

# 22ND ANNUAL REPORT



अर्थ: समाजस्य न्यासः

S. E. INVESTMENTS LIMITED





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**S. E. Investments Limited**

22nd Annual Report  
2013-14

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अर्थः समाजस्य न्यासः



**Purushottam Agrawal**  
(Chairman Emeritus)

## From the Desk of Chairman

Dear Shareholders,

At the close of another Financial Year, I would like to present before you the 22nd Annual Report of our Company and share with you the highlights of our Company's performance during the financial year 2013-14.

The Indian Economy has witnessed slowdown in the last two years which was broad based, and affected in particular the industry sector. Economic growth has slowed down due to domestic structural and external factors. Two successive years of sub-5 per cent growth has been witnessed by the Indian Economy for the first time in 25 years. The economy is reviving itself and the growth rate for the year 2013 - 2014 stood at 4.7% in comparison to 4.5% achieved in the year 2012 - 2013.

In the amidst of economic slowdown and the receding growth rate of the Indian Economy, the trust of our customers and our determination of serving the society formed the pillars of our survival and kept us going through the difficult times. Operational efficiency and reduced financial cost continued to act as the propulsions of the Company. We at SEIL have laid our foundation on steadfast integrity, perseverance and determination and these strong cornerstones have helped us to travel a successful journey of 22 years in the non banking financial sector.

The Company has been serving the society for over two decades now and is functioning across the nation with eight branch offices. The Company has been a facilitator of the rising aspirations of the society, since its instigation. The rationale behind establishing the Company was the zeal and fidelity of the promoters of the Company to equip the lower strata of the society with quality capital. With the fast moving economy and the embryonic social needs of the people belonging to different levels of social stratification, there exist innumerable opportunities for the Company to mount on. Steadfast integrity, trust, conviction, customer loyalty are the significant attributes which enable us in giving wings to the dreams of our customers.

The slowdown in the global economy did bring a downturn in the financial figures of the Company. During the year 2013-14, the gross income and net profit of the Company stood at Rs. 20,792.69 Lacs and Rs. 5,624.97 Lacs respectively. As per ICRA retail focused NBFCs might see revival in growth in FY 2015 to 11-14% from about 8% witnessed in FY 2014, although expected largely during the latter half of the year.

ICRA expects NBFCs' niche positioning, good market knowledge and large customer outreach to continue to support their access to customers. The viability of our business model has equipped us with the ability to lend both in good and bad times and we are looking forward to benefit from the expected growth of the NBFC sector.



While adhering to our core values and working on the principle of corporate sustainability, we have focused on widening our presence and reaching deeper to the rural masses. Touching the lives of millions and adding colours to their imaginations, is the sole objective of the Company and its people. Understanding aspiration of people and communicating with them makes us an outstanding finance provider. Prime area of our functioning includes National Capital Region and State of Maharashtra.

We are looking forward to 2014 – 2015 as a year of revival and as a year offering remarkable opportunities. Augmentation of our business platform will continue as our focal point. Operational efficiency and leveraging our cost will add on to the visibility of the Company. Supremacy of Customer Satisfaction and protection of Stakeholders Interest will always form the USP (Unique Selling Proposition) of our Company.

At the end, I would like to appreciate the unstinted support of the shareholders and employees of the Company. I admire the confidence they repose in all the endeavours of the Company. The commitment and vigour of the employees provides the Company an edge over the others. I would also like to express my gratitude to all our Bankers and business associates for their continuous support and cooperation. We look forward for continuous support and confidence of our stakeholders to take the Company to new heights.

Warm Regards,  
**Purushottam Agrawal**  
(Chairman Emeritus)



## Corporate Information

### Board of Directors

Mr. Purushottam Agrawal	Chairman Emeritus
Mr. Sunil Agarwal	Managing Director
Mr. Sachin Agarwal	Whole Time Director
Mr. Harish Singh	Executive Director
Dr. Arun Gopal Agarwal	Non Executive Director
Mr. Brij Lal Goel	Independent Director
Mr. Dharam Vir Gupta	Independent Director
Mr. Naresh Kumar Jain	Independent Director
Mrs. Anshu Gupta	Independent Director

### Company Secretary cum Compliance Officer

Mr. Vishal Sharma

### Statutory Auditors

P M S & CO. Chartered Accountants	R. LAL & COMPANY Chartered Accountants
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### Bankers and Finance Institutions

Central Bank of India  
Punjab National Bank  
UCO Bank  
Corporation Bank  
Small Industries Development Bank of India  
Bank of Baroda  
Bank of India  
United Bank of India  
Andhra Bank

### Registrar and Share Transfer Agents

M/s Alankit Assignments Ltd.  
ALANKIT HOUSE, 2E/21,  
Jhandewalan Extension  
New Delhi – 110 055  
E-mail: ramap@alankit.com

### Listing of Equity Shares

National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai -400 051	BSE Limited 25, P. J. Towers, Dalal Street Mumbai -400 001
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### Listing of Global Depository Receipts

SOCIETE DE LA BOURSE DE LUXEMBOURG  
11, av de la Porte-Neuve  
L-2227, Luxembourg

### Latest Credit Rating

CARE A- (BASIL Rating)

### Corporate Identification Number (CIN)

L65921DL1992PLC120483





## Network of Offices

REGISTERED OFFICE	S-547, 2nd Floor, Main Road, Shakarpur, Delhi-110092 (INDIA) Ph. +91 11 43018888 Fax. +91 11 43018802 E-mail: delhi@seil.in
CORPORATE OFFICE	M-7, 1st Floor, M-Block Market, Greater Kailash, Part-2, New Delhi-110048 (INDIA) Ph. +91 11 43518888 Fax. : +91 11 43518816 E-mail: delhi@seil.in
HEAD OFFICE	Block 54, 1st Floor, Sanjay Place, Agra-282 002 (INDIA) Ph. +91 562 4028888 Fax. +91 562 4028822 E-mail: agra@seil.in

### Branches

JAIPUR	Shree Sheel Mohar Plaza, Plot No.: A-1 Office No. 102, 1st Floor, Opp. Udhog Bhawan, Tilak Marg, C-Scheme, Jaipur-302004 Ph. No.+91 1412311422, 4068888, E-mail. jaipur@seil.in
JODHPUR	Gulab Singh Building, 11th Chopasni Road, Near Bombay Motor Circle, Jodhpur (INDIA) Ph. +91 291 2638926 E-mail: jodhpur@seil.in
MATHURA	369/2, Krishna Nagar, Goverdhan Road, Mathura (INDIA) Ph. +91 565 2424310 E-mail : mathura@seil.in
AHMEDABAD	203, IInd Floor, Jitendra Chambers, Near Reserve Bank of India, Ashram Road, Ahmedabad (INDIA) Ph. +91 79 27544830 E-mail: ahmedabad@seil.in
MUMBAI	261, Solitair Corporate Park, Building No. 2, Andheri Kurla Road, Chakla, Andheri (East), Mumbai (INDIA) Ph. +91 22 42288888, E-mail: mumbai@seil.in
ALIGARH	76, Malviya Pustakalaya Market, G. T. Road, Aligarh (INDIA)
THIRUVANANTHPURAM	Kovilazhikam, TC 7/1816, Kochullor, Thiruvananthpuram-695 001 (Kerala) (INDIA) Ph. +91 471 3258014
BAREILLY	16-17/211, Nariman Colony, Junction Road, Civil Lines, Bareilly-243001 (INDIA), Ph. +91 581 2510755



## Forward Looking Statements

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. However, readers are cautioned that this discussion may contain “Forward Looking Statements” by S. E. Investments Limited (hereinafter referred as “SEIL”) that is not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current belief, assumptions, expectations, estimates, and projections of the Directors and Management of SEIL about the business, industry and markets in which SEIL operates. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond SEIL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of SEIL. In particular, such statements should not be regarded as a projection of future performance of SEIL. It should be noted that the actual performance or achievements of SEIL may vary significantly from such statements.

The following discussions on our financial conditions and result of operations should be read together with our Audited Financial Statements and the notes to these statements included in the Annual Report.



## Notice of Annual General Meeting

Notice is hereby given that the Twenty Second Annual General Meeting of the members of S. E. Investments Limited will be held on Tuesday September 30, 2014 at 10:00 A.M. at Auditorium ISKCON Complex, Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash, New Delhi - 110065, to transact the following business(s):

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sachin Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare dividend on equity shares and preference shares and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

“RESOLVED THAT a final dividend of 10% (i.e. Re. 1 on every Equity share of Rs. 10/- each) on fully paid-up equity share capital of the Company, as recommended by the Board of Directors, be and is hereby declared.

RESOLVED FURTHER THAT a final dividend of 10% (i.e. Re. 1 on every 10% redeemable Preference shares of Rs. 10/- each) on fully paid-up preference share capital of the Company, as recommended by the Board of Directors, be and is hereby declared.”

4. To appoint Statutory 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 Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, as amended from time to time, M/s R. Lal & Company, Chartered Accountants, (Firm Registration No. 000926C) and M/s P M S & Co., Chartered Accountants, (Firm Registration No. 013398C), the retiring Joint Auditors of the Company, being eligible for re-appointment, be and are hereby re-appointed as Joint Statutory Auditors of the Company; provided that the re-appointment of M/s R. Lal & Company, Chartered Accountants shall be from the conclusion of this 22nd Annual General Meeting till the conclusion of the 25th Annual General Meeting, and the re-appointment of M/s P M S & Co., Chartered Accountants shall be from the conclusion of this 22nd Annual General Meeting till the conclusion of the 24th Annual General Meeting of the Company, and both the re-appointments shall be subject to annual ratification by the Shareholders, at every Annual General Meeting held during this period; on such remuneration as may be fixed by the Board of Directors of the Company on recommendation of the Audit Committee.”

### SPECIAL BUSINESS

5. 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 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act, Mr. Brij Lal Goel (DIN 05280672), Independent Director of the Company, whose office was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years, starting from April 1 2014 up to March 31, 2019.”

6. 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 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act, Mr. Dharam Vir Gupta (DIN 01639124), Independent

Director of the Company, whose office was liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years, starting from April 1 2014 up to March 31, 2019.

7. 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 Section 149, 152, 160, 161 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act, Mr. Naresh Kumar Jain (DIN 01281538), the Additional Independent Director of the Company, who holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years, starting from August 14, 2014 to August 13, 2019 and further during the tenure of appointment, the said Independent Director shall not be liable to retire by rotation pursuant to Section 152 of the Act”

8. 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 Section 149, 152, 160, 161 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule IV to the Act, Mrs. Anshu Gupta (DIN 06942076), the Additional Independent Director of the Company, who holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years, starting from August 14, 2014 to August 13, 2019 and further during the tenure of appointment, the said Independent Director shall not be liable to retire by rotation pursuant to Section 152 of the Act”

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

“RESOLVED THAT consent of the Company be and is hereby granted in accordance with Section 180(c) of the Companies Act, 2013 and other applicable provisions, if any, read with rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), to the Board of Directors of the Company, to borrow any sum or sums of money (including non fund based facilities) from time to time at their discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other persons, firms, body corporates, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may, at any time, exceed the paid up share capital of the Company and its free reserves (that is to say, reserves, not set apart for any specific purpose), provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed a sum of Rs. 3000 Crore (Rupees Three Thousand Crores) and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may deem fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

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

“RESOLVED THAT consent of the Company be and is hereby accorded, in accordance with Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), to the Board of Directors or to any Committee of Directors as may be authorized by the Board in this regard (hereinafter referred to as “the Board”), to create/ renew such

mortgages, charge(s), hypothecation(s) and floating charges, including existing mortgages, charges and hypothecation created by the Board on behalf of the Company, on such movable and immovable properties of the Company, both present and future, and in such form and manner as the Board may deem fit, to secure any Indian Rupees or Foreign Currency loans and/or the issue of debentures whether partly/fully convertible or non-convertible and/or the issue of rupee/foreign currency convertible bonds and/or advances and/or all other moneys payable by the Company to its lender(s) (hereinafter collectively referred to as "Loans"), provided that the total amount of loans, already obtained or to be obtained from any financial institution, bank, body corporate, Company or any other person(s), together with interest thereon, liquidated damages, commitment charges, premia on pre-payment and other cost and charges expenses and all other monies payable by the Company in respect of said Loans, shall not at any time exceed an amount of Rs. 3000 Crore (Rupees Three Thousand Crores only) over and above the aggregate of paid up share capital and free reserves of the Company.

RESOLVED FURTHER THAT, for the purpose of giving effect to this Resolution, the Board, be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard as the Board in its absolute discretion may deem necessary or desirable."

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

"RESOLVED THAT in accordance with Section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and applicable SEBI guidelines, consent of the Company be and is hereby accorded to the Board of Directors of the Company, to issue secured/ unsecured redeemable non-convertible debentures on private placement basis, within the overall borrowing limits of the Company, as approved by the Members, from time to time and within one year from the date of passing of this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company/ Committee thereof, be and is hereby authorized to do all such acts, deeds and things including but not limited to number of issues / tranches, face value, issue price, issue size, timing, amount, tenor, method of issuance, security, listing and other terms and conditions and to give such directions as they may, in their absolute discretion, deem necessary or expedient, to give effect to this Resolution."

12. 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, 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 and of the Board of Directors, consent of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Sachin Agarwal as the Whole Time Director of the Company for a period of five years with effect from April 1, 2014 on such other terms and conditions as may be agreed between the Company and the Director and on the following remuneration:

- (i) Monthly remuneration of Rs. 21,60,000/- (Rupees Twenty One Lakh Sixty Thousand Only).
- (ii) The Whole Time Director of the Company shall be entitled to 20% annual increment in the remuneration as stated above, every year after the end of each year during the currency of the tenure of the Whole Time Director as per the recommendation of Remuneration Committee and discretion of Board of Directors of the Company.

RESOLVED FURTHER THAT wherein in any financial year during the currency of the tenure of the Whole Time Director, the Company has no profits or there is inadequacy of profits, the Company may pay the above mentioned remuneration as minimum remuneration, by way of salary subject to obtaining of the requisite approvals, if any.

RESOLVED FURTHER THAT that the Board of the Company may 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 the Board of Directors and/or Company Secretary, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution and also to sign and submit the necessary form(s) with the concerned Registrar of Companies."

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

"RESOLVED THAT in partial modification of the Resolution No. 7 passed at the Annual General Meeting of the Company held on September 30, 2013 for the re-appointment of Mr. Harish Singh as Whole time Director of the Company and 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, and pursuant to the approval of the Remuneration Committee and of the Board of Directors, consent of the Members be and is hereby accorded for paying the below mentioned revised remuneration to the Whole time Director, with effect from April 1, 2014, for the remaining period of his tenure:

(i) Basic Salary of Rs. 70,000/- per month.

(ii) House Rent Allowance of Rs. 35,000/- per month.

RESOLVED FURTHER THAT the Board of the Company may 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 in the case of losses or inadequacy of profits in any financial year, the above mentioned remuneration be paid to the Whole time Director as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution and also to sign and submit the necessary form(s), if any, with the concerned Registrar of Companies."

Place : New Delhi  
Date : August 22, 2014

By Order of the Board of Directors  
For S. E. Investments Limited  
Sd/-  
**(Vishal Sharma)**  
Company Secretary



**NOTES:**

1. The relevant Explanatory Statement, in accordance with provisions of Section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 5 to 13 of the Notice, is annexed herewith. The required details as per Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/ re-appointment as Directors under Item No. 2, 5, 6, 7 and 8 have been mentioned in the Corporate Governance Report and forms an integral part of this notice and the explanatory statement attached hereto.

2. Item 4 of the Notice regarding re-appointment of Joint Statutory Auditors:

Members are requested to note that as per the provisions of new Companies Act, 2013, Statutory Auditor can hold office for a term of 5 consecutive years and his appointment shall be subjected to annual ratification by Members. Further, the Act also restricts the appointment of an audit firm for more than two terms of five consecutive years and has provided a time period of 3 years to the Companies to comply with these new provisions. In view of these provisions:

- (a) M/s R. Lal & Company, Chartered Accountants, have been reappointed for a term of consecutive three years i.e. from the conclusion of this 22nd Annual General Meeting till the conclusion of the 25th Annual General Meeting.
- (b) M/s PMS & Co., Chartered Accountants, have been reappointed for a term of two consecutive years i.e. from the conclusion of this 22nd Annual General Meeting till the conclusion of the 24th Annual General Meeting of the Company.

The Company has received written consent of the Auditors to such appointment and has also received a certificate that the appointment, if made, shall be in accordance with the provisions of the Companies Act, 2013.

3. A member entitled to attend and vote at the Annual General Meeting ("the meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a member of the Company. The instrument appointing proxy in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than forty-eight hours before the scheduled time for commencement of the Meeting.

A person appointed as proxy can act on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. Any member holding more than ten percent (10%), of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

4. Members/ Proxies attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of place of the meeting. Proxy/Representative of a member should mark on the Attendance Slip as "Proxy" or "Representative" as the case may be. Members holding shares in electronic form and desirous of attending the meeting are required to bring along with them Client ID and DP ID Numbers for easy identification.

5. 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.

6. The Register of Members and Share Transfer Books of the Company will remain closed from September 24, 2014 to September 30, 2014 (both days inclusive).

7. The dividend as recommended by the Board of Directors, if approved by the Members at the ensuing Annual General Meeting, will be payable within 30 days of its declaration to all those members whose name:

- (a) Appear in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with the Company or its Registrar on or before September 23, 2014 and



- (b) Appear in the list of beneficial owners as furnished by National Securities Depository Limited and/or Central Depository Services (India) Limited, in respect of shares held in electronic form as at the end of the business hours, on September 23, 2014.
8. Members who hold shares in dematerialized mode are requested to intimate any changes pertaining with their bank account details, ECS mandates, nominations, power of attorney, change of address/name etc. to their Depository Participant only and not to the Company's Registrar & Share Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better service to the members.
  9. Members holding shares in physical form are requested to intimate all changes in their particulars including nominations, power of attorney, change of address/name etc. to the Registrar & Share Transfer Agent of the Company, quoting their registered folio number.
  10. All documents referred to in the Notice and the Explanatory Statement requiring the approval of the Members at the Meeting shall be available for inspection by the Members at the Registered Office of the Company, on all working days between 11:00 a.m. to 1:00 p.m., except Sundays and public holidays, up to the date of the 22nd Annual General Meeting of the Company.
  11. Members are advised to avail nomination facility as per the applicable provisions of the Companies Act, 2013, for which nomination forms are available with the Registrar.
  12. Consequent upon amendment of Section 205A of the Companies Act, 1956 and introduction of Section 205C, by the Companies (Amendment) Act, 1999, the amount of dividend remaining unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund. Accordingly, the unclaimed dividends for the year 2005 - 2006 have been transferred to the Investor Education and Protection Fund.
  13. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
  14. The Securities and Exchange Board of India (SEBI) has notified that the shareholders/ transferee(s) of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN card to the company / RTA for transactions in the securities market including transfer, transmission or any other corporate action.  
  
Accordingly, all the shareholders / transferee(s) of shares (including joint holders) are requested to furnish a certified copy of their PAN card to the company/ RTA while transaction in the securities market including transfer, transmission or any other corporate action.
  15. All communication relating to shares are to be addressed to the Company's Transfer Agents, M/s Alankit Assignments Limited, ALANKIT HOUSE, 2E/21, Jhandewalan Extension, New Delhi - 110055.
  16. The Ministry of Corporate Affairs has vide Circular No.s 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011 respectively, undertaken a 'Green initiative in Corporate Governance' allowed Companies to share documents with its shareholders through electronic mode. Accordingly, the Company sends all its communication, in electronic form to all its Members whose email ids are registered with the Company/ Depository Participant. Members are requested to support this green initiative by registering /updating their email addresses, in respect of shares held in dematerialized form with their respective depository participants and in respect of shares held in physical form, with Alankit Assignments Ltd., the Company's Registrar and Share Transfer Agent.
  17. Voting through electronic means
    - A. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and in accordance with Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):





The instructions for e-voting are as under:

- I. Following process should be adopted by the Member, in case he receives an e-mail from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:**
- (i) Open email and open PDF file viz; "SEIL e-Voting.pdf" with your Client ID or Folio No. as default password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that this password is an initial password.
  - (ii) Launch the internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Enter the user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
  - (vii) Select "EVEN" of S. E. Investments Limited.
  - (viii) Now you are ready for e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [seil.scrutinizer@gmail.com](mailto:seil.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- II. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:**
- (i) Initial password will be provided separately:  
EVEN (E Voting Event Number) USER ID PASSWORD/PIN
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- B. In case of any queries, members may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- C. If any member is already registered with NSDL for e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- D. As the voting would be through electronic means, the members who do not have access to e-voting, may requisite a Physical Ballot Form from the Company. You are required to fill in the ballot form and enclose it in a sealed envelope and send it to the Scrutinizer. Unsigned, incomplete or incorrectly ticked forms shall be rejected. The ballot must be received by the Scrutinizer on or before September 26, 2014 (6.00 pm) at the corporate office of the Company. The Scrutinizer's decision on the validity of the forms will be final. Members are required to vote only through the electronic system or through ballot only and in no other form. In the event a member casts his votes through both the processes, the votes in the electronic system would be considered and the ballot vote would be ignored.
- E. Members can also update their mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
- F. The e-voting period commences on September 25, 2014 (9:00 am) and ends on September 26, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 22, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.



- G. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 22, 2014.
- H. Mr. Satish Jadon, a member of the Institute of Company Secretaries of India (Membership No. A23580) (Address: 12/21 Dalihai, Tajganj, Agra - 282001), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the physical ballots received from members who don't have access to the e-voting process) in a fair and transparent manner.
- I. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- J. The Results shall be declared at the 22nd Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.seil.in](http://www.seil.in) and on the website of NSDL within two(2) days of passing of the resolutions at the 22nd Annual General Meeting of the Company and the same shall be communicated to the BSE Limited and National Stock Exchange of India Limited.



## EXPLANATORY STATEMENT

**(Pursuant to Section 102 of the Companies Act, 2013) In accordance with provisions of Section 102 of the Companies Act, 2013, the Explanatory Statement given below sets out the material facts relating to Item No. 5 to 13:**

### Item No. 5 to 8:

With the advent of new Companies Act, 2013, which came into effect from April 1, 2014, new provisions with respect to Independent Directors have come into force. As per the provisions of Section 149 of the Companies Act, 2013 the Board of every Listed Company is required to have at least one-third of the total number of directors as Independent Directors, who will not be liable to retire by rotation.

