Investor Education and Protection Fund (IEPF) of Central Government in accordance with Section 205A and 205C of the Companies Act, 1956. Since no dividend had been declared for the year 1998-99 and in subsequent years till date, hence no unclaimed & unpaid dividend remains to be transferred to IEPF.
12. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its member. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their Depository Participant. Members holding shares in physical form are requested to send their e-mail address to the Registrar and Transfer Agents M/s RCMC Share Registry Pvt. Ltd., at B-106, Sector -2, Noida, U.P. 201301.
13. The Company in adherence to its policy to provide par excellence Investor service, periodically undertakes to locate members whose share certificate are lying undelivered and promptly sends share certificates upon identification of members. With the advent of Clause 5A in the Listing Agreement, the undelivered shares will be credited to "Unclaimed Suspense Account" with a depository participant in due course. As a consequence inter-alia, the voting rights in respect of such shares shall be stand frozen till shares are restored to members. The members are, therefore requested to update their address in Company's records by informing respective depository participant, in case shares are held in demat (electronic) form and where shares are held in physical form by writing to Company or its Registrar and Transfer Agent.

SOUTH ASIAN ENTERPRISES LIMITED

14. 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 23/07/2013.	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 5 decades experience in administration, planning and Govt affairs.	a) VLS Finance Ltd.	i) Audit Committee- Chairman ii) Remuneration Committee- Member	Yes
2	Shri Priya Brat	26/08/1935	23/01/2009	M. Sc. (Physics), CAIIB, Diploma in International Finance He is former Deputy Managing Director of State Bank of India, with over 5 decades experience in the field of Banking, Finance and Administration. The wide spectrum of experience of Shri Priya Brat encompasses managing industrial credit, forex management, project appraisal, loan syndication, merchant banking besides international operations and similar assignments.	a) Dhampur Sugar Mills Ltd. b) Dhanuka Agritech Ltd. c) Eicher Motors Ltd.	i. Shareholders/Investors Grievance Committee -Member ii. Remuneration Committee- Member iii. Audit Committee-Member i. Audit Committee - Chairman ii. Remuneration Committee - Chairman i. Audit Committee -Member ii. Shareholders/Investors Grievances Committee - Chairman iii. Compensation Committee- Member	Yes
3	Shri R.K. Goswami	18/04/1938	27/07/2005	MBA, Diploma in Business Management, Diploma- Industrial Management, Diploma- Labour Laws He is a retired banker with over 5 decades of experience in Banking, Finance, Administration and Allied areas.	VLS Securities Ltd.	NIL	Yes

(B) Shareholding of above stated Directors (As on 23/07/2013):

S. No.	Name of Director	No. of Equity Shares held in Company	Percentage of voting capital
1)	Dr. S. Ramesh	NIL	NIL
2)	Shri Priya Brat	NIL	NIL
3)	Shri R. K. Goswami	NIL	NIL

15. Information regarding person 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	Other Directorships	Membership in Committees of other Companies and designation as on 23/07/2013.	Whether qualified u/s 274 (1) (g) of the Companies Act, 1956
1	Shri Anurag Bhatnagar	21/12/1963	27/05/2013	B.A. Economics (Hons), CFA, LL.B. He is presently associated with VLS Securities Ltd. as Vice-President has over 26 years of rich experience in asset financing, financial marketing, merchant banking, issue management and other allied areas.	a) VLS Asset Management Limited b) Rockbridge Associates India Pvt. Ltd.	NIL NIL	Yes

(B) Shareholding of above stated Director (As on 23/07/2013):

S. No.	Name of Director	No. of Equity Shares held in the Company	Percentage of voting capital
1)	Shri Anurag Bhatnagar	NIL	NIL

SOUTH ASIAN ENTERPRISES LIMITED

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

ITEM NO. 6:

Shri Anurag Bhatnagar was appointed as Additional Director by the Board on 27th May 2013, in terms of Article No. 80 of Articles of Association of the Company and will hold office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956. He has over 26 years of rich experience in asset financing, financial marketing, merchant banking, issue management and other allied areas. He is presently working with VLS Securities Ltd. as Vice- President. A notice alongwith requisite deposit has been received from a member of the Company pursuant to Section 257 of the Companies Act, 1956 signifying intention to propose the resolution for appointment of Shri Anurag Bhatnagar as Director of the Company at the forthcoming Annual General Meeting. Your Directors recommend appointment of Shri Anurag Bhatnagar as Director of Company. Shri Anurag Bhatnagar does not hold any shares in the Company.

