



Adding value *to* **Life**



अर्थ: समाजस्य न्यासः

S E INVESTMENTS LIMITED



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S. E. Investments Limited

21st Annual Report
for the year Ended 31st March, 2013

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From the Desk of Chairman

Dear Shareholders,

It gives me immense pleasure to bring forth the 21st Annual Report of our Company and share with you the highlights of our Company's performance during the financial year 2012-13.

The year 2012-13 has been a year full of challenges for the Indian economy. The rate of growth of manufacturing sector has lowered from 2.7 per cent in 2011-12 to 1.9 per cent in 2012-13. The growth rate of service sector also declined from 8.2 per cent in 2011-12 to 6.6 per cent in 2012-13.

We at S. E. Investments Limited maintained our focus on achieving operational efficiency and reducing financial cost against the ambience of uncertainties, the ebbing growth rate of the country and the downturn in the global economy as a whole. Driven by the qualities of trust, steadfast integrity, perseverance and the determination of serving the society we have successfully accomplished a milestone of 21 years in the non banking financial sector.

Since our inception in the year 1992 we are striving hard to cater to the needs of all the sections of the society with a special consideration to the people who dwell in the lowest level of social stratification. With the rising aspirations of people all over for a better quality of life, a world of new opportunities is waiting for us to embark on. Our viable business model aids as in adding colours to the dreams of our customers thereby becoming an integral part of their changing lives.

During the year 2012-13, our gross income and net profit were at a record level of Rs. 21,904.28

Lacs and 7044.62 Lacs respectively. The gross income of company has registered a growth of 3.82 % in the year under consideration. We are pleased to bring to your notice that the EPS of company has increased from Rs. 15.55 to Rs. 17.30 in current year. The increased financial reflects our conviction in our ability to generate continued strong cash flows.

Over the years, NBFCs pioneered retail asset-backed lending, lending against securities and microfinance, extending credit to retail customers in under-served areas and unbanked customers. NBFCs have turned out to be driving agents of economy as they harmonize the Indian banking system. The emergence of NBFCs has enhanced competition and diversification in the financial sector. They play an imperative role in spreading risk specifically at times of financial distress. Today, NBFCs are governed by a strong, robust and vigorous regulatory framework, evolved out of the uproar encountered in last few years but we at SEIL believe that every challenge is an opportunity in disguise.

Following the policy of sustainable development and adhering to our core values we have made our presence felt in lives of more than 0.561 million people. We try spurring their lives by assisting them to become self reliant and then contribute to the Country's economy. By far we have opened our branch offices in eight cities. Our area of function primarily includes National Capital Region and State of Maharashtra.

NBFCs operate mostly in unorganised and under-served segments of the economy, thereby creating a niche for themselves. The NBFC business model is characterised by very



Purushottam Agrawal
Chairman

“NBFCs as a whole account for 12.7 per cent of the assets of the total financial system. With the growing importance assigned to financial inclusions, NBFCs are being regarded as important financial inter-mediarities particularly for the small-scale and retail sectors.”

**- As per Economic Survey
2012-13**

close customer interaction and relationship, a deep understanding of customer needs, wider and specialised branch network and low-cost infrastructure.

Looking ahead in 2013, we will continue to focus on broadening our business platform, improving our operating structure, making effort at lowering cost and emphasising on customer satisfaction. Protection of interest of stakeholders has been our prime concern and we will always toil in the same direction.

With a heart full of gratitude, I would like to thank our shareholders and employees for their confidence and significant contributions to the

Company. I would like to extend my thanks to our Bankers and business associates for their continuous support and cooperation. With the overwhelming support and confidence of our stakeholders, we at SEIL are all geared up to take our Company to the next level of performance.

Warm Regards,
Purushottam Agrawal
(Chairman)

2nd September, 2013



Corporate Information

Board of Directors

Mr. Purushottam Agrawal	Chairman
Mr. Sunil Agarwal	Managing Director
Mr. Sachin Agarwal	Whole Time Director
Mr. Harish Singh	Executive Director
Dr. Arun Gopal Agarwal	Independent Director
Mr. Brij Lal Goel	Independent Director
Mr. Suresh Chand Sharma	Independent Director
Mr. Dharam Vir 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

Punjab National Bank	Oriental Bank of Commerce
Central Bank of India	UCO Bank
Syndicate Bank	Corporation Bank
Hdfc Bank Limited	Small Industries Development Bank of India
ICICI Bank Limited	Bank of Baroda
Axis Bank Limited	Bank of India
Reliance Capital Limited	United Bank of India

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

Bombay Stock Exchange Limited
25, P. J. Towers, Dalal Street
Mumbai -400 001

Listing of Equity Shares

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

Latest Credit Rating

CARE A- (BASIL Rating)

Network of Offices

REGISTERED OFFICE	S-547, IIInd 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, Ist Floor, Sanjay Place, Agra-282 002 (INDIA) Ph. +91 562 4028888 Fax. +91 562 4028822 E-mail: agra@seil.in

Branches

JAIPUR	203-204, First Floor, 622, Bordi Ka Rasta, Kishanpole Bazar, Jaipur (INDIA) Ph. +91 141 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, IIInd 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.

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.



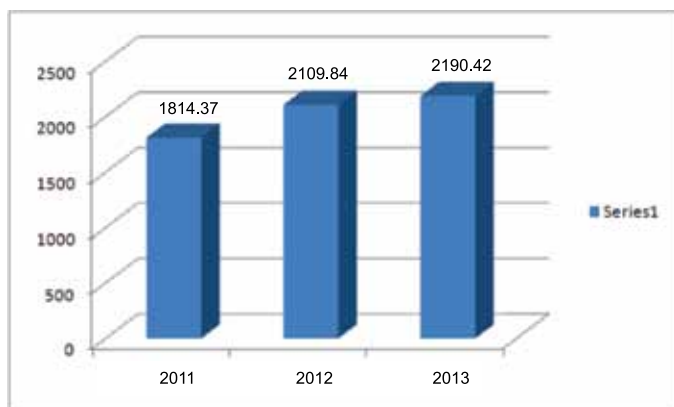
Our Mission

- To uphold the motto 'Arthah Samajasya Nyasah' that is 'Wealth is the Trust Property of the Society'.
- The Philosophy of the Company is deeply rooted in the Indian Tradition of "Business with a social conscience".
- The Company operates with utmost transparency and efficiency thereby ensuring maximum returns to share holders with minimum risk.
- To achieve excellence in service, quality, reliability, safety and customer care.
- The three words of ancient Sanskrit phrase 'reproduces the motto' and philosophy behind the Group's ideology.
- To earn the trust and confidence of all customers and stakeholders, exceeding their expectations and make the Company a respectful household name.
- We aspire to provide financial and non financial products to the working poor, to nurture their dreams and to enable them to contribute in the country's financial system.
- To provide comprehensive range of financial services and to strive for exceptional financial performance and growth based on commitment for a sustainable world through combining long term economic values, environmental stewardship and social responsibility.
- To be valued by our customers for bringing competitive solutions, reliability, comfort and convenience to their lives and businesses.
- To create a value and make a difference, to be a brand.