In pursuance of Clause 49 of the Listing Agreement and in accordance with provisions of Section 149 of the Companies Act, 2013, Board recommends the appointment of Mr. Brij Lal Goel and Mr. Dharam Vir Gupta, as Independent Directors of the Company for tenure of five consecutive years i.e. from April 1, 2014 to March 31, 2019. Further, Mr. Naresh Kumar Jain and Mrs. Anshu Gupta were appointed as Additional Independent Directors on August 14, 2014, to hold office till the date of this AGM and the Company has received requisite notices, in accordance with Section 160 of the Act, proposing their candidature for office of Director. Accordingly, the Members may, at this Annual General Meeting, approve the appointment of Mr. Naresh Kumar Jain and Mrs. Anshu Gupta, as Independent Directors of Company for a term of five consecutive years i.e. from August 14, 2014 to August 13, 2019.

The Board believes that the knowledge and expertise of the Independent Directors will benefit the Company in its endeavours and in the opinion of the Board, each of these directors fulfil the conditions specified in the Act and the Rules framed thereunder, for appointment as Independent Director. Therefore, the Directors recommend the Resolutions proposed vide Item nos.5 to 8 of the Notice be passed and approved as Ordinary Resolutions by the Members.

The disclosures required as per Clause 49 of the Listing Agreement have been made in Corporate Governance Report attached to this Annual Report, and the same forms an integral part of the Notice as well as the Explanatory Statement.

Except the Appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is / are concerned or interested, in any manner in the passing of proposed Resolutions at Item No. 5 to 8 of the Notice.

### Item No. 9:

The members of the Company at their Annual General Meeting held on September 30, 2013 have passed an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 and have accorded their consent to the Board of Directors of the Company to borrow monies over and above the aggregate of the paid up capital of the Company and its free reserves (that is to say, reserves, not set apart for any specific purpose), provided that the total amount of such borrowing together with the amounts already borrowed and outstanding, shall not at any point of time exceed Rs. 3,000 Crore (Rupees Three Thousand Crores).

With the emergence of new Companies Act, 2013, the provisions of Section 180 (1) (c) of Companies Act, 2013 (effective from 12th September, 2013), states that the Board of Directors of the Company cannot, except with the consent of the shareholders by way of Special Resolution, borrow money, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and the free reserves of the Company. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No 4/2014 dated March 25, 2014 clarified that the Ordinary Resolutions passed under Section 293(1)(d) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act until September 11, 2014.

Accordingly, the consent of the shareholders by way of Special Resolution under Section 180 (1) (c) of Companies Act, 2013 is now being sought for authorizing the Board of Directors of the Company to borrow monies which may exceed at any time the aggregate of the paid up capital of the Company and its free reserves (that is to say, reserves, not set apart for any specific purpose) but not exceeding an amount of Rs. 3,000 Crore (Rupees Three Thousand Crores).

The Board of Directors accordingly recommends the Resolution set out at Item No. 9 of the accompanying notice for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is / are concerned or interested, in any manner in the passing of proposed Resolution set out at Item No. 9 of the Notice.

**Item No. 10:**

According to the new provisions of Section 180 (1) (a) of Companies Act, 2013, the Board of Directors can exercise its powers to create/renew charges, mortgages, hypothecations and floating charges on immovable or movable properties of the Company to secure its borrowings, only with the consent of the Shareholders obtained by way of Special Resolution.

Therefore, the Board of Directors of the Company seeks the consent of the shareholders by way of Special Resolution under Section 180(1)(a) of Companies Act, 2013, to empower the Board to create/ renew charges, mortgages, hypothecations and floating charges on the immovable and movable properties of the Company to secure the borrowing of the Company.

The Directors recommend the Special Resolution set out in Item No. 10 of the accompanying notice for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is / are concerned or interested, in any manner in the passing of proposed Resolution set out at Item No. 10 of the Notice.

**Item No. 11:**

As per the provisions of Section 42 of the Companies Act, 2013 read with Rule 14 (2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other applicable provisions of the Companies Act, 2013, a Company shall not make private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the Shareholders' of the company by a Special Resolution for each of the Offers or Invitations. However, issue of debentures on private placement basis can be done with the approval of the Shareholders obtained once in a year for all the offers or invitation for such debentures during the year.

Accordingly, as per the provisions of Section 42 and 71 of the Companies Act 2013 read with the relevant Rules made there under, the approval of the Members is being sought by way of a Special Resolution, to enable the Company to offer or invite subscriptions for Non Convertible Debentures on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No. 11, within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Directors recommend the Special Resolution set out in Item No. 11 of the accompanying notice for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are concerned or interested, in any manner in the passing of proposed Resolution set out at Item No. 11 of the Notice.

**Item No. 12:**

Members at their Annual General Meeting held on July 4, 2009 have re-appointed Mr. Sachin Agarwal as the Whole Time Director of the Company for a period of 5 years with effect from April 1, 2009. Based on the recommendation of Remuneration Committee, the Board of Directors at their meeting held on March 24, 2014 re-appointed Mr. Sachin Agarwal as the Whole Time Director of the Company for a further period of 5(five) years with effect from April 1, 2014 on such remuneration as stated in the resolution and subject to the approval of the members in the ensuing Annual General Meeting.

The remuneration payable is subject to overall ceiling of 5 percent of net profits of the Company as per the provisions of Companies Act 1956.

A brief resume of Mr. Sachin Agarwal has been incorporated in the Corporate Governance Report attached to this Annual Report, nature of his expertise in functional areas are mentioned in Corporate Governance Report section.



The Board recommends the resolution as set out in Item No. 12 requiring Shareholders approval for reappointment of Mr. Sachin Agarwal.

None of the Directors except Mr. Sunil Agarwal, Mr. Purushottam Agrawal and Mr. Sachin Agarwal are interested or concerned in the proposed Resolution set out at Item No. 12 of the Notice.

**Item No. 13:**

At the Annual General Meeting of the Company held on September 30, 2013, the Members of the Company have approved the re-appointment of Mr. Harish Singh as the Whole time Director of the Company for a period of five years, with effect from August 1, 2013. Based on the recommendation of Remuneration Committee, the Board of Directors at their meeting held on March 24, 2014, have decided to revise the remuneration to be paid to Mr. Harish Singh, with effect from April 1, 2014. The revised remuneration is subjected to shareholders approval at the ensuing Annual General Meeting and will be paid for the remaining period of his tenure.

The Board recommends the resolution as set out in Item No. 13 for the approval of Shareholders for revising the remuneration payable to Mr. Harish Singh.

None of the Directors or Key Managerial Personnel of the Company or their relatives is / are concerned or interested, in any manner in the passing of proposed Resolution set out at Item No. 13 of the Notice.

Place : New Delhi  
Date : August 22, 2014

By Order of the Board of Directors  
For S. E. Investments Limited  
Sd/-  
**(Vishal Sharma)**  
Company Secretary



## Directors' Report

### TO THE MEMBERS,

Your Directors are pleased to present before you the Twenty Second Annual Report of the Company, along with the Audited Financial Statements for the year ended March 31, 2014.

### FINANCIAL HIGHLIGHTS

Your Company's financial performance for the year under review is summarized below:

Particulars	(₹ In Lacs) 2013-14	(₹ In Lacs) 2012-13
Total Income	20792.69	21904.28
Less: Expenditure	6230.87	5196.55
Profit before Depreciation, Interest & Tax (PBDIT)	14605.28	16707.73
Less: Interest	6147.16	6261.23
Profit before Depreciation & Tax (PBDT)	8458.12	10446.50
Less: Depreciation	43.46	57.21
Profit Before Tax (PBT)	8414.66	10389.29
Less: Provision for Tax	2789.69	3344.67
Net Profit After Tax (PAT)	5624.97	7044.62
Add: Profit b/f from the previous year	480.42	351.82
Profit Available for Appropriation	6105.39	7396.44
Dividend Including Tax	490.09	487.39
Provision for Standard Assets	(22.03)	19.70
Transfer to General Reserve	4000.00	5000.00
Transfer to Reserve Fund (RBI Act)	1124.99	1408.92
Balance Carried to Balance Sheet	512.34	480.43

### REVIEW OF OPERATIONS

During the year ending March 31, 2014 the Company reported a gross income of ₹ 20,792.69 Lacs as against ₹ 21,904.28 Lacs earned last year.

The Profit before Tax (PBT) stood at ₹ 8414.66 Lacs at the end of financial year 2013 – 2014. PAT of the Company stood at ₹ 5624.97 Lacs as at March 31, 2014.

Interest expenses for the year decreased by 1.82% to ₹ 6147.16 Lacs from ₹ 6261.23 Lacs in the last year. Depreciation for the year stood at ₹ 43.46 Lacs as against ₹ 57.21 Lacs in the last year.

An amount of ₹ 1124.99 Lacs was transferred to Statutory Reserve Fund pursuant to Section 45-IC of the Reserve Bank of India Act, 1934, and an amount of ₹ 4000 Lacs was transferred to the General Reserve during the year under review.

#### Disbursements

During the financial year 2013 – 2014, TOTAL DISBURSEMENTS (including figures of subsidiary) reached ₹ 12,301.80 millions, recording 4.42% decrease in comparison to ₹ 12,870.90 millions achieved during financial year 2012-2013. SEIL was successful in augmenting its portfolio without increasing the risk profile, mainly on account of increase in small loans and business loans.

#### Number of Customers

Total Customer Outreach stood at 609532 being increased by 8.50% as compared to previous year.

#### Net Worth and Capital to Risk Adjusted Assets Ratio

The Net Worth of the Company improved to ₹ 46,572 Lacs as on March 31, 2014 from ₹ 41,894.35 Lacs as on March 31, 2013. The Capital to Risk Adjusted Assets Ratio (CRAR) stood at 48.30% as on March 31, 2014 as against 39.28% as on March 31, 2013 which is much above the requirement as stipulated by Reserve Bank of India and is one of the best in the industry.





अर्थ: समाजस्य न्यासः

## DIVIDEND

Based on the performance of the Company, your Directors have recommended a dividend of Re. 1/- (10%) per equity share of ₹ 10/- each which will absorb ₹ 490.09 Lacs (inclusive of dividend tax) for the financial year ended March 31, 2014. This dividend, if approved at ensuing Annual General Meeting, will be paid to (i) all those equity share holders whose name appear in the Register of Members as on September 24, 2014 (ii) to those whose name appear as beneficial owners and are furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. for the purpose.

## FIXED DEPOSITS

During the year under review the Company has not accepted any fixed deposits from the public. The Company has decided not to accept/ renew deposits with effect from October 1, 2012. There are no Unclaimed Matured deposits lying with the Company.

## CREDIT RATING

The Bank Borrowings of the Company has been assigned rating of "CARE A-" by CARE Limited which denotes "ADEQUATE SAFETY".

## TIMELY REPAYMENT OF LOAN LIABILITIES

During the year 2013 - 2014, the Company has not defaulted in payment of interest and/or repayment of loans to any of the financial institutions and /or banks.

## DIRECTORS

Mr. Sachin Agarwal, Whole Time Director of the Company, retires by rotation at ensuing Annual General Meeting and being eligible offers himself for re-appointment.

In the light of new Corporate Governance regime introduced by SEBI on April 17, 2014 by amending Clause 49 of the Listing Agreement and in accordance with the notified and effective provisions of the Companies Act, 2013, the Directors of the Company have proposed to induct Mrs. Anshu Gupta and Mr. Naresh Kumar Jain as Independent Directors, in the Company. They were appointed as Additional Independent Director of the Company at the Board Meeting held on August 14, 2014 and in terms of Section 161 of the Companies Act, 2013 these Directors hold office up to the date of the ensuing Annual General Meeting. The Company has received the requisite notice as per Section 160 of the Companies Act, 2013, proposing their candidature for appointment as Directors of the Company. The Board recommends their appointment as Directors of the Company. The Company looks forward to gain from their expertise and knowledge.

After the introduction of new Companies Act, 2013 and the amended Listing Agreement, the independent directors of the Company are not liable to retire by rotation. However, the independent directors of the Company can hold directorship for a continuous period of 5 years, in accordance with provisions of Companies Act, 2013 and the revised Listing Agreement with the Stock Exchanges. Accordingly, Mr. Brij Lal Goel and Mr. Dharam Vir Gupta, the independent directors of the Company whose office was liable to be determined by rotation, are proposed to be appointed at the ensuing Annual General Meeting for a period of five consecutive years, with effect from April 1, 2014.

Mr. Suresh Chand Sharma and Mr. Purushottam Agrawal resigned as Director of the Company with effect from August 14, 2014. The Board places on record its appreciation for the valuable contribution made by them during their tenure as Directors of the Company. The Board of Directors further appointed Mr. Purushottam Agrawal as the Chairman Emeritus. This is to recognise his efforts in foundation of the Company and mentoring the senior management of the Company over two decades.

Brief resumes of all the Directors proposed for appointment/ re-appointment at the Annual General Meeting, as required by Clause 49 of the Listing Agreement with the Stock Exchanges is enclosed herewith as a part of the Corporate Governance Report.

## RBI GUIDELINES

The Company continues to comply with all the requirements prescribed by the Reserve Bank of India as applicable to it.

## SUBSIDIARY

We have only one subsidiary - M/s Nupur Finvest Private Limited (NBFC).

As per Section 212 of the Companies Act, 1956, we are required to attach the Directors' Report, Balance Sheet and Profit and Loss account of our subsidiary. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has provided exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the Annual Report. Accordingly, the Annual Report 2013 - 2014 does not contain the financial statements of our subsidiary but discloses the consolidated financial statement giving information of its subsidiary. The audited annual accounts and related information of our subsidiary, where applicable, will be made available upon request. These documents will also be available for inspection during business hours at our registered office at Delhi.

## FUTURE PROSPECTS

The year 2013-14 has shown a downward trend in comparison to previous year but in the light of global slowdown, the performance of the company has been satisfactory. While on one hand, Company successfully scaled its operations through improved reach and streamlined business to an ever growing consumer base, on the other hand, it undertakes funding initiatives, mitigating interest risk to a large extent.

SEIL plans to achieve new horizons in the Business loans including Small and Medium Enterprises (SME)/ Priority sector, Lending to Corporates, Individuals, Partnership Firms and others.

SEIL proposes to open new branches so that it can reach out to people at large.

The Company is also looking to venture into other activities similar in nature being housing loans for LIG (Low Income Group).

The Company and its subsidiary aim at leveraging the opportunities provided by a growing economy and continue to see healthy growth in its lending activities.

For improved performance, the Company is focusing on skilled manpower and is looking for new areas for broader development in the finance sector. Through an optimum combination of innovative ideas & initiatives, we are looking at enhancing the finance facilities for weaker and poor sections of the society. The Company is making continuous efforts for enhancing and strengthening its existing business areas and is also keen to explore the new opportunities being offered by the growing economy.

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION

An analysis of the financial conditions and results of operations of the Company for the year under review, has been represented in the Annual Report as a separate section on Management Discussion and Analysis and it forms part of this Director's Report.

## CORPORATE GOVERNANCE

Your Company is committed to adhere to the best practice of governance. It is always ensured, that the practices being followed by the Company are in alignment with its philosophy towards Corporate Governance. Your Company believes that the Corporate Governance is all about effective management of relationship among constituents of the system and always works towards strengthening this relationship through corporate fairness, transparency and accountability. In your Company, prime importance is given to reliable financial information, integrity, transparency, fairness, empowerment and compliance with law in letter and spirit.

Detailed compliances with the provisions of Clause 49 of the Listing Agreement for the year ended 2013-14 along with the Certificate of Compliance from the Auditor, has been mentioned in Corporate Governance Report, which is attached and forms part of this report.

With the notification of new provisions of Companies Act, 2013 with effect from April 1, 2014 and the advent of new provisions of Listing Agreement from October 1, 2014, new Corporate Governance norms have been set out for Companies. Your Company has always attached great value to Corporate Governance practices, and is in the process of implementing these new norms.

## AUDITORS & AUDITORS' REPORT

M/s R. Lal & Company, Chartered Accountants & M/s P M S & Co., Chartered Accountants, Joint Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. In accordance with the provisions of Section 139 and Section 141 of the Companies Act, 2013, the Company has





received a written certificate from the Joint Auditors proposed to be reappointed, to the effect that their re-appointment if made, would be in conformity with the limits prescribed under the said Section of the Companies Act, 2013.

The observations of Auditors in their report read with notes to the accounts are self explanatory and do not call for any further explanation.

## **HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATION**

Your company strives to provide the best work environment with ample opportunities to grow and explore. The human resources development function of the Company is guided by a strong set of values and policies. Healthy, cordial and harmonious industrial relations were maintained by the Company at all levels.

## **LISTING OF SHARES**

The shares of the Company are listed on both Bombay Stock Exchange and National Stock Exchange of India. The listing fee for the year 2014-15 has already been paid to both the stock exchanges.

## **PARTICULARS OF EMPLOYEES**

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is given in Annexure "A" to this Directors' Report and forms part of the Director's Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the accounts for the financial year ended on March 31, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for the year under review;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate 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
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 to the extent applicable are as follows:

### **CONSERVATION OF ENERGY**

1. Energy conservation measures taken:  
Company has made its efforts and adopted relevant measures for conservation of the energy
2. Additional investments and proposals, if any, being implemented for reduction of consumption of energy  
There are no significant proposals.
3. Impact of the measures taken in (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production of goods.  
There is a marginal reduction in energy costs.



4. Total energy consumption per unit of production  
Not applicable to the Company

## TECHNOLOGY ABSORPTION : RESEARCH & DEVELOPMENT

No measure for technology absorption has been adopted by the Company.

## FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	Current year	Previous year
Total Foreign Exchange Earnings	Nil	Nil
Total Foreign Exchange Outgo	₹1.82 lacs	₹3.73 lacs

## ACKNOWLEDGMENTS:

The Board of Directors would like to place on record their gratitude for the commitment, dedication and hard work done by the employees of the Company and the co-operation extended by Banks, Government Authorities, Customers, Shareholders and Employees of the Company and we look forward for mutual support and co-operation.

Place : New Delhi  
Date : August 22, 2014

Sd/-  
(Sachin Agarwal)  
Whole Time Director

Sd/-  
(Sunil Agarwal)  
Managing Director

Sd/-  
(Vishal Sharma)  
Company Secretary

**Annexure "A" to the Directors' report  
Statement pursuant to Section 217(2A) of the Companies Act, 1956  
and the Companies (Particulars of Employees) Rules, 1956**

Sr. No.	Name	Age (Years)	Designation	Gross Remuneration (in ₹)	Qualification	Total Experience (Years)	Date of Commencement of Employment	Last Employment
1.	Mr. Sunil Agarwal	43	Managing Director	2,16,00,000/-	Graduate	25	05/03/1992	—
2	Mr. Sachin Agarwal	39	Whole Time Director	2,16,00,000/-	Graduate, MBA	20	29/03/2000	—
3	Mr. Harish Singh	47	Executive Director	68,84,970/-	Post Graduate, FCA, MBA	22	25/08/1997	—

# Management Discussion and Analysis Report





# Management Discussion and Analysis Report

## CURRENT SCENARIO

NBFCs, historically are involved in providing financial services such as offering of small ticket personal loans, financing of two/three wheelers, truck financing, farm equipment financing, loans for purchase of used commercial vehicles/machinery, secured/unsecured working capital financing, etc. With the perceptible slowdown in the reform impetus over the last few years, the economy is now beginning to show telltale signs of wear and tear. Food inflation has spread outwards and the consequent monetary tightening by RBI has led to a sharp increase in interest rates and heightened anxieties about an impending slowdown. Given the nature of the inflationary pressures we face, we believe the government can no longer delay hard decisions about accelerating the pace of fiscal consolidation. Otherwise, India faces the real danger of getting caught in an inflationary spiral.

Further, NBFCs also often take lead role in providing innovative financial services to Micro, Small, and Medium Enterprises (MSME) most suitable to their business requirements. By all objective measures, this sector has made rapid strides in recent years and led the way forward in delivering innovation and outstanding value to stakeholders. Moreover, it plays a critical part in filling the many gaps left by the banking sector. The performance of the NBFCs has been particularly impressive in areas that are national priorities, like infrastructure finance, SME finance, housing finance, micro finance and financial inclusion.

In order to meet with the fund requirements, NBFCs borrow from the markets directly at much higher rates than the banks. Consequently, the rates at which they lend are also higher. As a result, higher interest outgo caps margins of the borrowers from the NBFCs and also deters their growth. Tight regulations over the NBFC sector reveals that more effort and energy is being expended on curbing the growth of NBFCs by adding to their regulatory burden than on furthering their potential to be a transformative force for financial inclusion. Recent years have witnessed significant increase in financial intermediation by the NBFCs. But as far as the current status of the NBFCs is concerned, these are trapped in a cycle of high costs of funds leading to high rate of interest for borrowers.

## FINANCIAL REVIEW

The Company's gross income for the financial year ended March 31, 2014 stood at Rs. 20,792.69 Lacs.

Profit before Tax (PBT) of the Company stood at Rs. 8414.66 Lacs during the year.

Interest expenses for the year decreased by 1.82% to Rs. 6147.16 Lacs from Rs. 6261.23 Lacs in the last year. Depreciation stood at Rs. 43.46 Lacs as against Rs. 57.21 Lacs in the last year. Net Profit for the year stood at Rs. 5624.97 Lacs.

An amount of Rs. 1124.99 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. 4000 Lacs was transferred to the General Reserve during the year under review. The Company's Net Worth as on March 31, 2014, stood at Rs. 46,572 Lacs, as against Rs. 41,894.35 Lacs in the last year.

## RISK MANAGEMENT

Risk management involves identification of risk, assessing the impact on business if a security incident occurs, and making the right financial decision about how to deal with the results of one's assessment. It also includes the implementation of a programme to continually measure and assess the effectiveness of existing safeguards in protecting one's critical assets. Thus, managing risks is not a one-time activity; it's an ongoing process. It is also critical to recognize that certain business risks are unavoidable, and have to be dealt with as they arise.

Some of the key risks faced by the Company includes:

Credit risk
Liquidity risk
Interest rates risk
Rising inflation
Competition from local and multinational players
Frequent changes in the regulatory framework
Transaction risk
Non recovery of funds from its customers

Fraud risk

Loss of critical documents

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

To remain competitive, NBFCs are undertaking product and geographical expansion, which introduce new risks and challenge imposed by rapid growth. As Non Banking Finance Companies (NBFCs) grow and operate as regulated financial intermediaries, internal control becomes essential to long-term institutional viability. The number and types of stakeholders concerned with the NBFC's financial well-being increases; board members want to protect their reputations and fulfil their obligations; investors are interested in preserving capital; borrowers are concerned with continuous access to loans; depositors want to ensure the safety of their savings; and regulators want to protect the financial environment and depositor's interests.