None of the Directors except Shri Anurag Bhatnagar is concerned or interested in the resolution.

By Order of the Board
For South Asian Enterprises Ltd.

Place: New Delhi
Date: 23/7/2013

T. B. Gupta
Managing Director

DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the Twenty Fourth Annual Report of your Company with the Audited Annual of Accounts for the year ended 31st March, 2013.

1. Financial Results (Rs. in Lacs)

	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
Total Income	157.28	166.00
Less: Total Expenditure	153.99	158.88
Less: Interest	1.15	1.25
Gross Profit/(loss)	2.14	5.87
Less: Depreciation	10.32	15.90
Less: Provision for Taxation (Net)	(1.57)	(2.56)
Other provisions	1.72	0.30
Net Profit after tax	(8.33)	(7.78)
Paid up Equity Share Capital (excluding calls in arrears)	399.90	399.90
Reserves, excluding revaluation reserve	793.42	801.74
Earnings per share (Rs.)	(0.21)	(0.19)

2. Management Discussion and Analysis

Financial Review

Your Company recorded a total income of Rs.157.28 lacs during the year under review compared to previous year's figure of Rs. 166.00 lacs. The Company has incurred a net loss of Rs. 8.33 lacs in the year under review. The Company incurred a net loss of Rs. 7.78 lacs in the previous year. The marketing of earthing products and execution of contracts for earthing and lightning protection systems continued to make a significant contribution to the total revenue of the Company despite marginal decrease in revenue generation in this segment compared to previous year. The Company expects good progress in this segment during the year and the incoming years will witness better results.

The revenue from amusement parks showed a marginal increase compared to previous year. 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

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. In the electrical engineering segment i.e. earthing and lightning protection system, the Company has been able to develop inroads in Government agencies and has successfully executed contracts awarded to it albeit at small scale.

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 inducing new rides or promotional programs etc. are equally important. However, the increased cost of improvement/new rides, the maintenance expenditure and stiff competition from other sources of entertainment have put profit margins of this segment under pressure. Your Company already operates on thin margins and infusion of funds on improvement/ new rides is a constant challenge. The entry costs have to be kept low to keep the parks within the reach of masses that have further stressed the cash flows. The entertainment tax of 30% continues to be additional burden and a challenge for boosting revenue. The recurrent loss in this segment is being monitored closely to keep it to the minimum. The lease agreement of amusement park at Ayodhya whose operations were closed down in 2007 has been terminated and land allotted by Faizabad-Ayodhya Vikas Pradhikaran has been surrendered to them. The electrical engineering segment viz. earthing and lightning protection systems business has responded well as the Company has executed orders to the customers' satisfaction including for some government departments. The power plants, electronics and other hi-tech centers where earthing is significantly important are target customers of Company apart from high rise buildings, hotels and residential units etc. The Company is exploring all possible areas in order to establish strong foothold in this arena. Additionally, some of the new areas where Company can have possibilities of revenue generation are being examined.

Opportunities and Threats

The Company is exposed to normal industry risks attributable to respective segments. In order to meet the challenge of sustaining itself despite of thinning of margins in amusement segment, the strategy is to focus on increasing the number 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 amongst target clients, there is tough competition. To meet the challenge, the Company aims not only to educate or spread awareness about its products but also secure credentials from its clients about the superiority of its products.

Adequacy of Internal Control Systems

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

The Audit Committee reviews the internal control mechanisms periodically.

Segment wise Performance

The Company's venture of dealing in earthing materials and lightning protection systems in the electrical engineering segment has been categorised under the head "Trading" for the purpose of segment reporting in the Annual Accounts for the year under review. Similarly, other income has been categorised under the head "Others". Segment wise, the entertainment sector generated revenue of Rs. 48.58 lacs and the Trading segment's revenue amounted to Rs. 97.26 lacs during the year under review.