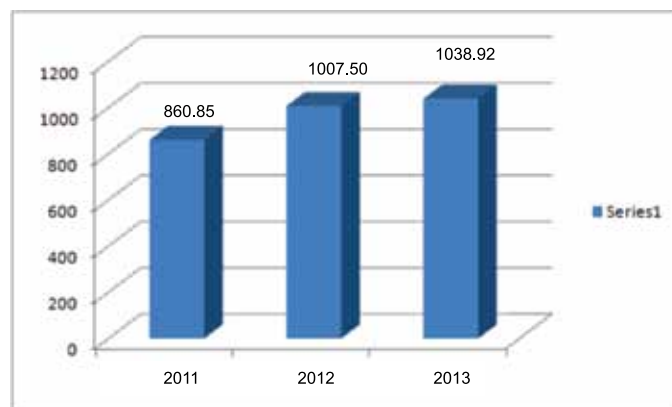


Financial Highlights

INCOME FROM OPERATIONS (IN MILLIONS)

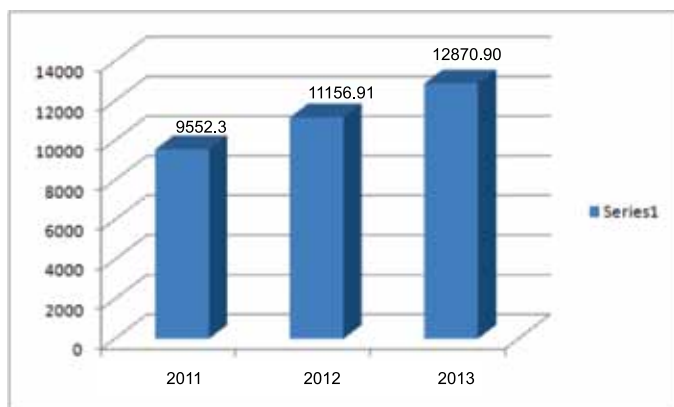


PBT (IN MILLIONS)

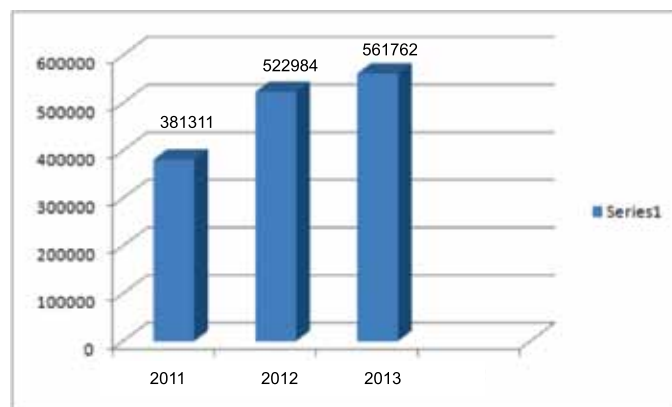


Operational Highlights

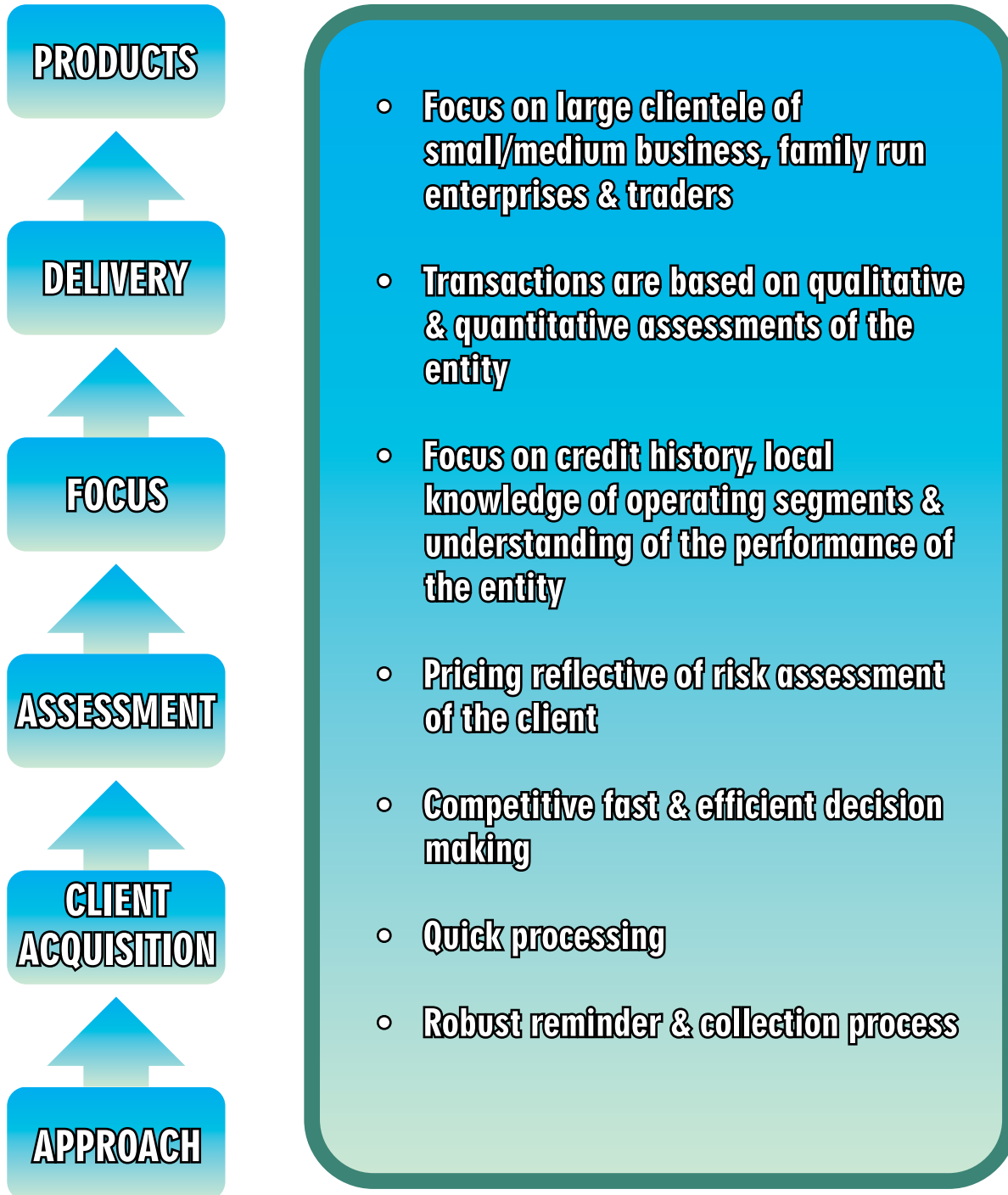
DISBURSEMENT (IN MILLIONS)



NUMBER OF CUSTOMERS OUTREACH



SEIL Methodology and Process



Notice of Annual General Meeting

Notice is hereby given that the Twenty First Annual General Meeting of the members of the Company will be held on Monday 30th September, 2013 at 10.30 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 consider and adopt the Audited Balance Sheet as at 31st March, 2013, Profit and Loss Account 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. Suresh Chand Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Brij Lal Goel, who retires by rotation and being eligible, offers himself for re-appointment.
4. 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% on fully paid-up equity share capital i.e. Re. 1 on every Equity share of Rs. 10/- each of the Company as recommended by the Board of Directors be and is hereby declared.

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

5. 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 224 and other applicable provisions of Companies Act, 1956, if any, 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 appointed as Joint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such terms and conditions as may be fixed by the Board of Directors of the Company on recommendation of the Audit Committee.”

Special Business

6. To consider and if thought fit, to pass, with or without modification, the following resolution as 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 of the Board and the Board at their Meeting held on 18th February, 2013, consent of the members be and is hereby accorded for the re-appointment of Mr. Sunil Agarwal as the Managing Director of the Company for a period of 5 (Five) years with effect from 20th February 2013 on the following remuneration:

- (i) Basic Salary of Rs. 15,00,000/- per month for the period from 20/02/2013 till 31/03/2013.
- (ii) With effect from 01/04/2013, Managing Director shall be paid Basic Salary of Rs. 18,00,000/- per Month aggregating to Rs. 2,16,00,000/- per annum.
- (iii) The Managing Director of the Company shall be entitled to an 20% annual increment in the remuneration as set out in (ii) every year after the end of each year during the currency of the tenure of the Managing Director as per the discretion of Remuneration Committee and Board of Directors of the Company.

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

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

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

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

“RESOLVED THAT pursuant to the

provisions of sections 198, 269, 309, 310, 311, Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and such other approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities in granting such approvals, permissions and sanctions, and pursuant to the approval of the Remuneration Committee of the Board and the Board at their Meeting held on 26th July, 2013, consent of the members be and is hereby accorded for the re-appointment of Mr. Harish Singh as the Wholtime Director of the Company for a further period of 5 (Five) years with effect from 01st August 2013 on the remuneration and terms and conditions as given below :

- (i) Basic Salary of Rs. 70,000/- per month.
- (ii) House Rent Allowance of Rs. 35000/- per month.
- (iii) The annual increment in the above salary will be effective from April 1, each year and will be decided by the Board or the Remuneration Committee of the Board each year and will be merit based and after taking into account the Company's performance during the year.
- (iv) Such remuneration by way of Performance Incentive payment up to an amount equivalent to 1% of annual Net Profits of the Company in addition to the salary and allowances be payable and paid on monthly basis during the financial year, subject to the overall ceilings stipulated in Sections 198, 309 and Schedule XIII of the Companies Act, 1956 .