An effective system of internal control allows the NBFCs to assume additional risks in a calculated manner while minimizing financial surprises and protecting itself from significant financial loss. Thus, internal control is an integral component of risk management. The Internal control checks and internal audit programmes adopted by our Company plays an important role in the risk management feedback loop, in which the information generated in the internal control process is reported back to the Board and Management. The internal control systems are modified continuously to meet the dynamic changes in the business condition and to comply with applicable laws, regulations, statutory and accounting requirements.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and the corrective actions taken.

The Company has engaged a competent firm of Chartered Accountants to conduct internal audit, examine and evaluate the adequacy and effectiveness of the Internal Control System. The internal audit ensures that the systems designed and implemented, provides adequate internal control commensurate with the size and operations of the Company.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal controls systems and suggests improvements for strengthening them. The Company has a strong Management Information System which is an integral part of the control mechanism.

## INFORMATION TECHNOLOGY

Leveraging Information Technology tools to improve overall productivity and efficiency of the organization has been a key focus area for the Company. Thus, SEIL maintains an unwavering focus on leveraging IT to function seamlessly across tasks, departments and geographies. As the Company's business grows in scale and scope, constant upgrading of the IT backbone - in terms of infrastructure, application and compliance - remains a key priority. The Company's IT initiatives are aimed at enhancing service levels, increasing customer convenience and improving loan administration & recovery, while minimizing costs at the same time.

## STRENGTHS

The Company focuses on semi-urban and rural areas, reaching across remote locations, where no other financier is available, thus carving a niche for itself.

The Company aims at targeting the common man, who is unable to get credit from banks and who is saved from the clutches of the local moneylenders with the help of SEIL. It offers attractively packaged, quick credit against a wide variety of products that touch an individual's life.

The Company has a long standing presence spanning over two decades of financing, resulting in deep understanding of the market that it operates in.

The Company's biggest strength is its trained manpower. This enables smooth conduct of operation.

Over the years, the Company has established a name for itself in the retail debt market, which gives it access to an uninterrupted resources base.

SEIL has a de-risked business portfolio. The Company's presence in various retail finance segments provides it an effective hedge against recession in any category.



## ECONOMIC OUTLOOK, OPPORTUNITIES & CHALLENGES

Retail credit growth for NBFCs slowed considerably in FY2014 with a sluggish economy and high interest rates adversely affecting demand for credit, especially in the asset financing segments. NBFC sector faced significant stresses on asset quality, liquidity and funding costs due to the global economic slowdown & its impact on the domestic economy. While all the NBFCs were affected, the impact varied according to the structural features of each NBFC. A robust banking and financial sector is crucial for facilitating higher economic growth and financial intermediaries like NBFCs have a definite and very important role in the financial sector, particularly in a developing economy like ours

With Indian economy recovering rapidly over the last few quarters, demand side of NBFCs has improved and challenges to asset quality have also come down. As such, the sector is now more robust due to the lessons learned from this crisis. However, profits are at the same time expected to be much more stable & less susceptible to liquidity related pressures going forward. NBFCs provide a vital link among various building blocks in a financial system. Hence, NBFCs in India are expected to flourish in the medium-long term since they serve a strong source of finance to infra and auto segments which will be the key sectors for the country's economic growth in the coming years.

## HUMAN RESOURCE DEVELOPMENT

### “HUMAN CAPITAL IS ESSENTIAL TO STRATEGY EXECUTION AND IT MUST BE PART OF THE C-SUITE AGENDA”

Dynamic change, as well as innovation, demands robust human capital that is fully engaged and agile, aggressively developed and skillfully deployed. One of the “Key” reasons for the exponential growth of S. E. Investments Limited is undoubtedly its “People”. Human capital is primed to become a more dominant variable and a key driver of productivity and profits. It is by far the most abundant, flexible and readily leveraged resource organizations have. Effective human capital utilization-matching the right people to the right tasks - has the potential to enhance client and customer interactions, as well as foster internal relationships necessary to pursue new opportunities. Specifically, it enables a shift from an individual-focused culture to behavior focused on collaboration and generative thinking. Focusing on Human capital development enables organizations to think more broadly, plan more wisely and be more innovative. We at SEIL, focus continuously on achieving maximum talent optimization.

## APPRECIATION

The Directors are grateful for the continuous and overwhelming support of all the stakeholders of the Company. Your directors express their warm appreciation to all the employees for their diligence and contribution.

Place : New Delhi  
Date : August 22, 2014

Sd/-  
(Sunil Agarwal)  
Managing Director



# Corporate Governance Report







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## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2013 – 2014

Corporate Governance now forms the cornerstone of every organisation. It is more importantly a philosophy which forms an exclusive and intrinsic part of each corporate house. Corporate Governance reflects the Management outlook towards various stakeholders. Corporate Governance includes in its ambit not only the regulatory and legal requirements, but also the voluntary practices developed by the company to protect the best interests of all stakeholders. It is an optimum combination of policies, processes and practices which governs the affairs of a company in pursuit of its business goals. Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability, and commitment to values. Good governance practices stem from the culture and mindset of the organization. As stakeholders across the globe evince keen interest in the practices and performance of companies, Corporate Governance has emerged on the centre stage.

S. E. Investments defines Corporate Governance as an integral part of its operations and endeavours to adopt elements of good corporate governance like transparency, accountability, and responsibility in all its operations and in ensuring fairness to all its stakeholders comprising of employees, customers, investors and the society at large. Your Company strives to uphold highest principles of Corporate Governance consistent with the Company's goal to enhance stakeholders' value.

Underlying principles of Company's Corporate Governance framework are as follows:

Constituting an effective Board of Directors, in terms of composition, size, varied expertise and commitment so as to enable them to skilfully discharge their responsibilities and duties.

Ensuring timely flow of information to the Board and its Committees to enable them to discharge their functions efficiently.

Establishment of sound system of Risk Management and Internal Control.

Independent analysis and verification of Company's financial information, to safeguard the Integrity of same.

Timely and balanced disclosure of all material information, concerning the Company, to all its stakeholders.

Maintenance of Transparency and accountability.

Fair and equitable treatment of all its stakeholders including employees, customers, shareholders and investors

Ensuring Compliance with all the rules and regulations.

The Company recognizes that good Corporate Governance is a continuing exercise and is committed to follow the best practices in the overall interest of the stakeholders.

### Company's philosophy on Code of Governance

Corporate Governance at S. E. Investments Limited, strives in development and enhancement of long term stakeholder's value.

The Board of Directors of the Company understand their duties towards the stakeholders and work in furtherance of the true spirit of being "Trustees". Company's philosophy on corporate Governance is based on following principles.



The Board of company has adopted 'Code of Conduct for prohibition of Insider Trading' based on the principles of Good Corporate Governance and best management practices being followed globally besides complying with the needs of the law of land.

## Board of Directors

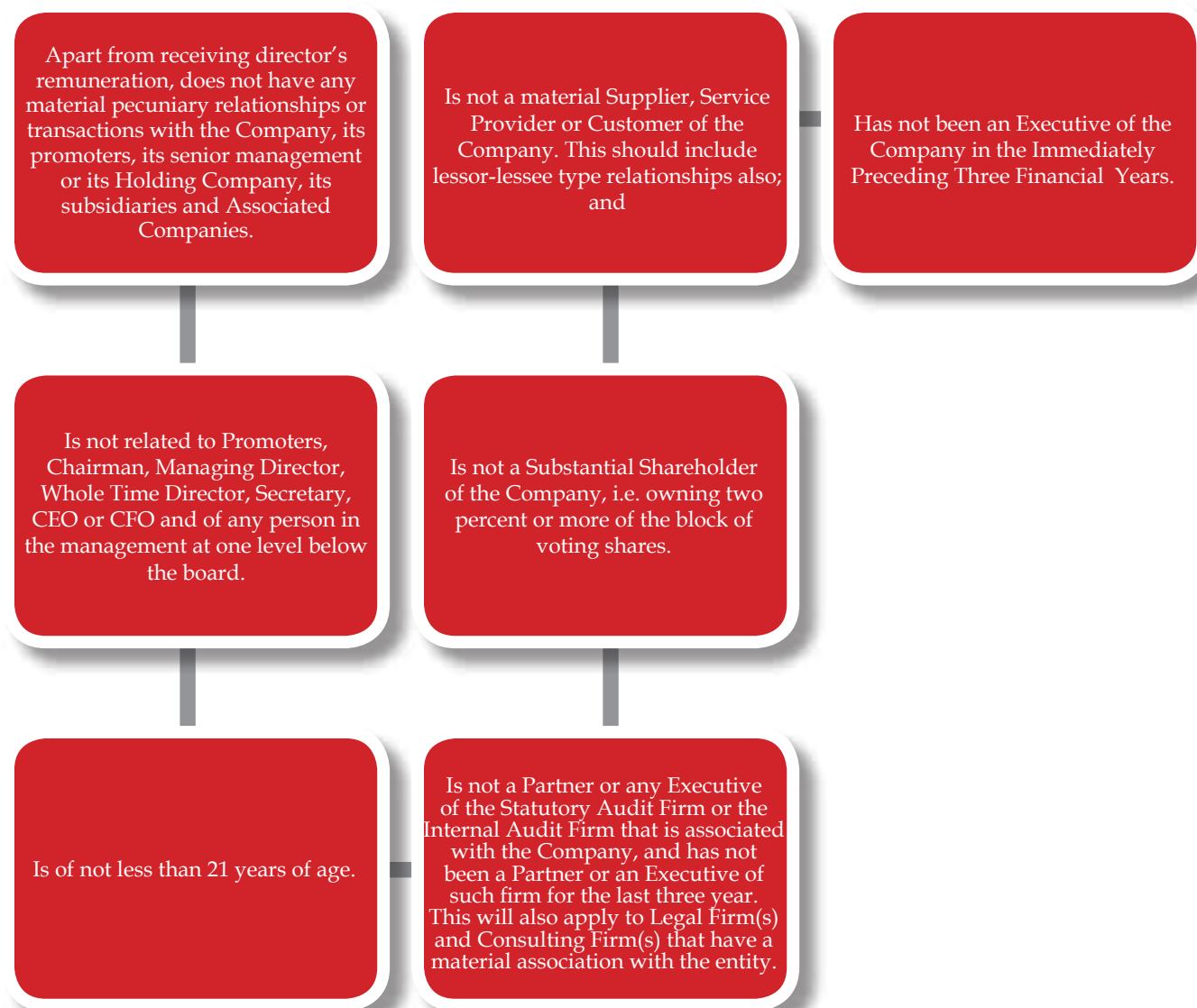
### Composition

The Board of the Company has an optimum combination of Executive Director and Non - Executive Director, with Non - Executive Directors forming the majority.

As on March 31, 2014, the Board of Directors ("the Board") of the Company consists of 8 Directors, with Non - Executive Director as its Chairman. More than 50% of the Board consists of Non-Executive Directors. Half of the Board of the Company comprises of Independent Directors. The Independent Directors on the Board are experienced, competent and are highly reputed persons from their respective fields.

Independent Director's, forming part of the Board do fulfil the criteria of Independence as laid down in the Listing Agreement, entered into with both the Stock Exchanges.

Board's Definition of Independent Director shall mean a Non – Executive Director of the Company who:



The Composition of the Board of Directors of the Company is in accordance with Clause 49 of the Listing Agreement. As an essential requirement of Listing Agreement, none of the Director of the Company is a member in more than 10 committees or is acting as the Chairman of more than 5 committees, across all Companies in which he is a director. Furthermore, the necessary annual disclosures have been submitted by the Director to the Company, regarding Committee positions held by them in other public companies, as on March 31, 2014.

Based on the above test of independence, Mr. Suresh Chand Sharma, Dr. Arun Gopal Agarwal, Mr. Brij Lal Goel and Mr. Dharam Vir Gupta are categorized as Independent directors, as on March 31, 2014.

Mentioned herein below are the details regarding the composition of the Board of Directors as on March 31, 2014, category of the directors, their attendance at the Board Meetings held during the year 2013 – 2014 and also at the last Annual General Meeting.



The number of Directorships and Committee Chairmanships/Memberships held by them in other public companies as on March 31, 2014, are also mentioned herewith.

Name of the Director	Category	No. of shares held in the Company	Attendance at Board Meetings	Whether Attended Last AGM	No. of Directorship Held in Other Public Companies #	No. of Committees	
			No. of Board Meetings held during the year 2013 - 2014 (31)			As Member@	As Chairman@
Mr. Purushottam Agrawal (Chairman)	Non-Executive Non-Independent	2,69,000	26	No	4	2	-
Mr. Sunil Agarwal (Managing Director)	Executive Non-Independent	12,00,000	28	Yes	10	1	-
Mr. Sachin Agarwal (Whole Time Director)	Executive Non-Independent	10,67,240	29	Yes	9	3	-
Mr. Harish Singh (Executive Director)	Executive Non-Independent	NIL	31	No	NIL	-	-
Mr. Suresh Chand Sharma	Non-Executive Independent	44,000	30	Yes	2	-	2
Dr. Arun Gopal Agarwal	Non-Executive Independent	NIL	31	Yes	4	2	1
Mr. Brij Lal Goel	Non-Executive Independent	NIL	6	Yes	NIL	-	-
Mr. Dharam Vir Gupta	Non-Executive Independent	NIL	6	Yes	2	-	-

# Excluding S. E. Investments Limited and excluding alternate directorship, Directorships in Private and Foreign Companies and Companies under section 25 of the Companies Act, 1956. Private Companies which are subsidiary of Public Companies have been included.

@ Board Committee for this purpose includes Audit Committee and Shareholders/Investors' Grievance Committee only.

#### Relationship Between Director Inters-e:

Mr. Purushottam Agrawal is Father of Mr. Sunil Agarwal and Mr. Sachin Agarwal.

#### Director's Profile

Given below, is the Brief resume of all the Directors of the Company and the nature of their expertise is also mentioned:

#### Mr. Purushottam Agrawal (DIN 00007483)

Mr. Purushottam Agrawal, aged 70 years, a post graduate in Commerce and Law Graduate is a Chartered Accountant, holding Fellow Membership of the Institute of Chartered Accountants of India. He has more than four decades of experience in corporate advisory, income tax practice, project consultancy and related areas. He has been a member of the Regional Direct Taxes Advisory Committee set up the Central Board of Direct Taxes. He resigned from the directorship of the Company on August 14, 2014. The Board of Directors have appointed him as the Chairman Emeritus.

#### Mr. Sunil Agarwal (DIN 00006991)

Mr. Sunil Agarwal, aged 43 years, is the Managing Director of the Company. He is bachelor of commerce from St. John's College



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Agra. He is responsible for the business and brand building of the Company. He has been associated with the brand name of Delhi Public School, which has been promoted by reputed Delhi Public School Society of Delhi. He held the position of Pro-Vice Chairman of Delhi Public School, Agra and Raj Nagar, Ghaziabad.

**Mr. Sachin Agarwal (DIN 00007047)**

Mr. Sachin Agarwal, aged 39 years, holds a graduate degree in Commerce with honours. He looks after the retail operations of the Company. His key responsibilities include providing leadership in establishing, planning, priority setting and communicating strategic direction of initiatives and brand development with customer base for annual and ongoing business plan. Mr. Sachin Agarwal is retiring by rotation and is eligible for reappointment. Mr. Sachin Agarwal has been re-appointed as the Whole Time Director of the Company for a term of five years with effect from April 1, 2014.

**Dr. Arun Gopal Agarwal (DIN 00374421)**

Dr. Arun Gopal Agarwal, aged 68 years, holds a doctorate degree in Commerce. He is holding fellow membership of the Institute of Company Secretaries of India and is also a fellow member of the Institute of Cost Accountant of India. He is an independent accounting consultant and is based at New Delhi. Key areas of his expertise include commercial arbitrations, management accounting, financial management including budgetary controls, cost accounting and internal audit. He is also a fellow member of the Management Association and Arbitration Council of India.

**Mr. Harish Singh (DIN 00039501)**

Mr. Harish Singh, aged 47 years, is a fellow member of the Institute of Chartered Accountants of India and is an MBA in marketing. He has been in practice with about two decades of post qualification experience. He has developed an expertise in the field of Audit, Taxation and Corporate Advisory Services.

**Mr. Brij Lal Goel (DIN 05280672)**

Mr. Brij Lal Goel, aged 69 years, is a Graduate in Mechanical Engineering from Institute of Engineers, AMIE and a Law Graduate. He possess rich experience in the field of Engineering as he has worked in Ordnance Factory and possesses rich knowledge in Manufacturing of Tools, Gauges, Jigs, Fixtures & Templaters. Later on in his carrier in 1980's he joined Central Excise of Custom Services as Superintendent and was promoted to IRS in the year 1991. Thereafter he retired as Additional Commissioner from Delhi Appellate Tribunal in 2006. His association with the Company has given a new strength to the Management.

He is associated with the Company in the capacity of Independent Director. He is not holding Directorship in any other Company in addition to S. E. Investments Limited.

**Mr. Dharam Vir Gupta (DIN 01639124)**

Mr. Dharam Vir Gupta, aged 72 years is a post graduate in Engineering, M.B.A., LL.B., and is having around 41 years of enriched experience in various Government Assignments / PSUs with senior level positions. He has been Chairman of Airports Authority of India in December 2001, Joint Managing Director in Indian Ports Association, Ministry of Shipping from June 2002 to June 2004, Director of Maharashtra Airport Development Company Ltd. (A Govt. of Maharashtra Organisation). He is a practicing Advocate in Supreme Court of India.

His wide knowledge and experience has provided the Management of the Company, an edge over the others. He is associated with the Company in the capacity of Independent Director. He is not holding Membership/ Chairmanship of the Committees of Board of other Companies.

**Mr. Naresh Kumar Jain (DIN 01281538)**

Mr. N. K. Jain, aged 64 years is a Fellow Company Secretary and holds other qualifications as well. He has rich experience in Company law matters strategy formulation and its execution. He has also been the Secretary and CEO of the Institute of Company Secretaries of India. He has been appointed by the Board as the Additional Director of the Company with effect from August 14, 2014. He will be associated with the Company as the Additional Director of the Company.

**Mrs. Anshu Gupta (DIN 06942076)**

Mrs. Anshu Gupta, aged 34 years, is a Graduate in Law. She has been working as a Corporate Consultant since seven years and has been associated with a Chartered Accountant Firm. She has been appointed as the Additional Director of the Company on August 14, 2014. She will be associated with the Company as an Independent Director.



Other relevant Details of Directors seeking appointment/ re-appointment at the Annual General Meeting:

Particulars	Mr. Sachin Agarwal	Mr. Brij Lal Goel	Mr. Dharam Vir Gupta	Mrs. Anshu Gupta	Mr. Naresh Kumar Jain
Date of Appointment	25/02/1992	16/05/2012	24/07/2012	14/08/2014	14/08/2014
Qualifications	Graduate Degree in Commerce with honours	Graduate in Mechanical Engineering from Institute of Engineers, AMIE and a Law Graduate	Graduate in Engineering, M.B.A. and LL. B.	Law Graduate	B.Sc., LLB, DCL, FCS, FCPS
Directorships held in other public companies (excluding foreign Companies and private subsidiaries of public companies)	M/s Spring Infradev Limited		M/s Agrim Corporate Services Limited M/s Maharashtra Airport Development Company Limited	M/s S. E. Power Limited	M/s S. E. Power Limited
Memberships/ Chairmanships of Committees of other Companies	M/s Nupur Finvest Private Limited: Audit Committee: Member Asset Liability Management Committee: Member  M/s Spring Infradev Limited: Audit Committee: Member Remuneration Committee: Chairman Shareholder's Grievance Committee: Member				
Shareholding	10,67,240				



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## BOARD PROCEDURE

The Board meets at least once in a quarter to review the quarterly performance and the financial results. The Board Meetings are generally scheduled in advance and the notice of each Board Meeting is given in writing to each Director. All the items on the agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made.

The information as specified in Annexure (I) (A) to the Clause 49 of the Listing Agreement is regularly made available to the Board.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed of every Board Meeting on the overall performance of the Company. Senior management is invited to attend the Board Meeting so as to provide additional inputs to the items being discussed by the Board.

The Board's role, functions, responsibility and accountability are clearly defined. In addition to statutory matters requiring Board's approval, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investment, details of joint ventures, sale of business unit/division, compliance with statutory/regulatory requirements, major accounting provisions and write-offs, if any, are considered by the Board.

During the year ended March 31, 2014, 31 (Thirty One) Board Meetings were held on the following dates:

04.04.2013, 08.04.2013, 22.04.2013, 09.05.2013, 20.05.2013, 29.05.2013, 28.06.2013, 02.07.2013, 11.07.2013, 22.07.2013, 26.07.2013, 06.08.2013, 20.08.2013, 31.08.2013, 02.09.2013, 24.09.2013, 30.09.2013, 04.10.2013, 19.10.2013, 30.10.2013, 12.11.2013, 14.11.2013, 22.11.2013, 28.11.2013, 14.12.2013, 24.12.2013, 10.01.2014, 31.01.2014, 11.02.2014, 20.02.2014 and 24.03.2014

The last Annual General Meeting of the Company was held on 30th September, 2013.

### Agenda and Minutes

All the matters requiring Board/ Committee approval are noted vigilantly and are circulated to the Board Members as Agenda Papers, well in time before the schedule date of the Board meeting.

The agenda and minutes of the Board/Committee meeting is prepared with due care and adherence to applicable provisions of the law, including the Companies Act, 1956, is ensured. The applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) are also being complied by the Company. The draft minutes of the proceeding of each meeting duly initialled by the Chairman of the meeting are circulated to the members for their comments and thereafter, confirmed by the Board/Committee in its next meeting. The Board also takes note of the minutes of the Committee meetings duly approved by their respective Chairman. Minutes of Subsidiary Company are vigilantly placed periodically in the Board Meeting of the Company.

All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. Items enumerated under Annexure IA of Clause 49 of Listing Agreement are specifically placed before the Board, as and when required.

### Compliance Certificate by the Statutory Auditor

The Statutory Auditor M/s R. Lal & Company, Chartered Accountants have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange and the same is annexed to the Directors' Report and forms part of this 22nd Annual Report. The Certificate from the Statutory Auditor will be sent to the Stock Exchanges, along with the Annual Report of the Company.

### Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practising Chartered Accountant/Practising Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is timely submitted to the Stock Exchanges.



**Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India**

For better Corporate Governance, the Company tries to comply with the various Secretarial Standards as issued by The Institute of Company Secretaries of India (ICSI), on recommendatory basis. These standard cover important aspects like Board Meetings, General meetings, Maintenance of Registers and Records, Minutes of meetings and transmission of Shares, etc.

**Management Discussion & Analysis Report**

A detailed review of the progress and the future outlook of the Company and its business, as stipulated under Clause 49 of the Listing Agreement, is presented in a separate section and form a part of this Annual Report.

**Compliance Officer**

Mr. Vishal Sharma, Company Secretary is the Compliance Officer for complying with the requirements of the Listing Agreement with the Stock Exchanges and requirements of SEBI (Prohibition of Insider Trading) Regulation, 1992.