The other income accounted for Rs. 11.44 lacs. The segment of entertainment incurred a loss of Rs. 29.48 lacs. However, the profit from trading segment of Rs. 11.20 lacs coupled with 'other' segment's profit of Rs. 11.44 lacs culminated into loss of Rs. 8.33 lacs after adjusting for unallocables and taxes. 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 38.

Cautionary Statement

Statement in the "Management Discussion and Analysis" describing the Company's projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include changes in government regulations, tax regimes, economic developments within the country and abroad and such other factors.

3. Dividend

Due to loss sustained, no dividend is recommended.

SOUTH ASIAN ENTERPRISES LIMITED

4. Directors

Shri Anurag Bhatnagar was appointed as Additional Director by the Board on 27/05/2013 in terms of Article No. 80 of Articles of Association of the Company and will hold office up to the date of forthcoming Annual General Meeting in terms of Section 260 of the Companies Act, 1956. The Company has received a notice u/s 257 of the Companies Act, 1956 along with requisite deposit from a member proposing the resolution for appointment of Shri Anurag Bhatnagar as Director of Company, liable to retire by rotation at the ensuing Annual General Meeting. The relevant resolution and other information for this purpose are set out in the notice convening the ensuing Annual General Meeting. The Board recommends the appointment of Shri Anurag Bhatnagar as Director to have his valuable guidance, direction and assistance in the conduct of the affairs of the Company.

Shri R. K. Goswami, Dr. S. Ramesh and Shri Priya Brat - Directors, will retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. 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 re-appointment.

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, 2013, 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 Loss 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, 2013 on a going concern basis.

6. Corporate Governance and Compliance Certificate

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

7. Auditors

The tenure of the Statutory Auditors, M/s. Anil Pariek & Garg, Chartered Accountants, will end at the forthcoming Annual General Meeting scheduled to be held on 28th September, 2013. 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 27th May, 2013 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 2013-2014 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. The requisite Compliance Certificate in terms of Section 383A of Companies Act, 1956 from a practicing Company Secretary is enclosed as **Annexure-3**.

11. Fixed Deposits

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

12. Subsidiary Company and Consolidated Statements

There being no subsidiary of the Company, no statement pursuant to Section 212 (1)(e) read with sub-section (3) of the said section of the Companies Act, 1956 for the Financial year 2012-2013 is required to be enclosed. Accordingly, there is no need of consolidation of accounts.

13. Acknowledgement

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

For and on behalf of the Board of Directors

Date: 23/7/2013
Place: New Delhi

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

Annexure-1

REPORT ON CORPORATE GOVERNANCE

CORPORATE PHILOSOPHY

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

1. BOARD OF DIRECTORS

- The present strength of the Board is 12 Directors, comprising 1 (One) Promoter Director, 7 (Seven) Independent Directors and 4 (Four) 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 majority 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 2012-2013	Whether Attended AGM held on 29/09/2012	No. of Directorships in other Public Limited Companies as on 23/07/2013	No. of Committee position held in other Public Limited Company \$	
						Chairman	Member
1.	Dr. B. Venkataraman <i>Chairman</i>	Non-Executive, Independent	4	NO	2	1	2
2.	Shri T.B. Gupta <i>Vice-Chairman & Managing Director</i>	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	4	YES	1	-	-
5.	Dr. S. Ramesh	Non-Executive, Independent	4	NO	1	1	-
6.	Shri Priya Brat	Non-Executive, Independent	4	NO	3	2	3
7.	Shri R. K. Goswami	Non-Executive, Independent	4	NO	1	-	-
8.	Shri K. K. Soni	Non-Executive, Non- Independent	0	NO	4	-	1
9.	Shri S. C. Agarwal	Non-Executive, Non- Independent	2	NO	2	-	1
10.	Shri Gian Vijeshwar	Non-Executive, Independent	0	NO	7	1	2
11.	Shri M. P. Mehrotra	Non-Executive, Promoter	4	NO	9	3	3
12.	Shri Anurag Bhatnagar@	Non-Executive, Non- Independent	0	NO	1	-	-

\$ Memberships of only Audit Committee and Shareholders/Investor Grievance Committee have been considered. None of the Directors is