RESOLVED FURTHER THAT in the case of losses or inadequacy of profits in any financial year, the above remuneration be paid to the Wholtime Director as minimum remuneration.”

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

“RESOLVED THAT pursuant to the provision of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, as amended or restated (the “Companies Act”), the listing agreements with the stock exchanges where the company’s equity shares are listed and the provisions of the Foreign Exchange Management Act, 1999, as amended or restated, the Foreign Exchange Management (Transfer or issue of Security by a Resident Outside India) Regulations, 2000, as amended or restated, the Foreign Exchange Management (Borrowing or Lending in Rupees) Regulations, 2000, as amended or restated, the issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depositary Receipt Mechanism) Scheme, 1993, as amended or restated, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or restated (the “ICDR Regulations”), as applicable and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant, each as amended or restated and the Memorandum and Articles of Association of the Company, as amended and subject to such approvals, consents, permissions and sanctions, if any, of the Government of India, the Reserve Bank of India (the “RBI”), the Foreign Investment Promotions Board (the “FIPB”), the Securities and Exchange Board of India (the “SEBI”), the relevant Registrar of Companies (the “ROC”), the relevant stock exchanges and other regulatory authority as may be required under applicable laws or regulations and subject to such conditions as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed by the Board of Directors of the Company (the “Board”), which term shall be deemed to include any committee constituted or to be constituted by the Board, or any person (s) authorized by the Board or its committee for such purpose(s), consent of the Company be and is hereby accorded to the Board in its absolute discretion, to create, offer, issue and allot in the course of either

one or more international offering(s), in one or more foreign markets and/or in the course of one or more domestic offering(s) in India, including by way of qualified institutional placement under the ICDR Regulations (“QIP”), such number of equity shares and/or any securities linked to, convertible into or exchangeable for equity shares including without limitation through Follow on Public Offer/ Preferential Issue/ Right Issue/ Private Placement/ Global Depositary Receipts (“GDRs”) and/or American Depositary Receipts (“ADRs”), and /or convertible preference shares and /or convertible debentures (compulsorily and /or optionally, fully and/or partly) and /or non-convertible debentures, (or other securities) with warrants and/or warrants with a right exercisable by the warrant holder to exchange or convert such warrants with equity shares of the Company at a later date simultaneously with the issue of non-convertible debentures and/or foreign Currency Convertible Bonds (“FCCBs”) and/or Foreign Currency Exchangeable Bonds (“FCEBs”) and/or any other permitted fully or partly paid Securities/ instruments/warrants, convertible into or exchangeable for equity shares at the option of the Company and/or the holder(s) of the security(ies), and/or securities linked to equity shares, (hereinafter collectively referred to as the “securities”), in one or more tranches, whether rupee denominated or denominated in foreign currency, to General Public, Members, Employees, Non-Resident Indians, Foreign Institutional Investor(s) (FII’s), Companies including Insurance Company whether General Insurance or Life Insurance, Mutual Funds, Banks, Financial Institutions, Stabilizing Agents (SA), other entity(ies) and/ or to the Company’s Promoters, their Relatives, Friends and Associates including Body Corporates, whether in group or not, by way of Follow on Public Offer/ Preferential Issue/ Right Issue/ Private Placement/ Global Depositary Receipts (“GDRs”) and/or American Depositary Receipts (“ADRs”), and /or convertible preference shares and /or convertible debentures (compulsorily and /or optionally, fully and/or partly) and /or non-convertible debentures, (or other securities) with warrant and/or warrants whether or not such persons are existing shareholders of the Company or not and

to such investors who are eligible to acquire such securities in accordance with all applicable laws, rules, regulations, guidelines and approvals, through public issue(s), right issue(s) preferential issue(s), private placement(s) or any combination thereof, through any prospectus, offer documents, offer letter, offer circulars, placement documents or otherwise, at such time or times and at such price or prices subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, at a discount or premium to market price or prices in such manner and on such terms and conditions including as regards security, rate of interest, etc., as may be deemed appropriate by the Board in its absolute discretion, subject to compliance with all applicable laws, rules, regulations and guidelines and approvals, for an aggregate amount, in one or more offering(s) and/or in one or more trenches, not exceeding USD 500 million, either by way of offer for sale or a sponsored issue of Securities (by one or more existing shareholders of the Company) or through a fresh issue of Securities or in any combination thereof, and the Board shall have the discretion to determine the categories of eligible investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of investors at the time of such offer, issue and allotment considering the prevailing market conditions and all other relevant factors and wherever necessary in consultation with advisor(s), and underwriter(s) appointed by the company.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue(s) of Securities may, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals have all or any terms or combination of terms, in accordance with domestic and/or international practice, including, but not limited to, conditions in relations to payment of interest, additional interest, premium on redemption, repayment and any other debt services payments whatsoever and all other such terms as are provided in offerings of such nature including terms for issue of additional equity shares or variation of the conversion prices of the securities during the duration of the securities.

RESOLVED FURTHER THAT the company and/or any agency or body authorized by the company may, subject to compliance with all applicable laws, rules, regulations, guidelines, and approvals, issue certificate and/or Depositary receipt including global certificate representing the securities with such features and attributes as are prevalent in international and/or domestic capital markets for instruments of such nature and to provide for the tradability or transferability thereof as per the international and/or domestic practices and regulations and under the forms and practices prevalent in such international and /or domestic Capital markets.

RESOLVED FURTHER THAT the securities issued in foreign markets shall be deemed to have been made abroad and/ or at place of issue of the securities in international capital markets and shall be governed by the applicable domestic/ foreign laws and regulations.

RESOLVED FURTHER THAT the company may enter into any agreements with any agency or body for the issue, upon conversion of the securities of equity shares of the company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and regulations, and under the form and practices prevalent in international capital markets.

RESOLVED FURTHER THAT the securities may be redeemed and/or converted into and/or exchanged for the equity shares of the Company, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals, in a manner as may be provided in the terms of their issue.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of equity shares of the company as may be required to be issued and allotted upon conversion, exchange, redemption or cancellation of any of the securities as may be necessary in accordance with the terms of the offering and all such

equity shares shall rank pari passu with the existing equity shares of the company in all respects, except such right as to dividend as may be provided under the terms of the issue and in the offer documents if any.

RESOLVED FURTHER THAT the relevant date for the purpose of Pricing of securities (i) by way of Follow on Public Offer/ Preferential Issue/ Right Issue/ Private Placement/ Global Depositary Receipts (“GDRs”) and/or American Depositary Receipts (“ADRs”), and / or convertible preference shares and /or convertible debentures (compulsorily and /or optionally, fully and/or partly) and/ or non-convertible debentures, (or other securities) with warrants and/or warrants, shall be the date as specified under the applicable law or regulation, or (ii) in the event of conversion or exchange of Securities Issued under QIP, shall be the date of the meeting in which the Board decides to open the issue.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions the Board be and is hereby authorized to do all such acts, deeds, matter and /or things including but not limited to finalization and approval of the preliminary as well as the final document(s) determining the form and manner of the issue including the class of investors to whom the securities are to be issued and allotted, the number of securities to be allotted, the issue price, the face value, the premium amount on the issue/conversion/exchange of the Securities, if any, the rate of interest, the execution of various transaction documents, creation of mortgage/charge in accordance with applicable provisions of the Companies Act, 1956, in respect of any securities, either pari passu basis or otherwise as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in relation to the issue offer or allotment of securities including amending the terms of securities and subject to applicable law for the utilization of issue proceeds as it may in its absolute discretion fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval

thereto for all such acts, deeds, matters, and/or things, expressly by the concerned authority.