**Corporate Governance Manual**

The Board of Directors of the Company approved and adopted a comprehensive Corporate Governance Manual setting out the procedures for effective functioning of the Board and its Committees. It also incorporates the Code of Business Conduct and Ethics for Directors and Senior Management, Code of Ethics for Employees and Policy on Prohibition of Insider Trading. These policies are regularly monitored and reviewed.

**Legal Compliance Reporting**

As required under Clause 49 of the Listing agreement, the Board periodically reviews compliances of various laws applicable to the Company.

**Corporate Ethics**

As a reasonable corporate citizen, the Company consciously follows corporate ethics in both business and corporate interactions. The Company has framed various codes and policies, which act as guiding principles for carrying business in ethical way. Some of our policies are:

- Code of conduct for prevention of Insider Trading;
- Fair Practice Code;
- Whistle Blower Policy;





## GOVERNANCE BY COMMITTEES OF BOARD OF DIRECTORS



The Board of the Company has constituted different committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of Board of Directors is guided by its Charter, which defines its scope, powers and composition of the Committee. All decisions and recommendations of the Committee are placed before the Board either for information or approval. The details of various Committees, as on March 31, 2014 is as follows:

### 1. Audit Committee

The Audit Committee of the Company has been constituted in accordance with Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956. The role and powers of the Audit Committee are governed by Listing Agreement entered into with the Stock Exchanges and primarily include the following responsibilities:

- Oversight of the Company's financial reporting process.
- Auditing and accounting matters, including recommending the appointment of our independent auditors to the shareholders.
- Compliance with legal and statutory requirements.
- Integrity of Company's financial statements, discussing with the independent auditors the scope of the annual audits, and fees to be paid to the independent auditors.



- To review Performance of Company's Internal Audit function, Independent Auditors and accounting practices.
- Review of related party transactions and over viewing the functioning of Whistle Blower Mechanism.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and / or other Committee(s) of Directors of the company.
- To review the financial statements as well as all the material transactions of the Subsidiary Company.

#### Composition

The Audit Committee met Four (4) times during the year ended March 31, 2014 on 18.05.2013, 03.08.2013, 09.11.2013 and 08.02.2014. The committee meetings proceeded after ascertainment of proper quorum. The constitution of Audit Committee and attendance of each member is as given below:

Name of Member	Designation	Category	No. of Meeting attended
Mr. Suresh Chand Sharma	Chairman	Non Executive Director	4
Mr. Purushottam Agrawal	Member	Non Executive Director	4
Mr. Arun Gopal Agarwal	Member	Non-Executive Director	4

#### The Company Secretary act as Secretary to the Committee.

The Chairman of the Committee, Mr. Suresh Chand Sharma, was present at the 21st Annual General Meeting of the Company, in order to answer shareholder's queries, if any.

## 2. Remuneration Committee

The terms of reference of Remuneration Committee will inter-alia include the following:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing / Whole-time Director(s).
- Reviewing the performance of the Managing / Whole-time Director and recommending to the Board, the quantum of annual increments and annual commission.
- To review such other matters which the Board may from time to time request the Committee to consider, examine, recommend and/or approve.

Payment of remuneration to Managing Director and Whole-time Director(s) is governed by the respective agreements executed between them and the Company. Remuneration paid to Managing Director and Whole-time Director(s) is recommended by the Remuneration Committee, approved by the Board and is within the limits set by the shareholders at the General Meetings.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high calibre.

#### Composition

The Remuneration Committee met Four (4) times during the year ended March 31, 2014 on 25.05.2013, 03.08.2013, 09.11.2013 and 08.02.2014. The Constitution of the Committee and attendance of each member is as given below:

Name of Member	Designation	Category	No. of Meeting attended
Mr. Suresh Chand Sharma	Chairman	Non Executive Director	4
Mr. Purushottam Agrawal	Member	Non Executive Director	4
Dr. A.G. Agarwal	Member	Non Executive Director	4



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- The Company Secretary acts as secretary to the Committee.
- The function of the Remuneration Committee includes recommendation of appointment and remuneration of Managerial Personnel to the Board.
- The Company does not have any Employee Stock Option Scheme.

### 3. Shareholders'/ Investors' Grievance Committee

The Shareholders'/ Investors' Grievance Committee, inter-alia, oversees and reviews all matters connected with the investor services in connection with non - receipt of Balance Sheet, non - receipt of declared dividend, conversion of partly paid shares into fully paid shares, re-materialization and de-materialization of shares and transfer of shares of the Company. The Committee oversees performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Board has delegated the power of approving transfer of securities to the officers of the Company.

#### Composition

The committee is constituted in accordance with Clause 49 of the Listing Agreement. Four (4) Committee meetings were held during the year ended March 31, 2014 on 23.05.2013, 30.07.2013, 05.11.2013 and 25.01.2014. The constitution of the Committee and attendance of each member is as given below:

Name of Member	Designation	Category	No. of Meeting attended
Mr. Purushottam Agrawal	Chairman	Non Executive Director	4
Mr. Sunil Agarwal	Member	Executive Director	4
Mr. Suresh Chand Sharma	Member	Non Executive Director	4

#### Complaints from Investors

No. of complaints pending at the beginning of the year	:	Nil
No. of complaints received during the year ending March 31, 2014	:	01
No. of complaints resolved / replied during the year	:	01
No. of Investors complaints pending as at end of March 31, 2014	:	Nil

We confirm that No complaints remained unattended / pending for more than 30 days. There were no share transfers pending for registration for more than 15 days as on the said date.

### 4. Asset Liability Management Committee (ALCO)

Based on RBI Guidelines, the Company has constituted this Asset Liability Management Committee. The committee primarily performs the role of Risk Management in pursuance of the Risk Management guidelines issued periodically by RBI and the Board. The Committee addresses the issues related to interest rate and liquidity risks. The business of the Company is periodically monitored by the Committee and the members also suggest ways and means to improve the working and profitability of the Company from time to time.

#### Composition

Four (4) Committee meetings were held during the year ended March 31, 2014 on 15.05.2013, 27.07.2013, 07.11.2013 and 01.02.2014. The constitution of the Committee and attendance of each member is as given below:

Name of Member	Designation	No. of meetings attended
Sh. Harish Singh	Chairman	4
Sh. Sunil Agarwal	Member	4
Sh. R. K. Jain	Member	4



### Disclosures

- Transactions with related parties are periodically brought to the notice of Audit Committee. There are no materially significant related party transactions made by the Company during the Financial Year 2013 – 2014, that may have potential conflict with the interest of the Company at large. The transactions with related parties as per requirements of Accounting Standard (AS-18) – ‘Related Party Disclosures’ are disclosed in Notes to Accounts Section in the Annual Report.
- In the preparation of the financial statements, the Company has followed the prescribed Accounting Standards referred to in Section 211(3) (c) of the Companies Act, 1956. The significant accounting policies which are consistently applied are set out in Annexure to Notes to the Accounts.
- Business risk evaluation and management is an ongoing process within the Company. During the year under review, ‘Risk Assessment and Management’ was carried out in the Company at regular intervals, and it covered the entire gamut of business operations. Accordingly the Board was kept informed of the same.
- The Company has complied with all the requirements of the Listing Agreement entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no penalties or strictures imposed on the Company by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market since the Company has been listed.
- During the year under review, the Company has not raised proceeds/ funds from public issue, right issue, preferential issue etc.
- Whistle Blower Mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of our code of conduct or ethics policy. It provides for adequate safeguards against victimization of employees who avail of the mechanism, and also allows direct access to the Chairperson of the Audit Committee in exceptional cases. We further affirm that no employee has been denied access to the Audit Committee.
- The status of Compliance with mandatory and non-mandatory requirements of Clause 49 of Listing Agreement is as follows:

#### Mandatory Requirements

- The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

#### Non-Mandatory Requirements

- The Company has constituted a Remuneration Committee. The Committee details have been provided above.
- The Company believes and maintains its Accounts in transparent manner and aims at receiving unqualified report from the Auditors on the financial statement of the Company.
- The Company has adopted “Whistle Blower Policy”. No personnel have been denied access to the Audit Committee.



अर्थ: समाजस्य न्यासः

## Information to Shareholders

### Annual General Meeting

The Annual General Meeting for the year 2013 - 14 is scheduled to be held on September 30, 2014, at 10:00 a.m. The meeting will be conducted at Auditorium ISKCON Complex, Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash, New Delhi - 110065.

For those of you, who cannot make it to the meeting, please remember that you can appoint a proxy to represent yourself in the meeting. For this you need to fill in the proxy form enclosed with the notice for the annual general meeting and send it to us. The last date of receiving proxy forms by us is September 28, 2014 before 10:00 a.m.

### Annual General Meetings of last three years:

Year	AGM	Date	Time	Venue	Special Resolution passed
2010-11	19th AGM	Aug. 29, 2011	10:00 a.m.	Auditorium ISKCON Complex Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash , New Delhi-110065	One
2011-12	20th AGM	Sep. 27, 2012	10:00 a.m.	Auditorium ISKCON Complex Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash , New Delhi-110065	Three
2012-13	21st AGM	Sep. 30, 2013	10:30 a.m.	Auditorium ISKCON Complex Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash , New Delhi-110065	Two

### Postal Ballot

No Postal Ballot was conducted during the year 2013 - 2014.

### Extraordinary General Meeting

No EGM was held during the Financial Year 2013 - 2014.

### Financial Calendar for the year 2014 - 15

Reporting For	Tentative Period For Compliance
The quarter ending June 30, 2014	By Mid of August, 2014
The half year ending September 30, 2014	By Mid of November, 2014
The quarter ending December 31, 2014	By Mid of February, 2015
The year ending March 31, 2015	By End of May, 2015

### Book Closure Period

The books of the Company will remain closed from September 24, 2014 to September 30, 2014 (both days inclusive)

### Dividend

Dividend Type	Recommended at Board Meeting	Dividend rate per share	Record date
Final Dividend for the year 2013 - 14	May 30, 2014	Re. 1/-	September 24, 2014

The Board of Directors has recommended a dividend of Re. 1/- per share at their Board Meeting held on May 30, 2014. The dividend will be paid within 30 days of the Date of Annual General Meeting.



### Stock Exchanges where Equity shares of the Company are listed

The equity shares of the Company are listed on:

- National Stock Exchange of India Limited, (NSE)  
Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400051
- BSE Limited (Bombay Stock Exchange Limited),  
P. J. Towers, 25th Floor, Dalal Street, Mumbai-400001

### Stock Exchange where Global Depository Receipts (GDR's) of Company are listed

- Luxembourg Stock Exchange,  
SOCIETE DE LA BOURSE DE LUXEMBOURG,  
11, Av De La Porte - Neuve, L - 2227, Luxembourg

### Listing fees

The Company has paid its Annual Listing fee for the year 2014 - 2015, to both the Stock Exchanges, where the equity shares of the Company are listed, within the stipulated time period.

### Stock Code

- **BSE Limited (Bombay Stock Exchange)**  
Scrip Code: 532900      ISIN: INE420C01042
- **National Stock Exchange of India Ltd. (NSE)**  
Symbol: SEINV      ISIN: INE420C01042
- **GDRs Listed on Luxembourg Stock Exchange**  
ISIN code: US78413C1009   Scrip Symbol (Bloomberg) - SEIN:IN

### Stock Market Data

Monthly high and low prices of equity shares of S. E. Investments Limited at the BSE Limited (Bombay Stock Exchange Limited) and National Stock Exchange of India Limited (NSE) during the year under review in comparison to BSE (Sensex) and NSE (Nifty) are given hereunder:

Month	Price at BSE		Price at NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr-13	388.8	381	389	381.3
May-13	468.95	381.5	400	365.05
Jun-13	390.25	382	390.3	382
Jul-13	394	388	393.9	388
Aug-13	393.8	390	394.25	389.9
Sep-13	396.65	390.35	399	389.85
Oct-13	397	394	402	393.75
Nov-13	397.05	392.4	397.25	392.25
Dec-13	393.1	388.7	393.2	389
Jan-14	391.2	379	391.1	379
Feb-14	380.5	365.3	380.5	365.4
Mar-14	369	365.5	369.05	365

Source: websites of the respective stock exchanges  
Note: High and low are in rupees per traded share.



अर्थ: समाजस्य न्यासः

### Registrar & Share Transfer Agent

M/s Alankit Assignments Limited, New Delhi acts as the Registrar and Share Transfer Agent of the Company for handling the share transfer work both in physical and electronic form. All correspondence relating to share transfer, transmission, dematerialization, rematerialisation etc. can be made at the following address:

#### ALANKIT ASSIGNMENTS LIMITED

Alankit House, 2E/21, Jhandewalan Extension

New Delhi-110055. Tel.: 011 42541955

Contact Person – Mr. Ram Avtar Pandey

Email: ramap@alankit.com

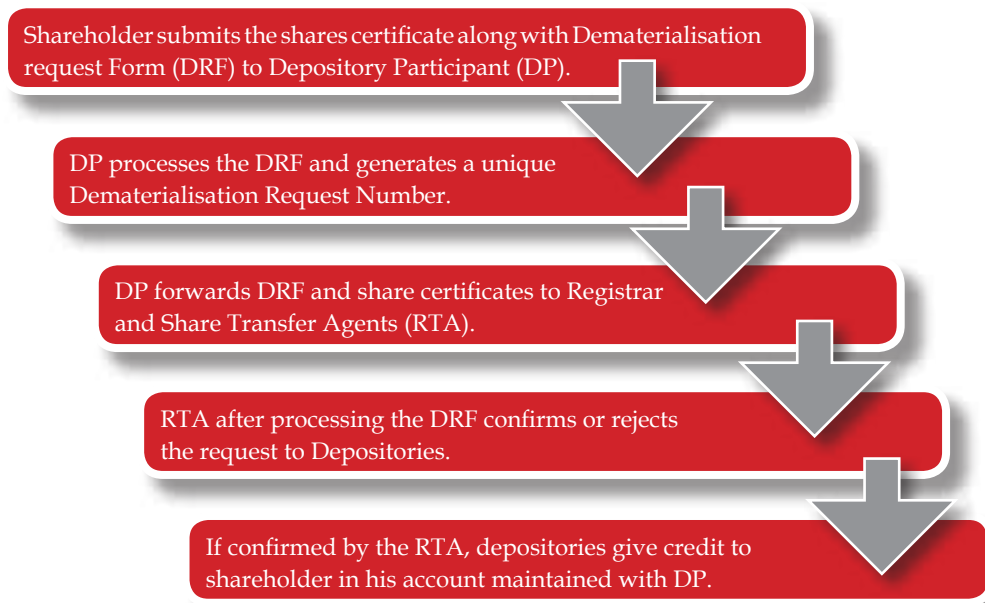
Time: 10:00 a.m. to 4:00 p.m.

(Monday to Friday)

### Share Transfer System

Shares sent for transfer in physical form are processed and completed by our Registrar and Share Transfer Agents within a period of 15 days from the date of receipt provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. Shares under objection are returned within two weeks.

Shareholders can trade in the Company's share only in electronic form. The process for getting the shares dematerialised is as follows:

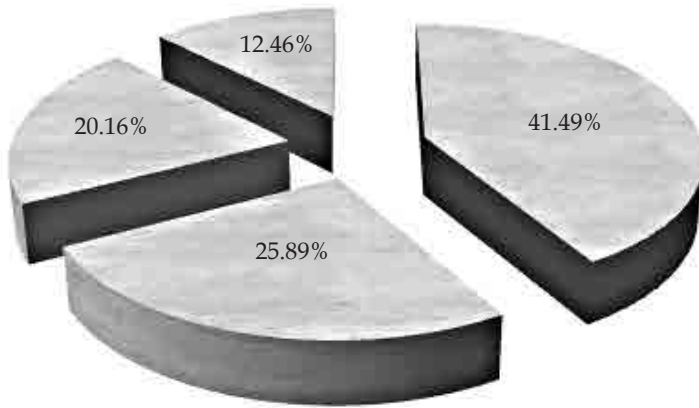


This process takes approximately 10-15 days from the date of receipt of DRF.

As trading in shares of the Company can be done only in electronic form, it is advisable that the shareholders who have shares in physical form get their shares dematerialised.

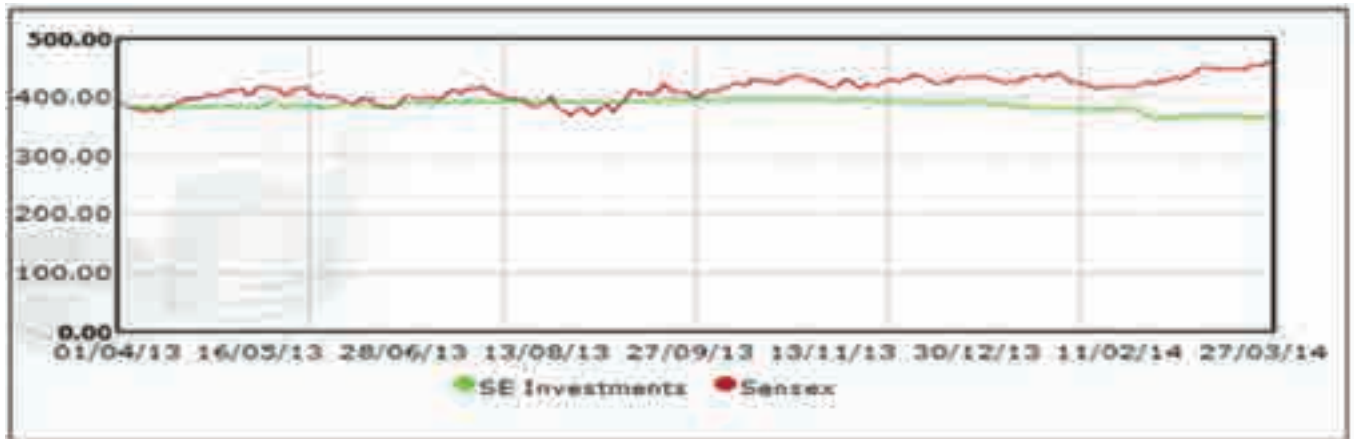


### Distribution of Shareholding as on March 31, 2014



- GDR Holders (41.49%)
- Promoters (25.89%)
- Institutional Holding (Public) (20.16%)
- Non-Institutional Holding (Public) (12.46%)

### Share Price of S. E. Investments Limited vis-a-vis Sensex



### Share Price of S. E. Investments Limited vis-a-vis Nifty



## Shareholding Pattern as on March 31, 2014

CATEGORY	NUMBER OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
(A) Shareholding of Promoter and Promoter Group		
1. Indian		
(a) Individuals/ Hindu Undivided Family	73,28,640	18.07
(b) Bodies Corporate	31,71,943	7.82
<b>Sub Total(A)(1)</b>	<b>1,05,00,583</b>	<b>25.89</b>
2. Foreign		
<b>Sub Total(A)(2)</b>	<b>—</b>	<b>—</b>
<b>Total Shareholding of Promoter and Promoter Group</b> <b>(A)= (A)(1)+(A)(2)</b>	<b>1,05,00,583</b>	<b>25.89</b>
(B) Public shareholding		
1. Institutions		
(a) Foreign Institutional Investors	72,07,292	17.77
(b) Insurance Companies	9,67,087	2.38
Any Others (Specify) Mutual Fund/UTI/ Financial Institutions / Banks	681	—
(c) Foreign Institutional Investors - DR	—	—
<b>Sub-Total (B)(1)</b>	<b>81,75,060</b>	<b>20.16</b>
2. Non-institutions		
(a) Body Corporate	46,19,713	11.39
(b) Individuals		
I. Individual shareholders holding nominal share capital up to Rs 1 lakh	2,31,091	0.57
II. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1,97,843	0.49
(c) Any Other		
I. Non-Resident Individuals/Foreign Individuals	2,719	0.01
II. Clearing Members	2,991	0.01
<b>Sub-Total (B)(2)</b>	<b>50,54,357</b>	<b>12.46</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b> <b>TOTAL (A)+(B)</b>	<b>1,32,29,417</b> <b>2,37,30,000</b>	<b>32.62</b> <b>58.51</b>
(C) Shares held by Custodians and against which Depository Receipts have been issued	1,68,30,000	41.49
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>4,05,60,000</b>	<b>100.00</b>



## Shareholding Pattern by Size

The distribution of shareholding as on 31st March, 2014 is given below:

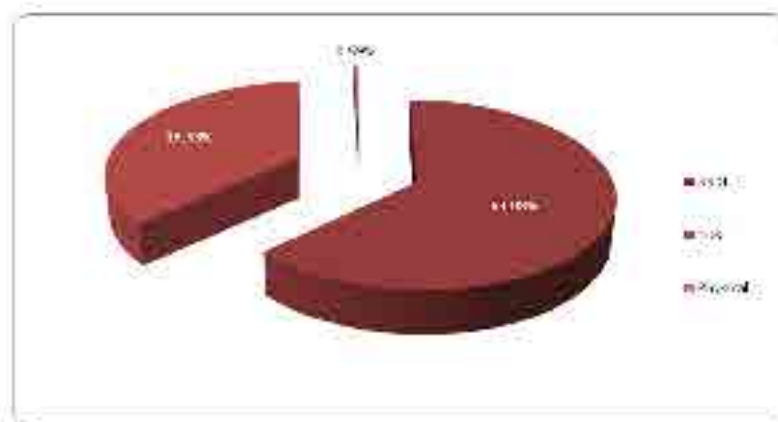
Shares holding of Nominal value of		Share holders		Amount	
Rs.	Rs.	Number	% of total	(In Rs.)	% to total
1	-- 5000	1714	91.316	698650	0.172
5001	-- 10000	31	1.652	236970	0.058
10001	-- 20000	24	1.279	385410	0.095
20001	-- 30000	11	0.586	264150	0.065
30001	-- 40000	4	0.213	157200	0.039
40001	-- 50000	2	0.107	95280	0.023
50001	-- 100000	19	1.012	1358110	0.335
100001	-- Above	72	3.836	402404230	99.212
<b>TOTAL</b>		<b>1877</b>	<b>100.00</b>	<b>405600000</b>	<b>100.00</b>

## Details of Public Shareholding having more than 1 % holding as on March 31, 2014

Name of shareholder	No. of shares held	% of shareholding
1. HSBC Bank (Mauritius) Limited a/c Plutus Terra India Fund	20,77,607	5.12
2. Davos International Fund	19,27,499	4.75
3. Elara India Opportunities Fund Limited	18,46,067	4.55
4. Krishna Human Resource Management Pvt. Ltd.	13,86,000	3.42
5. Life Insurance Corporation of India Ltd.	9,67,087	2.38
6. Antara Asset Management Company Ltd. A/c Antara India Evergreen Fund Ltd	7,66,500	1.89
<b>Total</b>	<b>89,70,760</b>	<b>22.12</b>

## Dematerialization of Shares

The equity shares of the Company can be held and traded in Electronic Form. As on March 31, 2014, 99.41% of the total equity shares have been dematerialized.