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint such Consultants, Lead Managers, Underwriters, Guarantor(s), Depositories, Custodian(s), Registrar(s), Agent(s), Authorised Representative, Trustee(s), Bank(s) Lawyer(s), Merchant Banker(s) and any other Advisor(s), Professional(s) and intermediaries as may be required to pay them such fees, commission and other expenses as it may deem fit and enter into or execute all such agreement(s)/ Arrangement(s)/ MOU(s)/ Placement agreement(s)/ deposit agreement(s)/Trust deeds/subscription agreement/payment and conversion agency agreement/ or any other agreement(s) or document(s) with any such agencies, listing of securities in domestic and/or international stock exchanges authorizing any Director(s) or any officer(s) of the company, severally to sign for and on behalf of the company offer document(s), agreement(s), applications, authority letter or any other related paper(s)/ documents, give any undertaking(s), affidavit(s), certification(s), as he/she may in his/her absolute discretion deem fit including without limitation the authority to amend or modify such document(s).

RESOLVED FURTHER THAT the Board and other designated officers of the Company, be and are hereby severally authorized to make all filings including as regards the requisite listing application(s)/ prospectus(es)/ offer document(s)/ registration statement(s), or any amendments or supplements thereof, and of any other relevant documents with the stock exchanges (in India or abroad), the RBI, the FIPB, the RoC and such other authorities or institutions in India and/or abroad for this purpose and to do all such acts, deeds and things as may be necessary or incidental to give effect to the resolutions above and the Common Seal of the Company be affixed wherever necessary.

RESOLVED FURTHER THAT the Board be and is hereby authorized to severally delegate all or any of its powers conferred to any Committee of Directors or any

Executive Director or Directors or any other Officer of the Company, in order to give effect to the above resolutions.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any or the foregoing resolutions are hereby approved, ratified and confirmed in all respects.”

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

“RESOLVED THAT consent of the Company be and is hereby granted in accordance with Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, and the Articles of Association of the Company, 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, upto a sum of Rs. 3000 crore (Rupees Three Thousand Crores) 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) 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.”

Place : New Delhi
Date : 2nd September, 2013

By Order of the Board of Directors
For S. E. Investments Limited

Sd/-
(Vishal Sharma)
Company Secretary

NOTES:

1. 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 commencement of the Meeting.
2. 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.
3. In terms of Article 115 of the Articles of Association of the Company, Mr. Suresh Chand Sharma, Director and Mr. Brij Lal Goel, Director, liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A brief resume of Mr. Suresh Chand Sharma and Mr. Brij Lal Goel, nature of their expertise in specific functional areas, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is provided in the Report on Corporate Governance forming part of the Annual Report. The Board of Directors of the Company recommend their re-appointment.
4. Members 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 alongwith 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. 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.
7. Members holding shares in physical form are requested to intimate all changes pertaining to their bank details, ECS mandates, nominations, power of attorney, change of address/name etc. to the Company's Registrar & Share Transfer Agent quoting their registered folio number.
8. Members are advised to avail nomination facility as per the amended provisions of the Companies Act, 1956, for which nomination forms are available with the Registrar.
9. 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 shall be transferred to the Investor Education and Protection Fund. Unclaimed dividend for financial year 2005-06 has been transferred to Investor Education and Protection Fund in the month of September, 2013.
10. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Sunday between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
11. Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2013 to 30th September, 2013 (both days inclusive).
12. Members desirous of having any information regarding accounts are requested to address their queries to the Company Secretary at the Head Office of the Company at least seven days before the date of the meeting,

so that the requisite information is made available at the meeting.

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. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out all material facts relating to the special business is annexed hereto.

17. 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' and allowed companies to share documents with its shareholders through electronic mode. 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.

Explanatory Statement Pursuant To Section 173(2) of The Companies Act, 1956

Item No. 6

Shri Sunil Agarwal was appointed as Managing Director of the Company on 20th February 2008 for a period of 5 years. His tenure as Managing Director has expired on 19th February 2013.

Based on the recommendation of Remuneration Committee, the Board of Directors at their meeting held on February 18, 2013 reappointed Shri Sunil Agarwal as the Managing Director of the Company for a further period of 5(five) years with effect from 20th February 2013 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 Shri Sunil Agarwal, nature of his expertise in functional areas are mentioned in Corporate Governance Report section.

As per the provisions of Companies Act, 1956 reappointment requires approval of the shareholders in general meeting. Hence, the Board recommends the resolution as set out in Item No. 6 of the notice for your approval.

None of the Directors except Shri Sunil Agarwal, Shri Purushottam Agrawal and Shri Sachin Agarwal are interested or concerned in the aforesaid resolution.

Item No. 7

Shri Harsih Singh was appointed as Wholtime Director of the Company on 01st August 2008 for a period of 5 years. His tenure of 5 years as Wholtime Director has expired on 31st July 2013.

Based on the recommendation of Remuneration Committee, the Board of

Directors at their meeting held on July 26, 2013 reappointed Shri Harish Singh as Wholtime Director of the Company for a further period of 5(five) years with effect from 01st August 2013 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 Shri Harish Singh, nature of his expertise in functional areas are mentioned in Corporate Governance Report section.

As per the provisions of Companies Act, 1956 reappointment requires approval of the shareholders in general meeting. Hence, the Board recommends the resolution as set out in Item No. 7 of the notice for your approval.

None of the Directors except Shri Harish Singh is interested or concerned in the aforesaid resolution.

Item No. 8

In view of the proposed diversification plans, your company may have to go in for augmentation of the equity capital base either by making Right offer or Public offer or issue of ADR or GDR or Issue of Debenture whether convertible or non convertible both, to partly finance the proposed projects.

The consent of the shareholders is being sought by the Special Resolution for approving an enabling authority in favour of the Board of Directors (the "Board") to issue securities under QIP category to the Qualified Institutional Buyers (QIBs) in accordance with the ICDR regulations and to any other international or domestic Investor outside or inside India, through Follow on Public Offer/ Preferential Issue/

Right Issue/ Private Placement/ Global Depositary Receipts (“GDRs”) and/or American Depositary Receipts (“ADRs”), and /or convertible preference shares and /or convertible debentures (compulsorily and /or optionally, fully and/or partly) and/ or non-convertible debentures, (or other securities) with warrant and/or warrants or any combination thereof.

Pursuant to the above, the Board may, in one or more tranches, issue or allot equity shares/ Foreign Currency Convertible Bonds, fully convertible debentures/ partly convertible debentures/ non-convertible debentures with warrant/ any other securities, which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than such time period as permitted under applicable law.

The QIP as proposed shall be subject to the provision of the ICDR Regulations including the pricing, as set out in the resolution. Accordingly, an enabling resolution is proposed to be passed to give adequate flexibility and discretion to the Board to finalize the term of the issue. The securities issued pursuant to the offering may be listed on the Stock exchanges inside and outside India to the extent permissible by the law.

The securities issued under QIP or under any domestic or international offering pursuant to an offer may, if necessary, be secured by way of mortgage/ hypothecation on the Company’s assets as may be finalized by the Board in consultation with securities holders/trustees for the holders of the securities and enabling approval is also sought under the applicable provisions of the Companies Act 1956.

The approval of the shareholder is also sought by the special resolution for enabling authority(ies) to the Board to create/offer/ issue and allot in the course of either one or more international offering(s) in one or more foreign markets and/or in the course of one or more domestic offering(s) including by way of QIP under ICDR Regulations, such number of equity shares and/or any securities linked to, convertible or exchangeable for equity shares, including without limitation through FPO/

GDRs/ ADRs/ FCCBs/ fully convertible debentures/partly convertible debentures / non-convertible debentures with warrant/ any other securities, which are convertible into or exchangeable with equity shares at the option of the Company and/or holder(s) of the security(ies) as the Board may decide, at such time and at such price as the Board may in consultation with lead managers, advisors and other intermediaries deem fit.

Section 81(1A) of the Companies Act, 1956 and the relevant clause of the listing agreement with the Stock Exchanges provides, inter-alia that when it is proposed to increase the issued capital of a company by allotment of further Equity shares, such further Equity Shares shall be offered to the existing Equity Shareholders of such company in the manner laid down in the Section 81 unless the shareholders in the general meeting decide otherwise. As the aforesaid resolution provide for or may result into issue of Equity Shares to persons other than the existing shareholders of the Company, consent of the shareholders is being sought, pursuant to Section 81(1A) and all applicable provisions, if any of the Companies Act, 1956 and the SEBI Guidelines.