अर्थ: समाजस्य न्यासः

- **Outstanding GDRs/ Warrants and convertible bonds**

Outstanding numbers of 8,41,50,000 Global Depository Receipts (the "GDRs") representing 1,68,30,000 Equity Shares (41.49%) of the total paid-up share capital as on 31.03.2014. Since the underlying equity shares represented by GDRs have been allotted in full, the outstanding have no impact on the equity of the Company.

- **Address for Correspondence**

- (a) **Investor Correspondence: For any query relating to the shares of the Company.**

For Shares held in Physical Form:

ALANKIT ASSIGNMENTS LIMITED

Alankit House, 2E/21, Jhandewalan Extension

New Delhi-110055. Tel.: 011 42541955

Contact Person - Mr. Ram Avtar Pandey

Email: ramap@alankit.com

Time: 10:00 a.m. to 4:00 p.m. (Monday to Friday)

For Shares held in Demat Form:

To the Investors' Depository participant(s) and / or Alankit Assignments Limited at the above mentioned address.

- (b) **For grievance redressal and any query on Annual Report:**

Secretarial Department

S. E. Investments Limited

S-547, IInd Floor, Main Road,

Shakarpur, Delhi - 110092

Phone No.: 91- 011-43518888, Fax No.: 91-011-43518816

E-mail ID: cs@seil.in

Website: www.seil.in

## Means of Communication

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results, as per the performa prescribed under Clause 41 of the Listing Agreement.
- The approved financial results are forthwith sent to the Stock Exchanges and are published in the leading National English & Hindi Newspapers and are also published in Local language Newspaper namely 'Business Standard' within forty-eight hours of approval thereof. The same are not sent to the shareholders separately.
- The Company's financial results and official news releases are displayed on the Company's website www.seil.in.
- No formal presentations were made to the institutional investors and analyst during the year under review.
- Management Discussion and Analysis Report forms part of this Annual Report.



## Certificate On Corporate Governance

To,

The Shareholders of S. E. Investments Limited,

We have examined the compliance of conditions of Corporate Governance by S. E. Investments Limited for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of 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 above mentioned clause of 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.

Place : New Delhi  
Date : August 22, 2014

For R. Lal & Company  
Chartered Accountants  
Firm Reg. No. 000926C  
Sd/-  
Ram Lal Agrawal  
(Proprietor)  
(Membership No. 017583)

## Compliance With Code Of Conduct

The company has adopted "Code of Conduct for Directors and Senior Management personnel"

In accordance with Clause 49(1)(D) of the Listing Agreement, we hereby certify that all the Directors and Senior Management personnel of the Company have affirmed with the Code of Conduct applicable to all the Directors and Senior Management, for the year ended March 31, 2014.

Place : New Delhi	Sd/- Sunil Agarwal Managing Director	Sd/- Harish Singh Executive Director
Date : August 22, 2014		



## Managing Director & Chief Financial Officer Certification

We have reviewed the financial statements and cash flow statement for the year 2013 – 2014 and to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
2. These statements present a true & fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
3. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year, which is fraudulent, illegal or in violation to the Company's Code of Conduct.
4. We accept the responsibility to establishing and maintaining Internal Controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies;
5. We further certify that:
  - a) There have been no significant changes in internal control during the year,
  - b) There have been no significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - c) There have been no instances of significant fraud of which we have become aware, involving management or any employee having a significant role in the Company's internal control system.

Place : New Delhi  
Date : August 22, 2014

Sd/-  
Sunil Agarwal  
Managing Director

Sd/-  
Harish Singh  
Executive Director

## INDEPENDENT AUDITORS' REPORT

To,  
**THE MEMBERS OF**  
**M/S S. E. INVESTMENTS LIMITED**  
**DELHI**

### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of **M/S S. E. INVESTMENTS LIMITED** which comprise the Balance Sheet as at 31<sup>st</sup> March 2014, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3c) of Section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

1. In the case of the balance sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2014;
2. In the case of the statement of profit and loss, of the profit for the year ended on that date; and
3. In the case of the cash flow statement, of the cash flows for the year ended on that date.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.





अर्थ: समाजस्य न्यासः

2. As required by Section 227(3) of the Act, 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 purpose 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;
  - bb. The audit of all the branch offices of the Company has been conducted by us, hence clause (c) of Section 228(3) of the Companies Act, 1956 is not applicable;
  - c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement 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 31<sup>st</sup> March 2014, and taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March 2014, from being appointed as a director in terms of clause (g) of sub-Section (1) of Section 274 of the Companies Act, 1956; and
  - f. Since the Central Government has not issued any notification as to the rate which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **R. LAL & Company**  
Chartered Accountants  
Firm Reg. No. 000926C

For **P M S & Co.**  
Chartered Accountants  
Firm Reg. No. 013398C

Sd/-  
(CA Ram Lal Agrawal)  
Proprietor  
M. No. 017583  
Date : 30<sup>th</sup> May 2014

Sd/-  
(CA Shilpi Agarwal)  
Partner  
M. No. 405692  
Place: Delhi

**ANNEXURE TO AUDITORS' REPORT OF M/S S. E. INVESTMENTS LTD.**  
**(Referred to in our Report of even date for F. Y. 2013-14)**

1. The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.  
 As explained to us, the fixed assets have been physically verified by the management at reasonable interval. According to the information and explanations given to us, no material discrepancies were noticed on such verification.  
 According to information and explanations given to us, no substantial disposal of fixed assets has been made during the year.
2. In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.  
 In our opinion and according to information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. Company has taken loans secured or unsecured from Companies, firms & other parties listed in the register maintained under Section 301 of the Companies Act, 1956. The outstanding amount as on 31<sup>st</sup> March 2014 is Nil.  
 The rate of interest and other terms and conditions are not prejudicial to the interest of the Company.  
 The Company has granted loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. The outstanding amount as on 31<sup>st</sup> March 2014 is Nil.  
 The rate of interest and other terms and conditions are not prejudicial to the interest of the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate Internal Control Procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets, sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weakness in internal control system.
5. In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register in pursuance of Section 301 of the Companies Act, 1956 have been entered and the transactions have been made at price which is reasonable with regard to the prevailing market price at the relevant time.
6. Directives issued by the Reserve Bank of India and provisions of Section 58A & 58AA or any other relevant provision of the Companies Act, 1956 and the Rules framed there under have been complied with.
7. In our opinion, the Company has an adequate Internal Audit System commensurate with size and nature of its business.
8. Maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 are not applicable to the company.
9. According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues and there are no undisputed amounts of Income Tax, Service Tax, Cess, Investor Education and Protection Fund, Employees State Insurance, Wealth Tax, Sales Tax, Customs Duty, Excise Duty, Provident Fund etc. outstanding as at the last day of financial year concerned for a period of more than six months from the date they became payable.
10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the year and during the immediately preceding financial year.



अर्थ: समाजस्य न्यासः

11. The Company has not defaulted in the repayment of dues to a Financial Institutions, Banks or Debenture holders.
12. In our opinion, adequate documents and records are maintained by the Company in cases where loans & advances have been granted on the basis of security by way of pledge of shares, debentures & other securities.
13. The provisions of any special statute applicable to chit fund, nidhi or mutual benefit society are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, proper records have been maintained in respect of dealing & trading of shares, debentures, securities and any other investments and timely entries have been made therein. All the investments are held in Company's name.
15. According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks/Financial Institutions. Accordingly clause 4(xv) of the order is not applicable.
16. In our opinion and according to information and explanations given to us, the Company had applied the Term Loans for the purpose for which the loans were obtained.
17. According to the Cash Flow statement and the information and explanations given to us, on an overall basis, funds raised on short term basis prima facie, have not been used during the year for long term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures. Accordingly clause 4(xix) of the order is not applicable to the Company.
20. The Company has not raised any funds by public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **R. LAL & Company**  
**Chartered Accountants**  
**Firm Reg. No. 000926C**

For **PMS & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 013398C**

**Sd/-**  
**(CA Ram Lal Agrawal)**  
**Proprietor**  
**M. No. 017583**  
**Date : 30<sup>th</sup> May 2014**

**Sd/-**  
**(CA Shilpi Agarwal)**  
**Partner**  
**M. No. 405692**  
**Place : Delhi**

BALANCE SHEET AS ON 31<sup>st</sup> MARCH 2014

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	<b>EQUITY &amp; LIABILITIES</b>		₹	₹
	<b>(1) Shareholders' Funds</b>			
	(a) Share Capital	1	43,06,62,500	43,06,62,500
	(b) Reserves and Surplus	2	4,41,90,16,631	3,90,33,26,023
	(c) Money received against Share Warrants		-	-
	<b>(2) Share Application money pending allotment</b>		-	-
	<b>(3) Non-Current Liabilities</b>			
	(a) Long Term Borrowings	3	21,97,96,909	66,15,43,266
	(b) Deferred Tax Liabilities (Net)	4	6,47,11,616	4,52,79,294
	(c) Other Long Term Liabilities	5	54,90,04,066	1,53,06,05,793
	(d) Long Term Provisions	6	2,17,85,130	2,39,88,385
	<b>(4) Current Liabilities</b>			
	(a) Short Term Borrowings	7	3,64,71,41,784	3,20,60,11,758
	(b) Trade Payables		-	-
	(c) Other Current Liabilities	8	62,50,84,446	1,69,03,42,195
	(d) Short Term Provisions	9	62,38,43,391	98,50,86,578
	<b>Total Equity &amp; Liabilities</b>		<b>10,60,10,46,473</b>	<b>12,47,68,45,792</b>
II	<b>ASSETS</b>		₹	₹
	<b>(1) Non Current Assets</b>			
	(a) Fixed Assets	10		
	(i) Tangible Assets		2,51,58,090	2,42,79,543
	(ii) Intangible Assets		-	-
	(iii) Capital Work in Progress		-	-
	(iv) Intangible Assets under development		-	-
	(b) Non Current Investments	11	71,59,68,954	88,85,05,435
	(c) Deferred Tax Assets (net)		-	-
	(d) Long Term Loans and Advances	12	5,73,33,526	5,33,66,713
	(e) Other Non Current Assets	13	19,25,06,453	14,45,53,197
	<b>(2) Current Assets</b>			
	(a) Current Investments	14	22,53,59,537	26,12,32,812
	(b) Inventories	15	8,71,40,52,152	9,59,53,54,063
	(c) Trade Receivables		-	-
	(d) Cash and Cash Equivalents	16	3,73,78,341	55,28,75,710
	(e) Short Term Loans and Advances	17	63,32,89,420	95,66,78,319
	(f) Other Current Assets		-	-
	<b>Total Assets</b>		<b>10,60,10,46,473</b>	<b>12,47,68,45,792</b>

Notes to the Accounts & Significant Accounting Policies annexed  
Notes referred to above form an integral part of these Financial Statements  
Signed in terms of our Report of even date

For **R. Lal & Company**  
Chartered Accountants  
Firm Reg. No. 000926C

For **P M S & Co.**  
Chartered Accountants  
Firm Reg. No. 013398C

Sd/-  
**(CA Ram Lal Agrawal)**  
Proprietor  
M. No. 017583  
Date : 30<sup>th</sup> May' 2014

Sd/-  
**(CA Shilpi Agarwal)**  
Partner  
M. No. 405692  
Place : Delhi

Sd/-  
Sunil Agarwal

Sd/-  
Harish Singh

Sd/-  
Sachin Agarwal

Sd/-  
Purushottam Agrawal

Sd/-  
Vishal Sharma

For and on behalf of the Board

**Managing Director**

**Executive Director**

**Wholetime Director**

**Director**

**Company Secretary**

**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2014**

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
			₹	₹
I	Revenue from Operations	18	2,07,92,69,066	2,19,04,28,441
	<b>Total Revenue (I)</b>		<b>2,07,92,69,066</b>	<b>2,19,04,28,441</b>
II	<b>Expenses:</b>			
	Employee Benefit Expenses	19	9,08,69,790	7,57,30,070
	Financial Costs	20	61,47,16,369	62,61,22,713
	Depreciation and Amortization Expenses	21	4,39,15,040	2,52,81,662
	Other Expenses	22	48,83,01,704	42,43,64,476
	<b>Total Expenses (II)</b>		<b>1,23,78,02,903</b>	<b>1,15,14,98,921</b>
III	Profit before Exceptional and Extraordinary Items and Tax <b>(I-II)</b>		<b>84,14,66,163</b>	<b>1,03,89,29,520</b>
IV	Exceptional Items		-	-
V	Profit before Extraordinary Items and Tax <b>(III-IV)</b>		<b>84,14,66,163</b>	<b>1,03,89,29,520</b>
VI	Extraordinary Items		-	-
VII	Profit before Tax <b>(V-VI)</b>		<b>84,14,66,163</b>	<b>1,03,89,29,520</b>
VIII	<b>Tax Expense:</b>			
	(1) Current Tax		26,67,61,299	30,80,72,878
	(2) Deferred Tax		1,94,32,323	2,63,94,579
	(3) Previous Year Income Tax		(72,24,026)	-
IX	Profit/(Loss) from the period from continuing Operations <b>(VII-VIII)</b>		<b>56,24,96,567</b>	<b>70,44,62,063</b>
X	Profit/(Loss) from Discontinuing Operations		-	-
XI	Tax Expense of Discontinuing Operations		-	-
XII	Profit/(Loss) from Discontinuing Operations <b>(X-XI)</b>		-	-
XIII	Profit/(Loss) for the period <b>(IX+XII)</b>		<b>56,24,96,567</b>	<b>70,44,62,063</b>
XIV	<b>Earning per equity share:</b>	26		
	(1) Basic		13.80	17.30
	(2) Diluted		13.80	17.30

Notes to the Accounts & Significant Accounting Policies annexed  
Notes referred to above form an integral part of these Financial Statements  
Signed in terms of our Report of even date

For R. Lal & Company  
Chartered Accountants  
Firm Reg. No. 000926C

For P M S & Co.  
Chartered Accountants  
Firm Reg. No. 013398C

Sd/-  
(CA Ram Lal Agrawal)  
Proprietor  
M. No. 017583  
Date : 30<sup>th</sup> May' 2014

Sd/-  
(CA Shilpi Agarwal)  
Partner  
M. No. 405692  
Place : Delhi

Sd/-  
Sunil Agarwal  
Sd/-  
Harish Singh  
Sd/-  
Sachin Agarwal  
Sd/-  
Purushottam Agrawal  
Sd/-  
Vishal Sharma

For and on behalf of the Board

Managing Director  
Executive Director  
Wholetime Director  
Director  
Company Secretary



## Cash Flow Statement

		₹	₹
Particulars		31.03.2014	31.03.2013
<b>A.</b>	<b>Cash Flow from Operating Activities:-</b>		
	Net Profit before Tax and Extraordinary Items and Interest	1,45,61,82,532	1,97,31,25,112
	<b>Adjustment For:</b>		
1	Depreciation	43,46,414	57,21,154
2	Preliminary Expenses W/O	1,20,76,397	1,21,26,997
3	Deferred Expenses W/O	2,74,92,229	74,33,511
4	Profit on Sale of Fixed Assets	(10,121)	-
	<b>Operating Profit before working capital changes</b>	<b>1,50,00,87,451</b>	<b>1,99,84,06,774</b>
	<b>Adjustment For:</b>		
1	Trade & other Receivable (Loans & Advances)	(16,11,28,794)	(35,58,26,213)
2	Inventories	88,13,01,911	(78,80,38,197)
3	Trade Payable & other Current Liabilities	(1,06,52,57,749)	22,72,37,348
4	Misc. Expenses	(8,75,21,882)	(12,97,26,113)
	<b>Cash generated from Operations</b>	<b>1,06,74,80,937</b>	<b>95,20,53,600</b>
	<b>Adjustment For:</b>		
1	Interest paid	(61,47,16,369)	(62,61,22,713)
2	Direct Tax paid	(14,05,00,000)	(30,89,41,983)
	<b>Cash Flow before Extra ordinary Items</b>	<b>31,22,64,568</b>	<b>1,69,88,904</b>
1	Extra ordinary items	-	-
	<b>Net Cash Flow from Operating Activities</b>	<b>31,22,64,568</b>	<b>1,69,88,904</b>
<b>B</b>	<b>Cash Flow from Investing Activities:-</b>		
1	Purchase of Fixed Assets	(52,29,840)	(35,54,918)
2	Sale of Fixed Assets	15,000	2,17,752
3	Sale of Investments	20,84,09,756	26,35,77,966
	<b>Net Cash Flow from Investing activities</b>	<b>20,31,94,916</b>	<b>26,02,40,800</b>
<b>C</b>	<b>Cash Flow from Financing Activities:-</b>		
1	Proceeds from Long Term Borrowings	-	(44,18,77,592)
2	Payment of Long Term Borrowings	(44,17,46,357)	-
3	Payment of Long Term Liabilities	(98,16,01,727)	-
4	Proceeds from Short Term Borrowings	44,11,30,027	15,67,55,518
5	Dividend Paid	(4,87,38,796)	(5,00,45,409)
	<b>Net Cash Flow from Financing activities</b>	<b>(1,03,09,56,853)</b>	<b>(33,51,67,483)</b>
	<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>(51,54,97,368)</b>	<b>(5,79,37,779)</b>
	<b>Opening Cash &amp; Cash Equivalents</b>	<b>55,28,75,710</b>	<b>61,08,13,489</b>
	<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>3,73,78,341</b>	<b>55,28,75,710</b>

Signed in terms of our Report of even date

For **R. Lal & Company**  
Chartered Accountants  
Firm Reg. No. 000926C

For **P M S & Co.**  
Chartered Accountants  
Firm Reg. No. 013398C

Sd/-  
(CA Ram Lal Agrawal)  
Proprietor  
M. No. 017583  
Date : 30<sup>th</sup> May' 2014

Sd/-  
(CA Shilpi Agarwal)  
Partner  
M. No. 405692  
Place : Delhi

Sd/-  
Sunil Agarwal  
Sd/-  
Harish Singh  
Sd/-  
Sachin Agarwal  
Sd/-  
Purushottam Agrawal  
Sd/-  
Vishal Sharma

For and on behalf of the Board

**Managing Director**  
**Executive Director**  
**Wholetime Director**  
**Director**  
**Company Secretary**

## AUDITORS' REPORT

We have verified the attached Cash Flow Statement of S. E. Investments Limited, derived from audited financial statements and the books and records maintained by the Company for the year ended 31st March 2014 and 31st March 2013 and found the same in agreement here with.

Date : 30th May 2014  
Place : Delhi

For **R. Lal & Company**  
Chartered Accountants  
Firm Reg. No. 000926C  
Sd/-  
(CA Ram Lal Agrawal)  
Proprietor  
M. No. 17583

For **P M S & Co.**  
Chartered Accountants  
Firm Reg. No. 013398C  
Sd/-  
(CA Shilpi Agarwal)  
Partner  
M. No. 405692





## ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

### ACCOUNTING POLICIES

#### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention method, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956, as adopted consistently by the Company. The Company has followed Mercantile System of Accounting and the accounts have been made consistently on accrual basis as a going concern.

The Company complies with the directions issued by the Reserve Bank of India (RBI) for Non-Banking Financial (Non-Deposit Accepting or Holding) Companies (NBFC-ND), relevant provision of the Companies Act, 1956 and applicable accounting Standards prescribed by the Companies (Accounting Standard) Rules, 2006 issued by the Central Government of India and the guidelines issued by the Securities and Exchange Board of India (SEBI) to the extent applicable. The financial statement are presented in Indian rupees rounded off to the nearest rupees.

#### B. STOCK IN TRADE/ASSETS HELD FOR SALE

Inventories being finance, loans and advances stocks are valued at book value net of future interest including overdue installments. Book debts and stock of shares and debentures are valued at cost or market value whichever is less.

#### C. CASH FLOW STATEMENT

As required by Accounting Standard-3 "Cash Flow Statement" issued by "The Institute of Chartered Accountants of India" the Cash Flow for the period is reported using indirect method. The Cash and Cash Equivalent of the Company comprises of Cash in hand and Current account with Scheduled Banks.

#### D. DEPRECIATION

Depreciation has been provided on straight-line method in the manner and at the rates specified in Schedule XIV to the Companies Act, 1956 and on pro rata basis from the date of installation till the date the assets are sold or disposed off.

#### E. REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Income from lease rentals and interest on loans and advances cases are recognized as revenue as per the terms of the agreements entered into with Lessees/Borrowers. Interest Income are accounted for on accrual basis in accordance with the due dates of installments of loans and advances.
- ii. Late Payment interest income of installments from Lessees/Borrowers and allowance of rebate for good and timely payment are accounted for as and when received or allowed because these income and rebates are contingent.

#### F. FIXED ASSETS

All assets held with the intention of being used for the purpose of producing or providing goods or services and is not held for sale in the normal course of business are accounted as Fixed Assets and are stated at cost less accumulated depreciation after considering lease adjustment account. All costs including finance cost attributable to acquisition of fixed assets till assets are ready for intended use are capitalized.

#### G. INVESTMENTS

Investments in shares are valued at cost or market value which ever is less.



**H. EMPLOYEE RETIREMENT BENEFITS**

Company's contribution to Provident Fund and Superannuation Fund are charged to profit and loss account. Gratuity benefits are charged to profit and loss account on the basis of actuarial valuation as contribution to Life Insurance Corporation of India Policy premium.

**I. BORROWING COSTS**

Borrowing costs which are directly attributable to the acquisition/construction of fixed assets, till the time such assets are ready for intended use, are capitalized as part of the cost of the assets. Other borrowing costs are recognized as an expense in the year in which they are incurred.

**J. RELATED PARTIES**

Parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

As required by AS-18 "Related Party Disclosure" only following related party relationships are covered:—

- (a) Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise (this includes holding Companies, subsidiaries and fellow subsidiaries);
- (b) Associates and joint ventures of the reporting enterprise and the investing party or venture in respect of which the reporting enterprise is an associate or a joint venture;
- (c) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual;
- (d) Key management personnel (KMP) and relatives of such personnel; and
- (e) Enterprises over which any person described in (c) or (d) is able to exercise significant influence.

**K. LEASE ASSETS**

Assets taken on lease are accounted for in accordance with AS-19 "Leases" issued by "The Institute of Chartered Accountants of India".

**L. EARNING PER SHARE**

The Earning per Share (Basic as well as Diluted) is calculated based on the net profit or loss for the period attributable to equity shareholders i.e. the net profit or loss for the period after deducting Proposed Preference Dividend and any attributable tax thereto.