The Board believes that such issue is in the interest of the Company and therefore recommends passing of the Special resolution contained in the notice.

The Board of Directors accordingly recommend the resolution set out as in Item No. 8 of the accompanying notice for approval of the members. Your approval is sought by show of hands in the ensuing Annual General Meeting of the Company.

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

Item No. 9

Pursuant to the provisions of Section 293(1) (d) of the Companies Act, 1956, the Board of Directors of the Company can’t, except with the permission of the shareholders in general meeting, borrow monies in excess of the aggregate of the paid up capital of the Company and its free reserves.

The increasing business operations and future growth plans of the Company would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid up capital of the Company and its free reserves but not exceeding Rs. 3000 Crore (Rupees Three Thousand Crore).

Place : New Delhi
Date : 2nd September, 2013

The Board of Directors accordingly recommend the resolution set out at Item No. 9 of the accompanying notice for approval of the members. Your approval is sought by show of hand in the ensuing Annual General Meeting of the Company.

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

By Order of the Board of Directors
For S. E. Investments Limited
Sd/-

(Vishal Sharma)
Company Secretary

Directors' Report

TO THE MEMBERS,

Your Directors have pleasure in presenting the Twenty First Annual Report of your Company with the Audited Statement of Accounts for the year ended March 31, 2013.

FINANCIAL HIGHLIGHTS

Your Company's financial performance for the year under review has been encouraging and is summarized below:

Particulars	(Rs. In Lacs) 2012-13	(Rs. In Lacs) 2011-12
Total Income	21904.28	21098.39
Less: Expenditure	5196.55	3825.30
Profit before Depreciation, Interest & Tax (PBDIT)	16707.73	17273.09
Less: Interest	6261.23	7121.84
Profit before Depreciation & Tax (PBDT)	10446.50	10151.25
Less: Depreciation	57.21	76.24
Profit Before Tax (PBT)	10389.29	10075.01
Less: Provision for Tax	3344.67	3042.98
Profit After Tax (PAT)	7044.62	7032.03
Profit of Resulting Company	—	696.69
Net Profit After Tax (PAT)	7044.62	6335.34
Add: Profit b/f from the previous year	351.82	936.75
Profit Available for Appropriation	7396.44	7272.09
Dividend Including Tax	487.39	500.45
Provision for Standard Assets	19.70	13.41
Transfer to General Reserve	5000.00	5000.00
Transfer to Reserve Fund (RBI Act)	1408.92	1406.41
Balance Carried to Balance Sheet	480.43	351.82

Review of Operations

The Company's gross income for the financial year ended March 31, 2013 increased to Rs. 21904.28 Lacs from Rs. 21098.39 Lacs in the last year registering a growth of over 3.82%.

Profit before Tax (PBT) of the Company increased by 3.12% to Rs. 10389.30 Lacs during the year, up from Rs. 10075.01 Lacs in the last year.

Interest expenses for the year decreased by 12.08% to Rs. 6261.23 Lacs from Rs. 7121.84 Lacs in the last year. Depreciation was at Rs. 57.21 Lacs as against Rs. 76.24 Lacs in the last year. Net Profit for the year increased by 11.20% to Rs. 7044.62 Lacs from Rs. 6335.34 Lacs in the last year.

An amount of Rs. 1408.92 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. 5000 Lacs was transferred to the General Reserve during the year under

review. The Company's Net Worth as on March 31, 2013, stood at Rs. 41894.35 Lacs, as against Rs. 36458.47 Lacs in the last year.

Dividend

Your Directors have recommended a dividend of Re. 1/- (10%) per equity share of Rs. 10/- each which will absorb Rs. 487.39 Lacs (inclusive of dividend tax) for the financial year ended March 31, 2013. 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 24th September, 2013 (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.

OPERATIONS

The Financial Year 2012-13 was a year of satisfactory growth and the same is detailed below:

Disbursements

The financial year 2012-13 was very significant for the Company in creating a strong platform for sustained growth. TOTAL DISBURSEMENTS (including figures of subsidiary) reached Rs. 12870.90 millions during financial year 2012-13, recording 15.36% growth over Rs. 11156.91 millions achieved during financial year 2011-2012. 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 561762 being increased by 7.41% as compared to previous year.

Net Worth and Capital to Risk Adjusted Assets Ratio

The Net Worth of the Company improved to Rs. 41894.35 Lacs as on 31st March, 2013 from Rs. 36458.47 Lacs as on 31st March, 2012. The Capital to Risk Adjusted Assets Ratio (CRAR) stood at 39.28% as on 31st March, 2013 as against 36.37% as on 31st March, 2012 which is much above the requirement as stipulated by Reserve Bank of India and is one of the best in the industry.

FIXED DEPOSITS

The fixed deposits of the Company as on 31st March, 2013 stood at Rs. 2040.96 Lacs including accrued interest thereon against last year's Rs. 2449.99 Lacs. There are Two (2) Unclaimed Matured deposit amounting to Rs. 1.02 Lacs lying with the company as on 31st March, 2013. The Company has decided not to accept/renew public deposit with effect from 1st October, 2012.

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

The Company has not defaulted in payment of interest and/or repayment of loans to any of the financial institutions and /or banks during the year under review.

DIRECTORS

In terms of Article 115 of the Articles of Association of the Company, Shri Suresh Chand Sharma and Shri Brij Lal Goel, Directors, retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting.

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 2012-13 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 2012-13 has been satisfactory for the Company. 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 at Bangalore, Pune, Indore, Bhopal, Hyderabad and at other suitable business place.
- 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 aims at leveraging the opportunities provided by a growing economy and continues to see healthy growth in its lending activities.

Our Company is continuously improving its performance and looking for new areas for broader development in finance sector. Through a variety of innovative ideas & initiatives, we are looking at enhancing the finance facilities for weaker and poor section of the society.

SEIL sees growth opportunities in each of its existing business area and will also be expanding the focus of activities to new areas, arising from the strong growth momentum in the economy.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION

Management Discussion and Analysis of financial conditions and results of operations of the Company for the year under review, as required under Clause 49 of the listing agreement with the Stock Exchanges, is given as a separate statement forming part of the Annual Report.

RESIGNATION OF DIRECTORS

During the year Mr. Yashwant Rao Deshmukh and Dr. Shyam Lal Garg resigned from Board of Directors and Committees on 16th May, 2012 and 24th July, 2012 respectively.

APPLICABILITY OF CONSORTIUM FINANCING GUIDELINES

Consortium Financing Guidelines issued by Reserve Bank of India during the year is applicable to our Company. Pursuant to these guidelines, Central Bank of India has been appointed as the Lead Bank/Custodian for the same.

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.

Your Company proactively follows Government principles and practices as to meet the business and regulatory needs, which has enabled it to emerge as one of the best corporate governed companies of India.

Detailed compliances with the provisions of Clause 49 of the Listing Agreement for the year ended 2012-13 has been given in Corporate Governance Report, which is attached and forms part of this report.

Certificate from the Statutory Auditor of the Company, M/s R. Lal & Company, Chartered Accountants, confirming compliance with conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this Report.

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. The Company has received a certificate from the Auditors to the effect that their re-appointment if made, would be in accordance with the provisions of section 224(1B) of the Companies Act, 1956. The Directors recommend the re-appointment of M/s R. Lal & Company, Chartered Accountants & M/s P M S & Co., Chartered Accountants, as Joint Statutory Auditors of the Company.

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. The details of initiatives taken by the Company for development of human resources are given in Management Discussion and Analysis Report.

The Company maintained healthy, cordial and harmonious industrial relations at all levels.

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, as amended, regarding employees is given in Annexure "A" to the Directors' 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, 2013, 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, 2013 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.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

After Demerger of Non Conventional Energy Division, Energy Generation Projects stands transferred to S. E. Power Limited (Transferree Company). Particulars required to be furnished under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given under S. E. Power Limited Annual Report.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earnings	:	NIL
Outgo	:	3.73 lacs

ACKNOWLEDGMENTS:

The Board of Directors wishes to place on record its appreciation 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 looks forward to a continued mutual support and co-operation.

Place : New Delhi

Date : 2nd September, 2013

Sd/-

(Purushottam Agrawal)
Chairman

Sd/-

(Sunil Agarwal)
Managing Director

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	Qualification	Total Experience (Years)	Date of Commencement of Employment	Last Employment
1.	Mr. Sunil Agarwal	42	Managing Director	1,80,00,000/-	Graduate	24	05/03/1992	–
2	Mr. Sachin Agarwal	38	Whole Time Director	1,80,00,000/-	Graduate, MBA	19	29/03/2000	–
3	Mr. Harish Singh	46	Executive Director	83,04,620/-	Post Graduate, FCA, MBA	21	25/08/1997	–



Management Discussion and Analysis

CURRENT SCENARIO

India's NBFC sector, which accounts for about 12.7% of the total assets of the financial system is passing through a critical phase. 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.

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.

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. 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.

NBFCs mostly lend to sectors like infrastructure equipment, farm equipment and commercial

vehicles since these areas do not get loans from the banks. Conversion of some of these NBFCs into full-fledged banking structure would enable these infrastructure companies to raise loans at a cheaper rate. Low cost of fund raising will enable these infra companies to maintain the competitive spirit of the industry.

FINANCIAL REVIEW

The Company's gross income for the financial year ended March 31, 2013 increased to Rs. 21904.28 Lacs from Rs. 21098.39 Lacs in the last year registering a growth of over 3.82%.

Profit before Tax (PBT) of the Company increased by 3.12% to Rs. 10389.30 Lacs during the year, up from Rs. 10075.01 Lacs in the last year.

Interest expenses for the year decreased by 12.08% to Rs. 6261.23 Lacs from Rs. 7121.84 Lacs in the last year. Depreciation was at Rs.57.21 Lacs as against Rs. 76.24 Lacs in the last year. Net Profit for the year increased by 11.20% to Rs. 7044.62 Lacs from Rs. 6335.34 Lacs in the last year.

An amount of Rs. 1408.92 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. 5000 Lacs was transferred to the General Reserve during the year under review. The Company's Net Worth as on March 31, 2013, stood at Rs. 41894.35 Lacs, as against Rs. 36458.47 Lacs in the last year.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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. To remain competitive, NBFCs are undertaking product and geographical expansion, which introduce new risks and challenge imposed by rapid growth. 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.

Your Company believes in formulating adequate and effective internal control systems to verify the efficiency and effectiveness of the operations and implementing the same strictly to ensure that assets and interest of the Company are safeguarded and to assure the reliability and completeness of financial and management information. 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 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, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and the corrective actions taken.

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. Internal control mechanisms work to improve decision making by ensuring that the information is accurate,

complete and timely so that the board and management can respond to control issues promptly as they arise.

RISK MANAGEMENT

Risk management is about identifying 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

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

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. However, 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.

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. 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. After the approval of banking license in this budget, these NBFCs will be able to avail deposits from the public which will be the cheapest and best source of fund and will enable these NBFCs to expand their operations in an aggressive manner.

NBFCs mostly lend to sectors like infrastructure equipment, farm equipment and commercial vehicles since these areas do not get loans from the banks. Conversion of some of these NBFCs into full-fledged banking structure would enable these infrastructure companies to raise loans at a cheaper rate. Low cost of fund raising will enable these infra companies to maintain the competitive spirit of the industry.

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. A well-considered, well-executed human capital development initiative yields a virtually limitless resource essential in a knowledge-based economy. 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. SEIL is continuously focusing on tapping maximum talent optimization.

APPRECIATION

Your directors express their warm appreciation to all the employees for their diligence and contribution. Your Directors also wish to record their appreciation for the support and co-operation received from Bankers, Depositors and all other stakeholders.

Place : New Delhi

Date : 2nd September, 2013

Sd/-

(Purushottam Agrawal)
Chairman

Sd/-

(Sunil Agarwal)
Managing Director

Corporate Governance Report

Corporate Governance is the set of policies, processes and practices governing 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.

Over the years, governance processes and systems have been strengthened and institutionalized at S. E. Investments Limited. Effective implementation of these policies underpins the commitment of the Company to uphold highest principles of Corporate Governance consistent with the Company's goal to enhance shareholders' value.

Keeping in view the Company's size, complexity, global operations and corporate traditions, the Company's Governance framework is based on the following main principles:

- Constitution of Board of Directors, their composition, size, varied expertise and commitment to discharge their responsibilities and duties.
- Ensuring timely flow of information to the Board and its Committees to enable them discharge their functions effectively.
- A sound system of risk management and internal control.
- Independent verification and safeguarding integrity of the Company's financial reporting.
- Timely and balanced disclosure of all material information concerning the Company to all stakeholders.
- Transparency and accountability.
- Fair and equitable treatment of all

stakeholders including employees, customers, shareholders and investors.

- 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.

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges in India and the best practices followed internationally on corporate governance, the details of governance systems and processes are as under:

Company's philosophy on Code of Governance

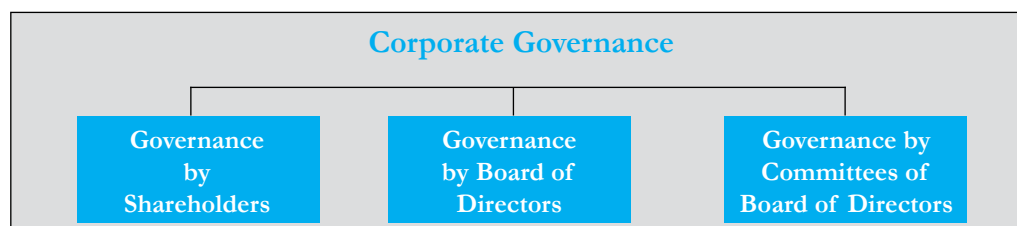
Corporate Governance at S. E. Investments Limited cares for the overall well-being and welfare of all the constituents of the system and takes into account the stakeholders' interest at every business decision.

The Company is committed to pursue growth by adhering to the highest National and International standards of Corporate Governance. The Company's philosophy on corporate Governance is based on following principles.

- Lay solid foundation for management
- Structure the Board to add value
- Promote ethical and responsible decision-making
- Safeguard integrity in financial reporting
- Make timely and balanced disclosures
- Recognize and manage business risks
- Respect the rights of the shareholders
- Encourage enhanced performance

- Remunerate fairly and responsibly
 - Recognize the legitimate interest of the stakeholders
 - Legal and Statutory compliances in its true spirit.
- 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.

Corporate Governance philosophy is put into process in SEIL, through the following three layers namely:



FIRST LAYER: GOVERNANCE BY SHAREHOLDERS

Annual General Meeting

Annual General Meeting for the year 2012-13 is scheduled on 30th September, 2013, at 10.30 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 you in the meeting. For this you need to fill in the proxy form enclosed with the notice for the meeting and send it to us. The last date for receipt of proxy forms by us is 28.09.2013 before 10.30 A.M.

Annual General Meetings of last three years:

Year	AGM	Date	Time	Venue	Special Resolution passed
2009-10	18th AGM	Sept. 13, 2010	10.30 a.m.	Auditorium ISKCON Complex Hare Krishna Hill, Sant Nagar Main Road, East of Kailash New Delhi-110065	Four
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

Postal Ballot

No Postal Ballot was conducted during the year 2012-13.

Extraordinary General Meeting

No EGM was held during the Financial Year 2012-13

Financial Calendar for the year 2013-14

Financial reporting for the quarter ending June 30, 2013	:	By Mid Aug, 2013
Financial reporting for the half year ending September 30, 2013	:	By Mid Nov. , 2013
Financial reporting for the quarter ending December 31, 2013	:	By Mid Feb. , 2013
Financial reporting for the year ending March 31, 2014	:	By End May, 2014

Book Closure Period

24th September, 2013 to 30th September, 2013 (Both days inclusive)

Dividend

Dividend Type	Recommended at Board Meeting	Dividend rate per share	Record date
Final Dividend for 2012-13	29.05.2013	Re. 1/-	24.09.2013

Stock Exchanges where Equity shares of the Company are listed

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

Stock Exchanges 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

Annual Listing fee for the year 2013-14 has been paid to the Stock Exchanges where the equity shares of the Company are listed in the month of April, 2013 i.e. within the stipulated time.