For the purpose of calculating (Basic and Diluted EPS), the number of equity shares taken are the weighted average number of equity shares outstanding during the period.

**M. PROVISION FOR CURRENT TAX AND DEFERRED TAX**

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets, deferred tax assets/liabilities are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized/incurred.

Provisions of AS-22 "Accounting for Taxes on Income" issued by "The Institute of Chartered Accountants of India" have been complied with to all possible extent.

**N. INTERIM FINANCIAL REPORT**

Interim Financial Reports are prepared in accordance with AS-25 "Interim Financial Reporting" issued by "The Institute of Chartered Accountants of India."



अर्थ: समाजस्य न्यासः

#### O. INTANGIBLE ASSETS

Intangible assets are recognized only when four of below mentioned criteria are fulfilled: –

- a) Asset is identifiable.
- b) Control of the enterprise over that asset.
- c) It is probable that future economic benefits attributable to the asset will flow to the enterprise.
- d) Cost of the asset can be measured reliably.

If any of the above four criteria is not fulfilled the expenditure incurred to acquire the asset is recognized as an expense, in the year in which it is incurred.

Intangible assets are initially measured at cost, after initial recognition the intangible asset is carried at its carrying value i.e. cost less any accumulated amortization and accumulated impairment losses.

#### P. IMPAIRMENT OF ASSETS

An asset is treated as impaired, when carrying cost of asset exceeds its recoverable amount.

At each Balance Sheet Date, it is seen that whether there is any indication that an asset may be impaired, if any such indication exist, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss; if any. Such impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired.

When an impairment loss is subsequently reversed, the carrying amount of the asset is increased to its revised estimate of its recoverable amount. However this increased amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for that asset in prior period. A reversal of an impairment loss is recognized as income immediately in the Profit & Loss Account.

#### Q. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes on accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

#### R. PROVISIONING FOR SUB-STANDARD/DOUBTFUL/LOSS ASSETS

Provisioning for Sub-standard Assets/Doubtful Assets/Loss Assets has been made in compliance with the directions of the Reserve Bank of India. As per decision of the Board of Directors in the cases where loan installments are overdue for more than 6 months the company first treats these overdue and future installments (net of future interest) as bad debts on quarterly basis and after this treatment the provisioning for non performing assets is made in compliance with Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions 2007, as applicable to the company. As per the RBI circular dated 17th January 2011 Company has made general provision of 0.25% of Standard assets. Other directives of the Reserve Bank of India have been duly complied with.

#### S. CONSOLIDATED FINANCIAL STATEMENT

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) – 'Consolidated Financial Statement'.

#### T. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.



## Notes Forming Integral Part of the Financial Statements as at 31 st March 2014

### Note : 1 Share Capital

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	<b>AUTHORIZED CAPITAL</b> 1,20,000,000 Equity Shares of Rs.10 per share 5,000,000 Preference Shares of Rs.10 each	1,20,00,00,000 5,00,00,000 1,25,00,00,000	1,20,00,00,000 5,00,00,000 1,25,00,00,000
2	<b>ISSUED , SUBSCRIBED CAPITAL</b> 40,572,500 Equity Shares of Rs 10 per share 2,500,000 Preference Shares of Rs 10 each	40,57,25,000 2,50,00,000 <b>43,07,25,000</b>	40,57,25,000 2,50,00,000 <b>43,07,25,000</b>
3	<b>PAID UP CAPITAL</b> 40,560,000 Equity Shares of Rs 10 per share fully paid up Add: Share Forfeited a/c (Amt originally Paid up on 12,500 Equity Shares of Rs. 10 each) 2,500,000 10% Redeemable Preference Shares of Rs 10 each fully paid up	40,56,00,000 62,500 2,50,00,000	40,56,00,000 62,500 2,50,00,000
	<b>Total in ₹</b>	<b>43,06,62,500</b>	<b>43,06,62,500</b>

More than 5% shares - HSBC Bank (Mauritius) Ltd. A/c Plutus Terra India Fund - 2077606 shares ( 5.12%)

### Note : 2 Reserve & Surplus

Sr. No	Particulars	₹	₹
		Current Year	Previous Year
1	<b>Capital Reserve</b>	24,15,21,114	24,15,21,114
2	<b>Securities Premium Reserve</b>	1,93,99,91,229	1,93,99,91,229
3	<b>General Reserve</b> Opening Balance Addition during the year	1,52,95,25,961 1,12,95,25,961 40,00,00,000	1,12,95,25,961 62,95,25,961 50,00,00,000
4	<b>Reserve Fund (As per RBI Act)</b> Opening Balance Addition during the year	65,67,44,110 54,42,44,797 11,24,99,313	54,42,44,797 40,33,52,385 14,08,92,412
5	<b>Surplus (Profit &amp; Loss Account)</b> Balance brought forward from Previous year Less : Transfer to General Reserve Provision on Standard Assets Proposed Dividend on Preference Shares & Equity Shares & Tax Thereon Reserve Fund (As per RBI Act) Add : Profit for the Period	5,12,34,217 4,80,42,923 40,00,00,000 (22,03,255) 4,90,09,214 11,24,99,313 56,24,96,567	4,80,42,923 3,51,82,162 50,00,00,000 19,70,095 4,87,38,796 14,08,92,412 70,44,62,063
	<b>Total in ₹</b>	<b>4,41,90,16,631</b>	<b>3,90,33,26,023</b>

Note : 3 Long Term Borrowings

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	<b>Bonds / Debentures</b>	-	-
2	<b>Secured Term Loan</b>		
	- From Bank		
	Punjab National Bank	-	7,50,00,000
	Central Bank of India	-	16,66,64,000
	Small Industries Development Bank of India	21,97,96,909	25,97,29,091
	- From Other Parties		
	Reliance Capital Limited	-	2,62,72,926
3	<b>Secured Assignments</b>		
	- From Bank		
	HDFC Bank Ltd.	-	58,13,827
	UCO Bank	-	57,56,761
	- From Other Parties	-	-
4	<b>Unsecured loans</b>		
	Fixed Deposits	-	6,91,31,817
	Interest accrued on fixed deposits	-	1,61,80,797
5	<b>Loans &amp; Advances From Related Parties</b>	-	1,43,94,523
6	<b>Loans From Directors including interest</b>	-	2,25,99,524
	<b>Total in ₹</b>	<b>21,97,96,909</b>	<b>66,15,43,266</b>

(Refer to Note no. 29 & 30)

Note : 4 Deferred Tax Liabilities(Net)

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Opening Balance	4,52,79,294	1,88,84,715
	Add: Provision made during the year	1,94,32,323	2,63,94,579
	Closing Balance	6,47,11,616	4,52,79,294
	<b>Total in ₹</b>	<b>6,47,11,616</b>	<b>4,52,79,294</b>

Note 5 : Other Long term liabilities

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Other Long Term Deposits including Interest thereon	54,90,04,066	1,53,06,05,793
	<b>Total in ₹</b>	<b>54,90,04,066</b>	<b>1,53,06,05,793</b>



## Note : 6 Long Term Provisions

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Provision For Employees Benefit	-	-
2	Others		
	Provision for Standard Assets	2,17,85,130	2,39,88,385
	<b>Total in ₹</b>	<b>2,17,85,130</b>	<b>2,39,88,385</b>

## Note : 7 Short Term Borrowings

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	<b>Secured Term Loan</b>		
-	From Bank		
	Punjab National Bank	7,59,16,952	18,28,67,250
	Central Bank of India	-	17,07,52,228
	Syndicate Bank	-	78,15,925
	United Bank of India	-	-
	Small Industries Development Bank of India	14,01,09,091	8,32,90,909
	ICICI Bank Ltd	-	12,06,25,007
-	From Other Parties		
	Reliance Capital Limited	-	20,89,78,072
2	<b>Secured Assignments</b>		
-	From Bank		
	HDFC Bank Ltd.	-	3,32,77,614
	Punjab National Bank	-	2,79,73,689
	UCO Bank	-	14,54,77,679
-	From Other Parties		
3	<b>Unsecured loans</b>		
	Fixed Deposit	-	6,99,90,102
	Interest accrued on fixed deposit	-	74,59,685
4	<b>Loan Against Fixed Deposits</b>		
-	From Bank		
	Punjab National Bank -OD	14,26,08,485	8,29,37,842
	Central Bank of India -OD	3,79,27,347	5,14,22,384
	HDFC Bank Ltd.	2,84,20,918	-
5	Loans & Advances From Related Parties	-	43,40,435
6	Others		
	(A) Secured Borrowings - Cash Credit Limits		
	Punjab National Bank	44,86,04,332	34,37,42,690
	Corporation Bank	49,99,73,373	22,65,95,192
	Andhra Bank	24,82,50,984	
	Bank of India	29,98,07,624	29,00,64,490
	Bank of Baroda	24,22,04,854	
	Central Bank of India	74,28,27,627	35,58,45,385
	UCO Bank	24,49,97,128	22,67,25,710
	United Bank of India	49,54,93,069	50,14,47,010
	(B) Secured Borrowings -Cash Credit Limits (Reducible)		
	Bank of India	-	6,43,82,460
	<b>Total in ₹</b>	<b>3,64,71,41,784</b>	<b>3,20,60,11,758</b>

Refer to note no. 29 &amp; 30



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*Note : 8 Other Current Liabilities*

Sr. No	Particulars	₹	₹
		Current Year	Previous Year
1	Other Liabilities	62,50,84,446	1,69,03,42,195
	<b>Total in ₹</b>	<b>62,50,84,446</b>	<b>1,69,03,42,195</b>

*Note : 9 Short Term Provisions*

Sr. No	Particulars	₹	₹
		Current Year	Previous Year
1	Provision For Employees Benefit	-	-
2	Others		
	Provision for Proposed Dividend on Preference shares and Equity shares and tax thereon	4,90,09,214	4,87,38,796
	Provision for Taxation	57,48,34,177	93,63,47,782
	<b>Total in ₹</b>	<b>62,38,43,391</b>	<b>98,50,86,578</b>



## Note : 10 Fixed Assets

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the Year	Value at the end	WDV as on 31.03.2014	WDV as on 31.03.2013
I	Tangible Assets										
1	Leased Assets										
	Solar Devices	9,06,94,680	-	-	9,06,94,680	9,03,16,772	3,77,909	-	9,06,94,680	-	3,77,908
2	Land	15,90,620	-	-	15,90,620	-	-	-	-	15,90,620	15,90,620
3	Building	69,37,695	-	-	69,37,695	14,11,231	1,33,041	-	15,44,272	53,93,423	55,26,464
5	Furniture & Fittings	84,25,404	10,68,091	-	94,93,495	37,14,083	5,45,194	-	42,59,276	52,34,219	47,11,321
6	Computer Peripheral &										
	Software	3,54,55,418	10,98,250	-	3,65,53,668	3,20,95,083	21,42,922	-	3,42,38,005	23,15,663	33,60,335
7	Vehicles	76,78,286	27,68,451	2,60,000	1,01,86,737	34,64,882	8,10,421	2,55,121	40,20,183	61,66,554	42,13,404
8	Equipments, Plant &										
	Machinery	69,59,829	2,95,048	-	72,54,877	24,60,338	3,36,927	-	27,97,266	44,57,611	44,99,491
	<b>SUB TOTAL (A)</b>	<b>15,77,41,932</b>	<b>52,29,840</b>	<b>2,60,000</b>	<b>16,27,11,772</b>	<b>13,34,62,389</b>	<b>43,46,414</b>	<b>2,55,121</b>	<b>13,75,53,682</b>	<b>2,51,58,090</b>	<b>2,42,79,543</b>
II	Intangible Assets										
	<b>SUB TOTAL (B)</b>										
III	Capital Work-in-progress										
	<b>SUB TOTAL (C)</b>										
IV	Intangible Assets Under Development										
	<b>SUB TOTAL (D)</b>										
	<b>Total [A + B + C + D]</b>										
	(Current Year)	15,77,41,932	52,29,840	2,60,000	16,27,11,772	13,34,62,389	43,46,414	2,55,121	13,75,53,682	2,51,58,090	2,42,79,543
	(Previous Year)	15,46,35,225	35,54,918	4,48,211	15,77,41,932	12,79,71,694	57,21,154	2,30,459	13,34,62,389	2,42,79,543	2,66,63,531



Note : 11 Non-Current Investment

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	Investment in Government or Trust Securities	-	2,27,35,451
2	Investment in shares of Group Companies	23,90,30,800	23,90,30,800
3	Investments in Subsidiary Company	42,23,91,000	42,23,91,000
4	In Fixed Deposits		
	With Banks	4,92,79,842	18,76,20,697
5	Interest accrued but not received	52,67,312	1,67,27,487
	<b>Total in ₹</b>	<b>71,59,68,954</b>	<b>88,85,05,435</b>

Note : 12 Long Term Loans and Advances

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	<b>Security Deposit</b>		
	a) Secured, Considered Good :		
	Earnest Money Deposit	4,00,00,000	4,00,00,000
	Other Deposit	14,31,071	11,81,571
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	<b>Loans &amp; Advances to related parties</b>	-	-
3	<b>Other Loans &amp; Advances</b>		
	a) Secured, Considered Good :	98,21,287	61,03,974
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	60,81,168	60,81,168
	<b>Total in ₹</b>	<b>5,73,33,526</b>	<b>5,33,66,713</b>

Note : 13 Other Non-Current Assets

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	Preliminary Expenses	1,01,84,198	2,22,60,595
2	Deferred Revenue Expenditure	18,23,22,255	12,22,92,602
	<b>Total in ₹</b>	<b>19,25,06,453</b>	<b>14,45,53,197</b>

Preliminary Expenses & Deferred Revenue Expenses are written off over a period of five years.

Note : 14 Current Investment

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	In Short term Fixed Deposits		
	With Banks	19,88,60,561	23,78,53,903
2	Investment in Government or Trust Securities	1,48,26,460	-
3	Interest accrued but not received	1,16,72,516	2,33,78,909
	<b>Total in ₹</b>	<b>22,53,59,537</b>	<b>26,12,32,812</b>



## Note : 15 Inventories

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	Book Debts i.e. Advances made against agreements secured by property/ vehicles and/or other assets and/or personal guarantees excluding Future Interest etc including overdue installments at book value considered good. (As certified by the management)	8,71,40,52,152	9,59,53,54,063
	<b>Total in ₹</b>	<b>8,71,40,52,152</b>	<b>9,59,53,54,063</b>

## Note : 16 Cash &amp; Cash Equivalent

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	<b>Cash-in-Hand</b> Cash Balances	2,71,48,284	6,87,18,201
	<b>Sub Total (A)</b>	<b>2,71,48,284</b>	<b>6,87,18,201</b>
2	<b>Bank Balance</b> Current accounts with Scheduled Banks (Subject to Reconciliation)	1,02,30,057	48,41,57,509
	<b>Sub Total (B)</b>	<b>1,02,30,057</b>	<b>48,41,57,509</b>
	<b>Total [ A + B ]</b>	<b>3,73,78,341</b>	<b>55,28,75,710</b>

## Note : 17 Short Terms Loans and Advances

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	<b>Loans &amp; Advances to related parties</b>		
	a) Secured, Considered Good :		
	Loan against fixed deposit	-	93,876
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	<b>Others</b> <i>Advance Recoverable in cash or in kind or for value to be considered good</i>		
	Income Tax and TDS paid	61,94,79,669	94,49,75,472
	Prepaid Expenses	1,44,465	2,06,745
	Other loan and advances	1,36,65,286	1,14,02,226
	<b>Total in ₹</b>	<b>63,32,89,420</b>	<b>95,66,78,319</b>

## Note : 18 Revenue from Operations

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	Interest on Loans	2,06,99,29,848	2,17,99,67,452
2	Dividend Income	80,54,325	80,54,325
3	Income on Government Guaranteed Bonds	12,84,893	19,64,536
4	Income from Lease Rent	-	4,42,128
	<b>Total in ₹</b>	<b>2,07,92,69,066</b>	<b>2,19,04,28,441</b>

**Note : 19 Employment Benefit Expenses**

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	Salaries & Establishment	4,07,84,824	3,14,25,450
2	Mg. Director's & Directors' Remuneration	4,96,64,966	4,38,84,620
3	Mg. Director's & Directors' House Rent Allowance	4,20,000	4,20,000
	<b>Total in ₹</b>	<b>9,08,69,790</b>	<b>7,57,30,070</b>

No remuneration has been paid to Directors except remuneration to Managing Director, Whole time Director and Executive Director. The remuneration paid to Managing Director, Whole time Director and Executive Director during the F.Y. 2013-2014 is Rs. 5,00,84,966 (last year Rs 4,43,04,620) which is less than the permitted u/s 309 read with Schedule XIII of the Companies Act, 1956

**Note:20 Financial Cost**

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	Interest Discounting & Bank Charges	61,47,16,369	62,61,22,713
	<b>Total in ₹</b>	<b>61,47,16,369</b>	<b>62,61,22,713</b>

**Note : 21 Depreciation & Amortised Cost**

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	Depreciation	43,46,414	57,21,154
2	Preliminary Expenses w/o	1,20,76,397	1,21,26,997
3	Deferred Revenue Exp. w/o	2,74,92,229	74,33,511
	<b>Total in ₹</b>	<b>4,39,15,040</b>	<b>2,52,81,662</b>

**Note : 22 Other Expenses**

Sr. No.	Particulars	₹	₹
		Current Year	Previous Year
1	Car & Scooter Expenses	1,44,38,382	88,09,881
2	Travelling Expenses	2,60,14,148	2,46,88,551
3	Repair & Maintenance	94,05,136	1,06,86,834
4	Insurance Expenses	4,05,365	2,70,162
5	Electricity & Water Expenses	20,94,200	17,20,155
6	Rates & Taxes	4,500	9,980
7	Legal Expenses & Professional fees	2,82,20,545	2,51,60,198
8	Printing & Stationery	1,13,01,285	1,17,21,284
9	Postage & Telephone Expenses	79,41,123	78,52,466
10	Bad Debts Written off	23,50,39,795	20,29,41,067
11	Auditors Remuneration	85,00,000	85,00,000
12	Rent	1,03,59,162	70,67,065
13	Rebate, Remission & Brokerage	1,47,31,145	1,69,78,515
14	Advertisement & Business Promotion Expenses	7,91,10,953	7,22,08,815
15	Recovery Expenses	68,03,554	33,62,754
16	Office and General Expenses	3,39,42,532	2,22,81,497
17	Loss on sale of assets	(10,121)	1,05,252
	<b>Total in ₹</b>	<b>48,83,01,704</b>	<b>42,43,64,476</b>



## NOTES ON ACCOUNTS

## 23. Remuneration to Auditors: (in ₹)

	2013-14	2012-13
For Statutory Audit	15,00,000	15,00,000
Tax Audit	15,00,000	15,00,000
For Certification work/other services	55,00,000	55,00,000
<b>Total</b>	<b>85,00,000</b>	<b>85,00,000</b>

## 24. Contingent Liabilities: (in ₹)

	2013-14	2012-13
Interest Tax matters in appeal	60,81,168	60,81,168

(However Company has already deposited the above amount with Income Tax Authority)

25. No amount is payable to Small Scale Industrial Undertakings. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any relating to amounts unpaid as at the year end together with interest paid/payable as required under the Act can not be furnished.

## 26. Earning per Share (in ₹)

	2013-14	2012-13
Net profit for the year (After Tax)	56,24,96,567	70,44,62,063
Proposed Preference shares dividend and tax thereon	29,24,875	2,905,563
No. of Equity Shares (Weighted)	4,05,60,000	4,05,60,000
Basic and diluted Earning per share	<b>13.80</b>	<b>17.30</b>

27. Figures for the previous year have been regrouped/rearranged/reclassified wherever considered necessary.

## 28. Disclosure of related party transactions

A. Wholly owned Subsidiary : Nupur Finvest Pvt. Ltd.

## B. List of related parties and relationship:

RELATED PARTY	(RELATION)
Key Managerial Personnel	
Mr. Sunil Agarwal	(Managing Director)
Mr. Harish Singh	(Executive Director)
Mr. Sachin Agarwal	(Whole Time Director)
Mr. Purushottam Agrawal	(Director)
<b>Relatives of K M P</b>	
Mrs. Raj Agarwal	(Spouse of Mr. Purushottam Agrawal)
Mrs. Neetu Agarwal	(Spouse of Mr. Sunil Agarwal)
Mrs. Shikha Agarwal	(Spouse of Mr. Sachin Agarwal)
Mrs. Preeti Chauhan	(Spouse of Mr. Harish Singh)
Mrs. Sushila Devi Chauhan	(Mother of Mr. Harish Singh)

C. Enterprises over which significant influence exercised by key Managerial Personnel/ Relatives of Key Managerial Personnel:

- |   |  |
|---|--|
| 1. Siyaram Motors Pvt. Ltd.                   | 2. Spring Infradev Ltd.                      |
| 3. Siyaram Infrastructure Pvt. Ltd.           | 4. Helios Aviation Pvt. Ltd.                 |
| 5. Spring Education Venture Pvt. Ltd.         | 6. S.E. Micro Housing Finance Pvt. Ltd.      |
| 7. Spring Resorts Pvt. Ltd.                   | 8. Spring Communication Pvt. Ltd.            |
| 9. Natansh Finlease Pvt. Ltd.                 | 10. Ujala Securities Pvt. Ltd.               |
| 11. Deepesh Consultancy Pvt. Ltd.             | 12. Stellar Constellation Projects Pvt. Ltd. |
| 13. Blessing Builders Pvt. Ltd.               | 14. Eastern Star Infradev Pvt. Ltd.          |
| 15. Fasteck Softwares Pvt. Ltd.               | 16. Athens Computer Technologies Pvt. Ltd.   |
| 17. S. E. Homefin Pvt. Ltd.                   | 18. S. E. Power Ltd.                         |
| 19. Stellar Spring Projects Pvt. Ltd.         | 20. Balram Retails Pvt. Ltd.                 |
| 21. Aradhna Infradev Pvt. Ltd.                | 22. Gajodhari Chemicals Pvt. Ltd.            |
| 23. Agrim Marketing Pvt. Ltd.                 | 24. Diamond Infradev Pvt. Ltd.               |
| 25. Bhavya Electronics and Networks Pvt. Ltd. | 26. Sarin & Sarin Investment Pvt. Ltd.       |
| 27. Shri Radhey Govind Infradev Pvt. Ltd.     | 28. Aerotech Aviation India Pvt. Ltd.        |
| 29. Mor Mukut Infradev Pvt. Ltd.              | 30. Spring Trading Pvt. Ltd.                 |
| 31. Siyaram Shelters Pvt. Ltd.                | 32. Osprey E- Commerce Pvt. Ltd.             |
| 33. Aanjanya Motor Pvt. Ltd.                  | 34. RNR Infosolution Pvt. Ltd.               |
| 35. Dauji Infradev Pvt. Ltd.                  | 36. Saket Buildcon Pvt. Ltd.                 |
| 37. Aanjanya Vayusutra Pvt. Ltd.              | 38. Kanak Bhawan Prasad Seva Pvt. Ltd.       |
| 39. Kanak Bhawan Awasiya Seva Pvt. Ltd.       | 40. PN Agarwal & Sons HUF                    |
| 41. Sachin Agarwal HUF                        | 42. Sunil Agarwal HUF                        |
| 43. Harish Singh HUF                          | 44. Superteck Printing Pvt. Ltd.             |



## D. Disclosures required for related party transactions:

(₹ in lacs)

	KMP & Relative	Enterprises over which significant influence exercised by KMP/Directors	Subsidiary	Total
<b>Transactions during the year</b>				
Rendering of Services (Rent/Interest)	9.00	36.12	-	45.12
Purchase of Fixed Asset	-	12.39	-	12.39
Remuneration	500.85	-	-	500.85
Loan received	-	-	1871.93	1871.93
Loans given	-	-	2812.64	2812.64
Interest paid	0.69	-	42.94	43.63
Interest / Dividend Received	-	16.39	80.54	96.93
<b>Amount outstanding at Balance Sheet date</b>				
– Amount Payable	68.22	-	-	68.22
– Amount Receivable	-	-	80.54	80.54

## Notes :

- (1) Related party relationship is as identified by the Company on the basis of information available with them and accepted by the auditors as correct.
- (2) No amount has been written off or written back during the year in respect of debt due from or to related parties.
- (3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board considers such transactions to be in normal course of business and at rates agreed between the parties.
- (4) The key management personnel and their relatives have given personal guarantees and collaterals for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

## 29. Working Capital Borrowings

- A. During the year, the Company has availed a working capital facility provided by consortium of Eight Bankers in which the Lead Bank is Central Bank of India. This facility is secured by hypothecation of books debts / receivables. The credit facilities are secured by equitable mortgage on office premises and a flat belonging to the Company and equitable mortgage of four properties in the name of the guarantors and personal guarantee of directors and corporate guarantee of the companies who have stood as guarantor. Bankers in the consortium are as follows:

S. No.	Name of Bank
1	Central Bank of India
2	Bank of Baroda
3	Bank of India
4	Corporation Bank
5	Punjab National Bank
6	UCO Bank
7	United Bank of India
8	Andhra Bank



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30. **Term Loans:**

- A. Small Industries Development Bank of India:** Term loan assistance secured by hypothecation of book debts, term deposits and equitable mortgage of immovable property in the name of guarantors, Personal guarantee of directors and corporate guarantee of the Company who has stood as guarantor.
- B. Punjab National Bank:** Term loan assistance for on lending to small loans clients is secured by hypothecation of book debts arising out of the Bank assistance and personal guarantee of the directors.