Stock Code

Scrip Symbol – Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. – ‘SEINV’
Scrip Code – Bombay Stock Exchange Ltd. – ‘532900’
ISIN for Equity Shares – INE 420C01042
ISIN for Preference Shares – INE420C04012
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 Bombay Stock Exchange Limited (BSE) 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.)
April, 2012	340.00	318.00	360.00	314.00
May, 2012	337.00	315.00	324.90	315.00
June, 2012	324.85	318.00	324.00	316.10
July, 2012	345.00	320.25	359.95	318.70
August, 2012	382.00	320.00	349.00	321.05
September, 2012	341.10	332.35	341.90	332.00
October, 2012	355.00	313.00	355.00	333.00
November, 2012	354.00	343.00	385.00	335.20
December, 2012	405.00	344.00	407.25	344.00
January, 2013	396.00	377.40	397.30	377.50
February, 2013	390.65	385.90	390.80	385.90
March, 2013	391.00	385.70	390.10	386.50

Source: websites of the respective stock exchanges

Note: High and low are in rupees per traded share.

Registrar & Share Transfer Agent

M/s Alankit Assignments Limited, New Delhi has been appointed 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 1.00 p.m.
and 2.00 p.m. to 4.00 p.m. (Monday to Friday)

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

- Shareholder submits the shares certificate along with Dematerialisation request Form (DRF) to Depository Participant (DP).
- DP processes the DRF and generates a unique Dematerialisation Request Number.
- DP forwards DRF and share certificates to Registrar and Share Transfer Agents (RTA).
- RTA after processing the DRF confirms or rejects the request to Depositories.
- If confirmed by the RTA, depositories give credit to shareholder in his account maintained with DP.

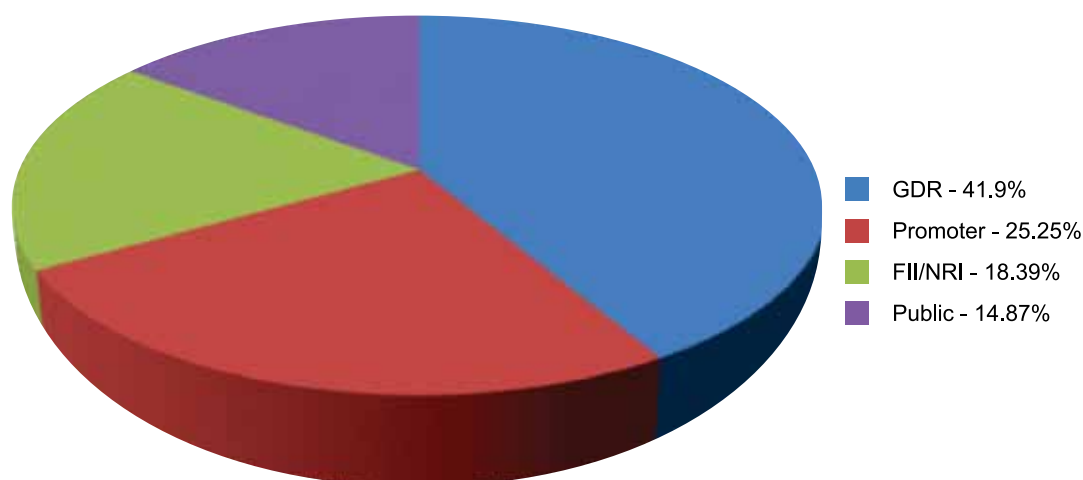
Share Transfer System

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.

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, 2013



Shareholding Pattern as on March 31, 2013

CATEGORY	NUMBER OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
(A) Shareholding of Promoter and Promoter Group		
1. Indian		
(a) Individuals/ Hindu Undivided Family	7,328,640	18.07
(b) Bodies Corporate	29,10,881	7.18
Sub Total(A)(1)	1,02,39,521	25.25
2. Foreign		
Sub Total(A)(2)	—	—
Total Shareholding of Promoter and Promoter Group		
(A)= (A)(1)+(A)(2)	1,02,39,521	25.25
(B) Public shareholding		
1. Institutions		
(a) Foreign Institutional Investors	74,60,684	18.39
(b) Insurance Companies	—	—
Any Others (Specify) Mutual Fund/UTI	762	—
(c) Foreign Institutional Investors - DR	—	—
Sub-Total (B)(1)	74,61,446	18.40
2. Non-institutions		
(a) Body Corporates	53,66,079	13.23
(b) Individuals		
I. Individual shareholders holding nominal share capital up to Rs 1 lakh	3,77,703	0.93
II. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	2,64,082	0.65
(c) Any Other		
I. Non-Resident Individuals/Foreign Individuals	9,189	0.02
ii. Clearing Members	11,980	0.03
Sub-Total (B)(2)	60,29,033	14.86
Total Public Shareholding (B)= (B)(1)+(B)(2)	1,34,90,479	33.26
TOTAL (A)+(B)	2,37,30,000	58.51
(C) Shares held by Custodians and against which Depository Receipts have been issued	1,68,30,000	41.49
GRAND TOTAL (A)+(B)+(C)	4,05,60,000	100.00

Shareholding Pattern by Size

The distribution of shareholding as on 31st March, 2013 is given below:

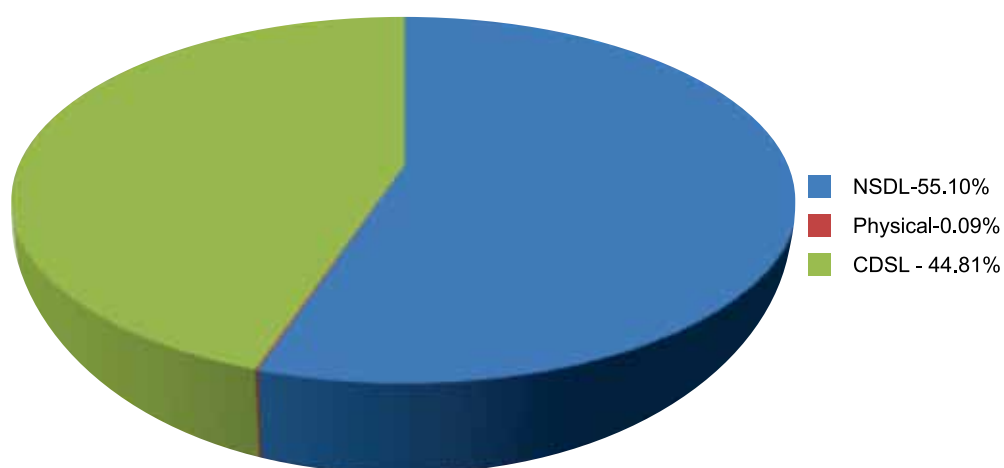
Shares holding of nominal value of			Share holders		Amount	
Rs.		Rs.	Number	% of total	(In Rs.)	% to total
1	--	5000	2137	91.56	998690	0.246
5001	--	10000	52	2.228	394670	0.097
10001	--	20000	26	1.114	420450	0.104
20001	--	30000	12	0.514	308400	0.076
30001	--	40000	13	0.557	498330	0.123
40001	--	50000	4	0.171	189110	0.047
50001	--	100000	26	1.114	1764710	0.435
100001	--	Above	64	2.742	401025640	98.872
TOTAL			2334	100.00	405600000	100.00

Details of Public Shareholding having more than 1 % holding as on March 31, 2013

Name of shareholder	No. of shares held	% of shareholding
Davos International Fund	27,29,449	6.73
Elara India Opportunities Fund Limited	13,96,704	3.44
Kuvera Capital Partners LLP A/C Kuvera Fund Limited	15,74,000	3.88
Krishna Human Resource Management Pvt Ltd	13,86,000	3.42
Radha Chemicals Pvt Ltd	6,39,990	1.58
HSBC Bank (Mauritius) Ltd A/c Plutus Terra India Fund	13,37,607	3.30
Total	90,63,750	22.35

Dematerialization of Shares

The equity shares of the Company can be held and traded in Electronic Form. As on March 31, 2013, 99.91% of the total equity shares have been dematerialized.



Outstanding GDRs/ Warrants and convertible bonds

Outstanding numbers of 84150000 Global Depository Receipts (the “GDRs”) representing 16830000 Equity Shares (41.49%) of the total paid-up share capital as on 31.03.2013. Since the underlying equity shares represented by GDRs have been allotted in full, the outstanding have no impact on the equity of the Company.