Terms of Repayment of above mentioned term loans is monthly.

31. **Detail of Banks FDR held as on 31.03.2014:**

**Held as Cash Collateral for Term Loan (in ₹)**

1	Small Industries Development Bank of India	Term Loan	1,79,82,191
<b>SUBTOTAL</b>			<b>1,79,82,191</b>

**Held to avail overdraft facility against FDRs (In ₹)**

1	Central Bank Of India	Over Draft	3,50,26,572
2	Punjab National Bank	Over Draft	16,12,93,416
3	HDFC Bank Limited	Over Draft	3,12,50,000
<b>SUBTOTAL</b>			<b>22,75,69,988</b>

**Held to avail Cash Credit facility against FDRs (in ₹)**

1	United Bank of India	Cash Credit	5,40,573
<b>SUBTOTAL</b>			<b>5,40,573</b>

**Held as Guarantee (In ₹)**

1	Punjab National Bank	Guarantee	42,652
<b>SUBTOTAL</b>			<b>42,652</b>

**Held as Investment (in ₹)**

1	Bank Of India	Unencumbered	20,00,000
2	Punjab National Bank	Unencumbered	5,000
<b>SUBTOTAL</b>			<b>20,05,000</b>
<b>GRAND TOTAL</b>			<b>24,81,40,404</b>

32. The Company has made provision of tax on its declared dividend after adjusting the amount of dividend received from its wholly owned subsidiary, M/s Nupur Finvest Pvt. Ltd.





**Schedule to the Balance Sheet of a Non-Banking Financial Company (As required in terms of Paragraph 13 of Non-Banking Financial Companies prudential Norms (Reserve Bank) Directions, 2007):**

Sr. No.	PARTICULARS	(₹ in lacs)	
	<b>LIABILITIES SIDE</b>		
1	Loans and advances availed by the NBFCs inclusive of interest Amount accrued thereon but not paid	<b>Amount Outstanding</b>	<b>Amount Overdue</b>
	(a) Debentures		
	Secured	-	-
	Unsecured	-	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	4,358	-
	(d) Inter-Corporate loans and borrowing	6,875	-
	(e) Commercial Paper	-	-
	(f) Public Deposits	-	-
	(g) Other Loans (specify nature)		
	Punjab National Bank (Cash Credit a/c / Overdraft)	5,912	-
	Central Bank of India (Cash Credit a/c / Overdraft)	7,808	-
	Bank of India (Cash Credit a/c)	2,998	-
	Andhra Bank (Cash Credit a/c)	2,483	-
	Corporation Bank (Cash Credit a/c)	5,000	-
	Bank of Baroda (Cash Credit a/c)	2,422	-
	HDFC Bank (Overdraft a/c)	284	-
	United Bank of India (Cash Credit a/c)	4,955	-
	UCO Bank (Cash Credit a/c)	2,450	-
	Assignment of Book Debts	-	-
	*Please see Note 1 below		
2	Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. Debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-
	<b>ASSETS SIDE :</b>		
3	Break-up of Loans and Advances including bills receivables (other than those included in (4) below)		
	(a) Secured	87,141	-
	(b) Unsecured	-	-

4	Break -up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities		
(i)	Lease assets including lease rentals under sundry debtors :		
(a)	Financial lease	-	-
(b)	Operating lease	-	-
(ii)	Stock on hire including hire charges under sundry debtors :		
(a)	Assets on hire	-	-
(b)	Repossessed Assets	-	-
(iii)	Other loans counting towards AFC activities		
(a)	Loans where assets been repossessed	-	-
(b)	Loans other than (a) above	-	-
5	Break-up of Investments		
1.	Current Investments		
	<b>Quoted :</b>		
(i)	Shares :		
(a)	Equity	-	-
(b)	Preference	-	-
(ii)	Debentures and Bond	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government Securities	-	-
(v)	Others (please specify)	-	-
	<b>Unquoted :</b>		
(i)	Shares :		
(a)	Equity (Group Companies) (Net)	-	-
(b)	Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government Securities	148	-
(v)	Others (please specify)		
	Fixed Deposit with NBFC	-	-
	Fixed deposit with Bank's	1,988	-
	Interest accrued	117	-
2.	<b>Long Term Investments:</b>		
	<b>Quoted :</b>		
(i)	Share :		
(a)	Equity	-	-
(b)	Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government Securities	-	-
(v)	Others (Please specify)	-	-



<b>Unquoted:</b>			
(i) Share:			
(a) Equity-Subsidiary Company	4,224	-	
(b) Equity-Group Company	2,390	-	
(b) Preference	-	-	
(ii) Debentures and Bonds	-	-	
(iii) Units of mutual funds	-	-	
(iv) Government Securities	-	-	
(v) Others (please specify)			
Investment in Partnership/LLP	-	-	
Fixed Deposit with Banks	493	-	
Interest accrued	53	-	

Schedule to the Balance Sheet of a Non-Banking Financial Company (As required in terms of Paragraph 13 of Non-Banking Financial Companies prudential Norms (Reserve Bank) Directions, 2007):

(6) Borrower group-wise classification of assets financed as in (3) and (4) above: (in ₹)

Please see Note 2

Category	Amount net of provisions		Total
	Secured	Unsecured	
1 Related parties**	-	-	-
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2 Other than related parties	87,141	-	87,141
<b>Total</b>	<b>87,141</b>	<b>-</b>	<b>87,141</b>

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

	Market Category (Net of Provisions)	Book Value/Value Break up or Fair Value or NAV
1 Related parties **		
(a) Subsidiaries	4,224	4,224
(b) Companies in the same group	2,390	2,390
(c) Other related parties	-	-
2 Other than related parties	2,799	2,799
<b>Total</b>	<b>9,413</b>	<b>9,413</b>

\*\* As per Accounting Standard of ICAI (Please see note 3)

(8) Other Information:

	Particulars	Amount
(I)	Gross Non-performing Assets	
	(a) Related Parties	—
	(b) Other than related parties	—
	(ii) Net Non-Performing Assets	
	(a) Related Parties	—
	(b) Other than related parties	—
	(iii) Assets acquired in satisfaction of debt	—

**Notes:**

- As defined in Paragraph 2(1) (xii) of the Non-Banking financial companies acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank of India) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

Notes to the Accounts & significant Accounting policies annexed.

Notes referred to above form an integral part of these Financial Statements.

Signed in terms of our Report of even date

For and on behalf of the Board

For R. Lal & Company  
Chartered Accountants  
Firm Reg. No. 000926C

For P M S & Co.  
Chartered Accountants  
Firm Reg No. 013398C

Sd/-  
Sunil Agarwal  
Managing Director

Sd/-  
(CA Ram Lal Agrawal)  
Proprietor  
M. No. 017583

Sd/-  
(CA Shilpi Agarwal)  
Partner  
M. No. 405692

Sd/-  
Purushottam Agrawal  
Director

Sd/-  
Harish Singh  
Executive Director

Date : 30<sup>th</sup> May' 2014

Place : Delhi

Sd/-  
Sachin Agarwal  
Wholetime Director

Sd/-  
Vishal Sharma  
Company Secretary

# INDEPENDENT AUDITORS' REPORT

## ON CONSOLIDATED FINANCIAL STATEMENTS

To,  
THE MEMBERS OF  
M/S S. E. INVESTMENTS LIMITED  
DELHI

### REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying Consolidated financial statements of M/S S. E. INVESTMENTS LIMITED (the Company) and its wholly owned subsidiary Nupur Finvest Private Limited which comprise the Balance Sheet as at 31st March 2014, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-Section (3c) of Section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the Auditor considers internal control relevant to the Company's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### OPINION

We believe that our audit provides a reasonable basis for our opinion :-

1. We report that the Consolidated Financial Statements have been prepared by the company's management in accordance with requirements of Accounting Standard 21 issued by the ICAI, "Consolidated Financial Statements".
2. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a. In the case of the Consolidated balance sheet, of the state of affairs of the Company as at 31st March 2014;



अर्थ: समाजस्य न्यासः

- b. In the case of the Consolidated statement of profit and loss, of the profit for the year ended on that date; and
- c. In the case of the Consolidated cash flow statement, of the cash flows for the year ended on that date.

**For R. LAL & Company**  
Chartered Accountants  
Firm Reg. No. 000926C

**For P M S & Co.**  
Chartered Accountants  
Firm Reg. No. 013398C

Sd/-  
(CA. RAM LAL AGRAWAL)  
Proprietor  
M. No 17583

Sd/-  
(CA. SHILPI AGARWAL)  
Partner  
M. No 405692

Date : 30/05/2014  
Place : Delhi



## CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2014

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	<b>EQUITY AND LIABILITIES</b>		₹	₹
	<b>(1) Shareholders' Funds</b>			
	(a) Share Capital	1	43,06,62,500	43,06,62,500
	(b) Reserves and Surplus	2	4,51,86,48,953	4,00,75,10,776
	(c) Money received against share warrants		-	-
	<b>(2) Share Application money pending allotment</b>		-	-
	<b>(3) Non-Current Liabilities</b>			
	(a) Long-Term Borrowings	3	21,97,96,909	66,15,43,266
	(b) Deferred Tax Liabilities (Net)	4	6,48,78,146	4,54,69,162
	(c) Other Long Term Liabilities	5	54,90,04,066	1,53,06,05,793
	(d) Long Term Provisions	6	2,41,49,108	2,58,52,446
	<b>(4) Current Liabilities</b>			
	(a) Short-Term Borrowings	7	4,09,69,26,527	3,20,60,11,758
	(b) Trade Payables		-	-
	(c) Other Current Liabilities	8	62,67,63,328	1,96,04,22,134
	(d) Short-Term Provisions	9	62,76,24,111	1,00,66,46,476
	<b>Total Equity &amp; Liabilities</b>		<b>11,15,84,53,648</b>	<b>12,87,47,24,311</b>
II	<b>ASSETS</b>		₹	₹
	<b>(1) Non-Current Assets</b>			
	(a) Fixed Assets	10		
	(i) Tangible Assets		2,66,99,173	2,60,71,807
	(ii) Intangible Assets		-	-
	(iii) Capital work in progress		-	-
	(iv) Intangible Assets under Development		-	-
	(b) Non-Current Investments	11	29,35,77,953	46,86,14,435
	(c) Deferred Tax Assets (net)		-	-
	(d) Long Term Loans and Advances	12	5,73,33,526	5,33,66,713
	(e) Other Non-Current Assets	13	19,26,25,383	14,47,50,056
	<b>(2) Current Assets</b>			
	(a) Current Investments	14	22,83,59,537	26,42,32,812
	(b) Inventories	15	9,63,62,68,682	10,34,09,78,520
	(c) Trade Receivables		-	-
	(d) Cash and Cash Equivalents	16	8,96,10,417	60,06,03,613
	(e) Short-Term Loans and Advances	17	63,39,78,976	97,61,06,355
	(f) Other Current Assets		-	-
	<b>Total Assets</b>		<b>11,15,84,53,648</b>	<b>12,87,47,24,311</b>

Notes to the Accounts & Significant Accounting Policies annexed  
Notes referred to above form an integral part of these Financial  
Statements  
Signed in terms of our Report of even date

For R. Lal & Company  
Chartered Accountants  
Firm Reg. No. 000926C

Sd/-  
(CA. RAM LAL AGRAWAL)  
Proprietor  
Membership No. 17583

For P M S & Co.  
Chartered Accountants  
Firm Reg. No. 013398C

Sd/-  
(CA. SHILPI AGARWAL)  
Partner  
Membership No. 405692

For and on behalf of the Board

Sd/-  
Sunil Agarwal  
Sd/-  
Harish Singh  
Sd/-  
Sachin Agarwal  
Sd/-  
Purushottam Agrawal  
Sd/-  
Vishal Sharma  
Managing Director  
Executive Director  
Wholesale Director  
Director  
Company Secretary





अर्थ: समाजस्य न्यासः

**CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2014**

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	Revenue from operations	18	₹ 2,19,44,65,371	₹ 2,38,40,90,849
	<b>Total Revenue (I)</b>		<b>2,19,44,65,371</b>	<b>2,38,40,90,849</b>
II	<b>Expenses:</b>			
	Employee Benefit Expenses	19	11,01,56,323	9,99,20,001
	Financial Costs	20	61,85,91,841	65,23,73,231
	Depreciation and Amortization Expenses	21	4,42,58,650	2,56,24,636
	Other Expenses	22	58,02,87,526	55,86,53,996
	<b>Total Expenses (II)</b>		<b>1,35,32,94,340</b>	<b>1,33,65,71,864</b>
III	Profit before exceptional and extraordinary items and tax (I - II)		<b>84,11,71,031</b>	<b>1,04,75,18,985</b>
IV	Exceptional Items		-	-
V	Profit before extraordinary items and tax (III - IV)		<b>84,11,71,031</b>	<b>1,04,75,18,985</b>
VI	Extraordinary Items		-	-
VII	Profit before tax (V - VI)		<b>84,11,71,031</b>	<b>1,04,75,18,985</b>
VIII	<b>Tax expense:</b>			
	(1) Current tax		26,91,73,186	31,34,31,497
	(2) Deferred tax		1,94,08,985	2,64,36,037
	(3) Previous Year Income Tax		(72,24,026)	(72,921)
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)		<b>55,98,12,886</b>	<b>70,77,24,371</b>
X	Profit/(Loss) from Discontinuing operations		-	-
XI	Tax expense of Discontinuing operations		-	-
XII	Profit/(Loss) from Discontinuing operations after tax (X - XI)		-	-
XIII	Profit/(Loss) for the period (IX + XII)		<b>55,98,12,886</b>	<b>70,77,24,371</b>
XIV	<b>Earnings per equity share:</b>	26		
	(1) Basic		13.73	17.38
	(2) Diluted		13.73	17.38

Notes to the Accounts & Significant Accounting Policies annexed  
Notes referred to above form an integral part of these Financial Statements  
Signed in terms of our Report of even date

For R. Lal & Company  
Chartered Accountants  
Firm Reg. No. 000926C

Sd/-  
(CA. RAM LAL AGRAWAL)  
Proprietor  
Membership No. 17583

Date : 30/05/2014  
Place : Delhi

For P M S & Co.  
Chartered Accountants  
Firm Reg. No. 013398C

Sd/-  
(CA. SHILPI AGARWAL)  
Partner  
Membership No. 405692

For and on behalf of the Board  
Sd/-  
Sunil Agarwal  
Sd/-  
Harish singh  
Sd/-  
Sachin Agarwal  
Sd/-  
Purushottam Agrawal  
Sd/-  
Vishal Sharma  
Managing Director  
Executive Director  
Wholetime Director  
Director  
Company Secretary



## CONSOLIDATED CASH FLOW STATEMENT

	Particulars	31.03.2014			31.03.2013
<b>A</b>	<b>Cash Flow from Operating Activities:</b>	₹	₹	₹	₹
	Net Profit before tax and extraordinary items and Interest		1,45,97,62,872		2,04,13,32,839
	<b>Adjustments for: -</b>				
I	Depreciation	46,12,096		59,86,200	
II	Preliminary Expenses W/O	1,21,54,325		1,22,04,925	
III	Deferred Expense W/O	2,74,92,229		74,33,511	
	Profit on Sale of fixed asset	(10,121)		-	
	<b>Operating Profit before working capital changes</b>		<b>1,50,40,11,401</b>		<b>2,06,69,57,475</b>
	<b>Adjustments for: -</b>				
I	Change in Trade & Other Receivable (L&A)	(16,32,50,212)		(35,72,04,297)	
II	Change in Inventories	70,47,09,838		(53,77,00,998)	
III	Short Term Borrowings	-		(41,67,67,156)	
IV	Change in Trade Payable & other Current Liabilities	(1,33,36,58,806)		35,83,74,774	
V	Misc. Expenses	(8,75,21,882)		(12,97,26,113)	
	<b>Cash generated from Operations</b>		<b>62,42,90,339</b>		<b>98,39,33,685</b>
I	Interest paid	(61,85,91,841)		(67,76,86,650)	
II	Income Tax paid	(14,12,00,000)		(31,57,56,239)	
III	Cash flow before Extraordinary Items		(13,55,01,502)		(95,09,204)
IV	Extraordinary items		-		-
	<b>Net Cash from Operating Activities</b>		<b>(13,55,01,502)</b>		<b>(95,09,204)</b>
<b>B</b>	<b>Cash Flows from Investing Activities:-</b>				
I	Purchase of Fixed Assets	(52,44,340)		(35,54,918)	
II	Sale of Fixed Assets	15,000		2,17,752	
III	Sale of Investments	21,09,09,757		27,86,23,048	
	<b>Net Cash from Investing activities</b>		<b>20,56,80,417</b>		<b>27,52,85,882</b>
<b>C</b>	<b>Net Cash from Financing Activities:-</b>				
I	Proceeds from Long Term Borrowings	-		(44,18,77,592)	
II	Payment of Long Term Borrowings	(44,17,46,357)		-	
III	Payment of Long Term Liabilities	(98,16,01,727)		-	
IV	Proceeds from Short Term Borrowings	89,09,14,769		15,67,55,518	
V	Dividend Paid	(4,87,38,796)		(5,00,45,409)	
	<b>Net Cash from Financing activities</b>		<b>(58,11,72,111)</b>		<b>(33,51,67,483)</b>
	<b>Net Increase in cash &amp; cash equivalents</b>		<b>(51,09,93,196)</b>		<b>(6,93,90,805)</b>
	<b>Cash &amp; Cash equivalents at beginning of period</b>		<b>60,06,03,613</b>		<b>66,99,94,419</b>
	<b>Cash &amp; Cash equivalent at end of period</b>		<b>8,96,10,417</b>		<b>60,06,03,613</b>

Signed in terms of our Report of even date

For R. Lal &amp; Company

Chartered Accountants

Firm Reg. No. 000926C

Sd/-

(CA. RAM LAL AGRAWAL)

Proprietor

Membership No. 17583

Date : 30/05/2014

Place : Delhi

For P M S &amp; Co.

Chartered Accountants

Firm Reg. No. 013398C

Sd/-

(CA. SHILPI AGRAWAL)

Partner

Membership No. 405692

Sd/-

Sunil Agarwal

Sd/-

Harish singh

Sd/-

Sachin Agarwal

Sd/-

Purushottam Agrawal

Sd/-

Vishal Sharma

For and on behalf of the Board

Managing Director

Executive Director

Wholtime Director

Director

Company Secretary

### AUDITORS' REPORT

We have verified the attached Cash Flow Statement of S. E. Investments Limited, derived from audited consolidated financial statements and the books and records maintained by the Company for the year ended 31st March 2014 and 31st March 2013 and found the same in agreement here with.

Date : 30/05/2014

Place : Delhi

For R. Lal &amp; Company

Chartered Accountants

Firm Reg. No. 000926C

Sd/-

(CA. RAM LAL AGRAWAL)

Proprietor

Membership No. 17583

For P M S &amp; Co.

Chartered Accountants

Firm Reg. No. 013398C

Sd/-

(CA. SHILPI AGRAWAL)

Partner

Membership No. 405692



# SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

## ON CONSOLIDATED ACCOUNTS

Accounting Policies on Consolidated Accounts:-

### A. PRINCIPLE OF CONSOLIDATION

The Consolidated Financial Statements relate to S.E. Investments Ltd. (the Company) and its subsidiary Nupur Finvest Pvt. Ltd. The Consolidated Financial Statements have been prepared on the following basis:

- a) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements". The financials are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra- group balances and intra- group transactions.
- b) Investment in Associate Companies has been accounted under the equity method as per (AS 23)- "Accounting for Investments in Associates in Consolidated Financial Statements".
- c) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

### B. INVESTMENTS OTHER THAN IN SUBSIDIARIES AND ASSOCIATES

Investments other than in subsidiaries and associates have been accounted as per Accounting Standards (AS) 13 on "Accounting for Investments".

### C. OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.



## NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED STATEMENTS AS AT 31ST MARCH 2014

### Note : 1 Share Capital

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	<b>AUTHORIZED CAPITAL</b> 12,00,00,000 Equity Shares of Rs. 10 per share 50,00,000 Preference Shares of Rs. 10 each	1,20,00,00,000 5,00,00,000 <b>1,25,00,00,000</b>	1,20,00,00,000 5,00,00,000 <b>1,25,00,00,000</b>
2	<b>ISSUED, SUBSCRIBED CAPITAL</b> 4,05,72,500 Equity Shares of Rs 10/- per share fully paid up 25,00,000 Preference Shares of Rs 10 each	40,57,25,000 2,50,00,000 <b>43,07,25,000</b>	40,57,25,000 2,50,00,000 <b>43,07,25,000</b>
3	<b>PAID UP CAPITAL</b> 4,05,60,000 Equity Shares of Rs 10/- per share fully paid up Add: Share Forfeited a/c (Amt originally Paid up on 12,500 Equity Shares of Rs 10 each) 2,50,00,000 10% Redeemable Preference Shares of Rs 10 each fully paid up	40,56,00,000 62,500  2,50,00,000	40,56,00,000 62,500  2,50,00,000
	<b>Total in ₹</b>	<b>43,06,62,500</b>	<b>43,06,62,500</b>

- More than 5% shares - HSBC Bank (Mauritius) Ltd. A/c Plutus Terra India Fund - 20,77,607 shares (5.12%)

### Note : 2 Reserve & Surplus

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Capital Reserve	24,15,21,114	24,15,21,114
2	Securities Premium Reserve	1,93,99,91,229	1,93,99,91,229
3	General Reserve	<b>1,60,20,79,961</b>	<b>1,20,18,64,961</b>
	Opening Balance	1,20,18,64,961	70,14,09,961
	Addition during the year	40,02,15,000	50,04,55,000
4	Reserve Fund (As per RBI Act)	<b>66,66,07,108</b>	<b>55,30,33,666</b>
	Opening Balance	55,30,33,666	40,98,77,927
	Addition during the year	11,35,73,442	14,31,55,739
5	Surplus (Profit & Loss Account)	<b>6,84,49,541</b>	<b>7,10,99,806</b>
	Balance brought forward from Previous year	7,10,99,806	5,83,75,834
	Less: Transfer to General Reserve	40,02,15,000	50,04,55,000
	Provision on Standard Assets	(17,03,338)	13,44,252
	Proposed Dividend on Preference Shares & Equity Shares & Tax Thereon	5,03,78,047	5,00,45,409
	Reserve Fund (As per RBI Act)	11,35,73,442	14,31,55,739
	Add: Profit for the Period	55,98,12,886	70,77,24,371
	<b>Total in ₹</b>	<b>4,51,86,48,953</b>	<b>4,00,75,10,776</b>

Note : 3 Long Term Borrowings

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Bonds / Debentures	-	-
2	<b>Secured Term Loan</b>		
	- From Bank		
	Punjab National Bank	-	7,50,00,000
	Central Bank of India	-	16,66,64,000
	- From Other Parties		
	Small Industries Development Bank of India	21,97,96,909	25,97,29,091
	Reliance Capital Limited	-	2,62,72,926
3	<b>Secured Assignments</b>		
	-From Bank		
	HDFC Bank Ltd.	-	58,13,827
	UCO Bank	-	57,56,761
	- From Other Parties	-	-
4	<b>Unsecured loans</b>		
	Fixed Deposit	-	6,91,31,817
	Interest accrued on fixed deposit	-	1,61,80,797
5	Loans & Advances From Related Parties	-	1,43,94,523
6	Loans From Directors including interest	-	2,25,99,524
7	Other Loans & Advances		
	- Secured Borrowings - Cash Credit Limit (Reducible)		
	Fixed Deposit	-	-
	<b>Total in ₹</b>	<b>21,97,96,909</b>	<b>66,15,43,266</b>

Note 4 : Deferred Tax Liabilities(Net)

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	4,54,69,162	1,90,33,125
	Add: Provision made during the year	1,94,08,985	2,64,36,037
	<b>Total in ₹</b>	<b>6,48,78,146</b>	<b>4,54,69,162</b>

Note 5 : Other Long Term Liabilities

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Other Long Term Deposits including Interest thereon	54,90,04,066	1,53,06,05,793
	<b>Total in ₹</b>	<b>54,90,04,066</b>	<b>1,53,06,05,793</b>

Note : 6 Long Term Provisions

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Provision For Employees Benefit	-	-
2	<b>Others</b>		
	Provision for Standard Assets	2,41,49,108	2,58,52,446
	<b>Total in ₹</b>	<b>2,41,49,108</b>	<b>2,58,52,446</b>



## Note : 7 Short Term Borrowings

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	<b>Secured Term Loan</b>		
	- From Bank		
	Punjab National Bank	7,59,16,952	18,28,67,250
	Central Bank of India	-	17,07,52,228
	Syndicate Bank	-	78,15,925
	ICICI Bank Ltd	-	12,06,25,007
	- From Other Parties		
	Small Industries Development Bank of India	14,01,09,091	8,32,90,909
	Reliance Capital Finance Limited	-	20,89,78,072
2	<b>Secured Assignments</b>		
	-From Bank		
	HDFC Bank Ltd.	-	3,32,77,614
	Punjab National Bank	-	2,79,73,689
	UCO Bank Ltd.	-	14,54,77,679
	- From Other Parties		
3	<b>Unsecured loans</b>		
	Fixed Deposit	-	6,99,90,102
	Interest accrued on fixed deposit	-	74,59,685
4	<b>Loan Against Fixed Deposits</b>		
	- From Bank		
	Punjab National Bank -OD	14,26,08,485	8,29,37,842
	Central Bank of India Ltd. -OD	3,79,27,347	5,14,22,384
	-HDFC Bank Ltd.	2,84,20,918	-
5	<b>Loans &amp; Advances From Related Parties</b>	-	43,40,435
6	<b>Others</b>		
	a) Secured Borrowings - Cash Credit Limits		
	Punjab National Bank	44,86,04,332	34,37,42,690
	Corporation Bank	49,99,73,373	22,65,95,192
	Andhra Bank	24,82,50,984	-
	Bank of India	29,98,07,624	29,00,64,490
	Bank of Baroda	24,22,04,854	-
	Central Bank of India	74,28,27,627	35,58,45,385
	UCO Bank	24,49,97,128	22,67,25,710
	United Bank of India	49,54,93,069	50,14,47,010
	b) Secured Borrowings -Cash Credit Limits (Reducible)		
	Bank of India Ltd	-	6,43,82,460
	Unsecured Borrowings		
	Inter Corporate Deposit and interest accrued thereon	44,97,84,743	-
	<b>Total in ₹</b>	<b>4,09,69,26,527</b>	<b>3,20,60,11,758</b>

## Note : 8 Other Current Liabilities

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Other Liabilities	62,67,63,328	1,96,04,22,134
	<b>Total in ₹</b>	<b>62,67,63,328</b>	<b>1,96,04,22,134</b>

Note : 9 Short Term Provisions

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Provision For Employees Benefit	-	-
2	Others		
	Provision for Proposed Dividend on Preference shares and Equity shares and tax thereon	5,03,78,047	5,00,45,409
	Provision for Taxation	57,72,46,064	95,66,01,067
	<b>Total in ₹</b>	<b>62,76,24,111</b>	<b>1,00,66,46,476</b>

Note : 11 Non Current Investments

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Investment in Government or Trust Securities	-	2,27,35,451
2	Investment in Shares of group Companies	23,90,30,800	23,90,30,800
3	Investments in Mutual Fund	-	25,00,000
4	In Fixed Deposits		
	With Banks	4,92,79,842	18,76,20,697
	Interest accrued but not received	52,67,312	1,67,27,487
	<b>Total in ₹</b>	<b>29,35,77,953</b>	<b>46,86,14,435</b>

Note : 12 Long Term Loans and Advances

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	<b>Security Deposits</b>		
	a) Secured, Considered Good :		
	Earnest Money Deposit	4,00,00,000	4,00,00,000
	Other Deposit	14,31,071	11,81,571
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	<b>Loans &amp; Advances to related parties</b>		
3	<b>Other Loans &amp; Advances</b>		
	a) Secured, Considered Good :	98,21,287	61,03,974
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	60,81,168	60,81,168
	<b>Total in ₹</b>	<b>5,73,33,526</b>	<b>5,33,66,713</b>

Note : 13 Other Non Current Assets

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Preliminary Expenses	1,03,03,129	2,24,57,454
2	Deffered Revenue Expenditure	18,23,22,255	12,22,92,602
	<b>Total in ₹</b>	<b>19,26,25,383</b>	<b>14,47,50,056</b>

- Preliminary Expenses & Deffered Revenue Expenses are written off over a period of five years.





## Note : 10 Fixed Asset

(In ₹)

Sr No	Particulars	Gross Block				Depreciation			Net Block		
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2014	WDV as on 31.03.2013
<b>I</b>	<b>Tangible Assets</b>										
<b>1</b>	<b>Leased Assets:</b>										
	Solar Devices	9,06,94,680	-	-	9,06,94,680	9,03,16,772	3,77,908	-	9,06,94,680	-	3,77,908
2	Land	15,90,620	-	-	15,90,620	-	-	-	-	15,90,620	15,90,620
3	Building	69,37,695	-	-	69,37,695	14,11,231	1,33,041	-	15,44,272	53,93,423	55,26,464
5	Furniture & Fittings	96,54,872	10,68,091	-	1,07,22,963	39,40,985	6,23,019	-	45,64,004	61,58,959	57,13,887
6	Computer Peripheral & Software	3,65,67,197	10,98,250	-	3,76,65,447	3,25,36,281	23,23,141	-	3,48,59,422	28,06,025	40,30,916
7	Vehicles	76,78,286	27,68,451	2,60,000	1,01,86,737	34,64,882	8,10,421	2,55,121	40,20,182	61,66,555	42,13,404
8	Equipments, Plant & Machinery	71,77,739	3,09,548	-	74,87,287	25,59,131	3,44,565	-	29,03,696	45,83,591	46,18,608
	<b>SUB TOTAL (A)</b>	<b>16,03,01,089</b>	<b>52,44,340</b>	<b>2,60,000</b>	<b>16,52,85,429</b>	<b>13,42,29,282</b>	<b>46,12,095</b>	<b>2,55,121</b>	<b>13,85,86,256</b>	<b>2,66,99,173</b>	<b>2,60,71,807</b>
<b>II</b>	<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>III</b>	<b>Capital Work-in-progress</b>	-	-	-	-	-	-	-	-	-	-
<b>IV</b>	<b>Intangible Assets Under Development</b>	-	-	-	-	-	-	-	-	-	-
	<b>Total [A + B + C + D] (Current Year)</b>	<b>16,03,01,089</b>	<b>52,44,340</b>	<b>2,60,000</b>	<b>16,52,85,429</b>	<b>13,42,29,282</b>	<b>46,12,095</b>	<b>2,55,121</b>	<b>13,85,86,256</b>	<b>2,66,99,173</b>	<b>2,60,71,807</b>
	<b>(Previous Year)</b>	<b>15,71,94,382</b>	<b>35,54,918</b>	<b>4,48,211</b>	<b>16,03,01,089</b>	<b>12,84,73,541</b>	<b>59,86,200</b>	<b>2,30,459</b>	<b>13,42,29,282</b>	<b>2,60,71,807</b>	<b>2,87,20,841</b>

Note : 14 Current Investments

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	In Short term Fixed Deposits With Banks	20,18,60,561	24,08,53,903
2	Investment in Government or Trust Securities	1,48,26,460	-
3	Interest accrued but not received	1,16,72,516	2,33,78,909
	<b>Total in ₹</b>	<b>22,83,59,537</b>	<b>26,42,32,812</b>

Note : 15 Inventories

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Book Debts i.e. Advances made against agreements secured by property/ vehicles and/or other assets and/or personal guarantees excluding unexpired finance charges etc including overdue installments at book value considered good. (As certified by the management)	9,63,62,68,682	10,34,09,78,520
	<b>Total in ₹</b>	<b>9,63,62,68,682</b>	<b>10,34,09,78,520</b>

Note : 16 Cash & Cash Equivalents

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Cash-in-Hand Cash Balance	6,36,89,625	11,52,58,219
	<b>Sub Total (A)</b>	6,36,89,625	11,52,58,219
2	Bank Balance Current a/c with scheduled bank (Subject to reconciliation)	2,59,20,792	48,53,45,394
	<b>Sub Total (B)</b>	2,59,20,792	48,53,45,394
	<b>Total in ₹ [A + B]</b>	<b>8,96,10,417</b>	<b>60,06,03,613</b>

Note : 17 Short Terms Loans and Advances

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Loans & Advances to related parties		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Others		
	Advance Recoverable in cash or in kind or for value to be considered good		
	a) Income Tax and TDS paid	62,50,77,494	96,83,82,264
	b) Loan against fixed deposit	-	93,876
	b) Prepaid Expenses	1,44,465	2,06,745
	b) Other Loans & Advances	87,57,017	74,23,470
	<b>Total in ₹</b>	<b>63,39,78,976</b>	<b>97,61,06,355</b>



## Note : 18 Revenue from Operations

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Interest on Loans	2,19,31,80,478	2,38,16,84,185
2	Income on Government Guaranteed Bonds	12,84,893	19,64,536
3	Income from Lease Rent	-	4,42,128
	<b>Total in ₹</b>	<b>2,19,44,65,371</b>	<b>2,38,40,90,849</b>

## Note : 19 Employment Benefit Expenses

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Salaries & Establishment	6,00,71,357	5,56,15,381
2	Mg. Directors' & Directors' Remuneration	4,96,64,966	4,38,84,620
3	Mg. Directors' & Directors' House Rent Allowance	4,20,000	4,20,000
	<b>Total in ₹</b>	<b>11,01,56,323</b>	<b>9,99,20,001</b>

-No remuneration has been paid to Directors except remuneration to Managing Director, Whole time Director and Executive Director. The remuneration paid to Managing Director, Whole time Director and Executive Director during the F.Y. 2013-2014 is ₹ 5,00,84,966 ( Last year ₹ 4,43,04,620) which is less than the permitted u/s 309 read with Schedule XIII of the Companies Act, 1956

## Note : 20 Financial Cost

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Interest Discounting & Bank Charges	61,85,91,841	65,23,73,231
	<b>Total in ₹</b>	<b>61,85,91,841</b>	<b>65,23,73,231</b>

## Note : 21 Depreciation &amp; Amortised Cost

		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	46,12,096	59,86,200
2	Preliminary Expenses W/O	1,21,54,325	1,22,04,925
3	Deferred Revenue Expenses W/O	2,74,92,229	74,33,511
	<b>Total in ₹</b>	<b>4,42,58,650</b>	<b>2,56,24,636</b>

## Note : 22 Other Expenses

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	2,17,49,315	88,09,881
2	Travelling Expenses	2,92,92,144	3,72,21,963
3	Repair & Maintenance	1,02,35,719	1,21,63,927
4	Insurance Expenses	4,05,365	2,70,162
5	Electricity & Water Expenses	20,94,200	17,20,155
6	Rates & Taxes	4,500	9,980
7	Legal Expenses & Professional fees	2,96,26,923	2,72,98,141
8	Printing & Stationery	1,30,72,963	1,47,09,653
9	Postage & Telephone Expenses	86,16,016	95,98,931
10	Bad Debts Written off	25,91,01,476	24,23,78,918
11	Auditors Remuneration	94,75,000	94,75,000
12	Rent	1,12,16,596	93,47,048
13	Rebate, Remission & Brokerage	1,47,90,477	1,69,82,327
14	Advertisement & Business Promotion Expenses	12,57,07,330	13,84,92,434
15	Recovery Expenses	68,03,554	33,62,754
16	Office and General Expenses	3,81,06,069	2,67,07,470
17	Loss on sale of assets	(10,121)	1,05,252
	<b>Total in ₹</b>	<b>58,02,87,526</b>	<b>55,86,53,996</b>

23) Remuneration to Auditors:

Particulars	Current year 31/03/2014	Previous Year 31/03/2013
For Statutory Audit	₹ 20,00,000	₹ 20,00,000
Tax Audit	₹ 17,00,000	₹ 17,00,000
For Certification work / other services	₹ 57,75,000	₹ 57,75,000
<b>Total</b>	<b>₹ 94,75,000</b>	<b>₹ 94,75,000</b>

24) **Contingent Liabilities** : Refer Note 24 of SEIL Financial Statement.

25) No amount is payable to Small Scale Industrial Undertakings. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any relating to amounts unpaid as at the year end together with interest paid / payable as required under the Act can not be furnished.

26) **Earning per Share :-**

	2013 - 14	2012 - 13
Net profit for the year (After Tax)	55,98,12,886	70,77,24,372
Proposed Preference Shares dividend and tax thereon	29,24,875	29,05,563
Profit for the Resulting Company	-	-
No. of Equity Shares (Weighted)	4,05,60,000	4,05,60,000
<b>Basic and diluted Earning per Share ₹</b>	<b>13.73</b>	<b>17.38</b>

27) Figures for the previous year have been regrouped / rearranged / reclassified wherever considered necessary.

28) Disclosures of related party transactions : Refers Note No. 28 (A, B, and C) of the Company's separate financial Statements.

D. **Disclosures required for related party transactions:**

	KMP & Relative	Enterprise over which significant influence exercised by KMP/ Directors	(₹ in Lacs) Total
Transactions during the year			
Rendering of Services (Rent / Hire Charges)	9.00	36.12	45.12
Purchase of Fixed Assets	-	12.39	12.39
Remuneration	500.85	-	500.85
Loan Received	-	-	-
Loans Given	-	-	-
Interest Paid	0.69	-	0.69
Interest / Dividend Received	-	16.39	16.39
Amount outstanding at Balance Sheet date			
- Amount Payable	68.22	-	68.22
- Amount Receivable	-	-	-

Notes :

- (1) Related party relationship is as identified by the company on the basis of information available with them and accepted by the auditors as correct.
- (2) No Amount has been written off or written back during the year in respect of debt due from or to related parties.
- (3) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board considers such transaction to be in normal course of business and at rates agreed between the parties.



- (4) The key management personnel and their relatives have given personal guarantees and collateral for loans raised by the Company but Company has not provided any guarantee to these persons nor paid any consideration for furnishing such guarantees.

**29) Working Capital Borrowings, Term Loans and Assignment details :**

For details of facilities, loans and assignment refer Note No. 29, & 30 of SEIL Financial Statements.

**30) Details of Banks FDR held as on 31/03/2014 :**

Held to avail overdraft facility against FDR of Nupur Finvest Private Limited

Name of the Bank	Purpose	Principal Amount
Punjab National Bank	Overdraft	30,00,000
<b>Total</b>		<b>30,00,000</b>

- For other details of Banks FDR, refer note no. 31 of SEIL Financial Statements.

**Statement pursuant to general exemption availed under section 212 (8) of the Companies Act, 1956 relating to Subsidiary Companies (as per MCA Circular dated 08.02.2011)**

Sr. No.	Particulars	Figures (₹ in Lacs)
1.	Name of the Company	M/s Nupur Finvest Private Limited
2.	Share Capital	536.96
3.	Reserves	4,683.28
4.	Total Assets	9,878.52
5.	Total Liabilities	9,878.52
6.	Investments	—
7.	Turnover	1,275.44
8.	Profit before Taxation	77.59
9.	Provision for Taxation	23.88
10.	Profit after Taxation	53.71
11.	Proposed Dividend	80.54



अर्थ: समाजस्य न्यासः

**S. E. INVESTMENTS LIMITED**

Registered Office: S-547, IInd Floor, Main Road, Shakarpur, Delhi-110092  
CIN: L65921DL1992PLC120483

## ATTENDANCE SLIP

(To be presented at the entrance)

22nd Annual General Meeting - September 30, 2014 at 10:00 A.M.

I hereby record my presence at the 22nd Annual General Meeting of the Company held on September 30, 2014 at 10:00 a.m. at Auditorium ISKCON Complex, Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash, New Delhi-110065.

Full name of the Member (In BLOCK LETTERS) : .....

Folio No.: .....

DP ID No.: .....

Client ID No.: .....

No. of Shares held: .....

Full name of Proxy (In BLOCK LETTERS) : .....

Signature of Member/Proxy: .....

Date: .....

## Note :

Please carry with you this Attendance Slip and hand over the same duly signed at the space provided, at the entrance of the Meeting Hall.





**S. E. INVESTMENTS LIMITED**

Registered Office: S-547, IInd Floor, Main Road, Shakarpur, Delhi-110092  
CIN: L65921DL1992PLC120483

Form No. MGT - 11  
PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014)

Name of the Member (s) :  
Registered address:  
E-mail Id:  
Folio No / Client Id:  
DP ID:

I / We, being the member(s) of \_\_\_\_\_ shares of the above mentioned company, hereby appoint

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her  
2. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her  
3. Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on Tuesday, September 30, 2014 at 10:00 a.m. at the Auditorium ISKCON Complex, Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash, New Delhi - 110065 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Resolution	Particulars
Ordinary Business:	
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon
2.	To appoint a Director in place of Mr. Sachin Agarwal, who retires by rotation and being eligible, offers himself for re-appointment.
3.	To declare dividend on equity shares and preference shares
4.	To appoint the Joint Statutory Auditors and fix their remuneration.
Special Business:	
5.	To appoint Mr. Brij Lal Goel as an Independent Director of the Company to hold office for five consecutive years.
6.	To appoint Mr. Dharam Vir Gupta as an Independent Director of the Company to hold office for five consecutive years.
7.	To appoint Mr. Naresh Kumar Jain as an Independent Director of the Company to hold office for five consecutive years.
8.	To appoint Mrs. Anshu Gupta as an Independent Director of the Company to hold office for five consecutive years.
9.	To approve borrowing limits of the Company upto Rs. 3000 Crores
10.	To provide consent to Board of Directors to create charges, mortgages, hypothecations on the immovable or movable properties of the Company.
11.	To provide consent to Board of Directors for Private Placement of Non-Convertible Debentures
12.	To re-appoint Whole Time Director of the Company
13.	To revise remuneration being paid to Whole Time Director

Signed this \_\_\_\_ day of \_\_\_\_\_, 2014

Signature of Shareholder: \_\_\_\_\_

Signature of Proxy Holder (s): \_\_\_\_\_

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Affix ₹ 1/-  
Revenue  
Stamp







अर्थ: समाजस्य न्यासः

S. E. INVESTMENTS LIMITED

**S. E. INVESTMENTS LIMITED**

REGISTERED OFFICE: S-547, IInd Floor, Main Road, Shakarpur, Delhi-110092 (INDIA)

Ph. +91 11 43018888 Fax. +91 11 43018802 E-mail: delhi@seil.in