Nomination

Shareholders holding shares in physical form and desirous of making nomination in respect of their shareholding in the Company are requested to submit their request to Company in Form 2B.

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 1.00 p.m. and 2.00 p.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 address

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

Secretarial Department
S. E. Investments Limited
S-547, IIInd 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 by 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 ‘Economics Times and Business Standard’ with in 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 forms part of the Annual Report, which is posted to the shareholders of the Company.

SECOND LAYER: GOVERNANCE BY BOARD OF DIRECTORS

Composition and category

The Board of Directors of the Company (“the Board”) consists of 8 Directors, out of which more than 50% are Non-executive directors. The Chairman is Non-Executive and the number of Independent Directors i.e. those who have no business relationship with the Company is 50%. The Independent Directors on the Board are experienced, competent and highly reputed persons from their respective fields. None of directors on the Board is member of more than ten Board level Committees.

Board’s definition of independent director

- apart from receiving director’s remuneration, does not have any material pecuniary relationships or transactions with the Company, its promoters, its senior management or its holding Company, its subsidiaries and associated companies.
- is not related to Promoters, Chairman, Managing director, Whole time director, Secretary, CEO or CFO and of any person in the management at one level below the board.
- has not been an executive of the company in the immediately preceding three financial years.

- d) is not a partner or any executive of the statutory audit firm or the internal audit firm that is associated with the Company, and has not been a partner or an executive of such firm for the last three year. This will also apply to legal firm(s) and consulting firm(s) that have a material association with the entity.
- e) is not a supplier, service provider or customer of the Company. This should include lessor-lessee type relationships also; and
- f) is not a substantial shareholder of the Company, i.e. owning two percent or more of the block of voting shares.
- g) is not less than 21 years of age.
- The Board of the Company has also decided that materiality of relationship with directors shall be ascertained on the following basis:
- The concept of materiality is relevant from the recipient's point of view and as well as from that of Company.
 - 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.

Other details relating to the Board as on 31.03.2013 are as follows:

Name	Designation	Category	Shareholding in Company (No. of Shares)	No. of directorships held in all public companies#	No. of Board Committees memberships held in all public companies#@	No. of Board Committees Chairmanships held in all public companies#@
Mr. Purushottam Agrawal	Chairman	Non-Executive Non-Independent	2,69,000	1	2	NIL
Mr. Sunil Agarwal	Managing Director	Executive Non-Independent	12,00,000	2	3	NIL
Mr. Sachin Agarwal	Whole Time Director	Executive Non-Independent	10,67,240	1	2	1
Mr. Harish Singh	Executive Director	Executive Non-Independent	NIL	NIL	NIL	NIL
Mr. Suresh Chand Sharma	Director	Non- Executive Independent	44,000	1	2	1
Dr. Arun Gopal Agarwal	Director	Non- Executive Independent	NIL	2	5	2
Mr. Brij Lal Goel	Director	Non- Executive Independent	NIL	NIL	NIL	NIL
Mr. Dharam Vir Gupta	Director	Non- Executive Independent	NIL	2	NIL	NIL

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

@ Board Committee for this purpose includes Audit Committee, Remuneration Committee, Shareholders/Investors' Grievance Committee and IPO Committee.

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

Director's Profile

Brief resume of all the Directors and nature of their expertise in specific functional areas as provided below :

Mr. Purushottam Agrawal (DIN 00007483)

Shri Purushottam Agrawal, aged 69 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.

Mr. Sunil Agarwal (DIN 00006991)

Shri Sunil Agarwal, aged 42 years, is the Managing Director of the Company. He is bachelor of commerce from St. John's College Agra. He is responsible for the business and brand building of the Company. He has been Pro-Vice Chairman of Delhi Public School, Agra and Raj Nagar, Ghaziabad promoted by the reputed Delhi Public School Society of Delhi.

Mr. Sachin Agarwal (DIN 00007047)

Shri Sachin Agarwal, aged 38 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 on going business plan.

Mr. Suresh Chand Sharma (DIN 01688986)

Shri Suresh Chand Sharma, aged 52 years, is a post graduate in commerce and bachelor of law graduate. He has been practicing as tax advocate and has more than two decades of experience in taxation.

Dr. Arun Gopal Agarwal (DIN 00374421)

Dr. Arun Gopal Agarwal, aged 67 years, holds a doctorate degree in commerce. He is a Company Secretary holding fellow membership of the Institute of Company Secretaries of India and a Cost Accountant holding fellow membership of the Institute of Cost Accountant of India. He is an independent accounting consultant based at New Delhi and specializes in 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)

Shri Harish Singh, aged 46 years, an MBA in marketing and post graduate in commerce, is a Chartered Accountant holding fellow membership of the Institute of Chartered Accountants of India. 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)

Shri Brij Lal Goel, aged 68 years, is a Graduate in Mechanical Engineering from Institute of Engineers, AMIE & Law Graduate. He possess rich experience in the field of Engineering as he has worked in Ordinance Factory and possess 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, promoted to IRS 1991 and he retired as Additional Commissioner from Delhi Appellate Tribunal in 2006.

Mr. Dharam Vir Gupta (DIN 01639124)

Shri Dharam Vir Gupta, aged 71 years is a post graduate in Engineering, M.B.A., LL.B., 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.

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, with presentations by Business Heads. 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 matters statutory 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 are considered by the Board.

Attendance of Directors at the meetings of the Company

During the year ended March 31, 2013, 31 (Thirty One) Board Meetings were held on the following dates :

03.04.2012, 18.04.2012, 15.05.2012, 16.05.2012, 23.05.2012, 08.06.2012, 21.06.2012, 25.06.2012, 04.07.2012, 18.07.2012, 24.07.2012, 01.08.2012, 16.08.2012, 21.08.2012, 29.08.2012, 06.09.2012, 27.09.2012, 05.10.2012, 16.10.2012, 29.10.2012, 04.12.2012, 07.12.2012, 12.12.2012, 04.01.2013, 10.01.2013, 24.01.2013, 29.01.2013, 18.02.2013, 22.02.2013, 05.03.2013, 30.03.2013.

The last Annual General Meeting of the Company was held on 27th September, 2012. The detail of attendance of each director of the Company in Board Meetings and Annual General Meeting held during the financial year 2012-13 is given below:

Name of Directors	Attendance of meetings during 2012-13		
	Board Meeting held during the year	Meeting attended	Last AGM
Mr. Purushottam Agrawal	31	26	Yes
Mr. Sunil Agarwal	31	28	Yes
Mr. Sachin Agarwal	31	29	Yes
Mr. Harish Singh	31	30	No
Mr. Suresh Chand Sharma	31	28	Yes
Mr. Brij Lal Goel	31	8	Yes
Dr. Arun Gopal Agarwal	31	29	Yes
Mr. Dharam Vir Gupta	31	3	Yes
*Dr. Shyam Lal Garg	31	NIL	No

*Dr. Shyam Lal Garg resigned from the Board of Directors on 24th July, 2012.

Agenda and Minutes

All the departments in the Company communicate to the Company Secretary well in advance with regard to matters requiring approval of the Board/Committees of the Board to enable him to include the same in the agenda for the Board/Committee meeting(s). Agenda papers are generally circulated to the Board members well in advance before the meeting of the Board

The Company Secretary while preparing the agenda and minutes of the Board/Committee meeting is required to ensure adherence to the applicable provisions of the law including the Companies Act, 1956. 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.

All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. The information regularly supplied to the Board inter-alia includes the following:

- Annual operating plans and budgets and any updates thereon.

- Capital budgets and updates, if any.
- Quarterly results for the Company and its operating divisions or business segments.
- Minutes of meetings of Audit Committee and other committees of the Board & Minutes of Subsidiary Company.
- Legal compliance report and certificates.
- Information on recruitment, resignation and remuneration of senior officers.
- Show cause, demand, prosecution notices and penalty notices issued against the Company having material impact.
- Fatal or serious accidents, dangerous occurrences, any other problems, if any.
- Any material default in financial obligations to and by the Company, or substantial non-recoveries against sale, if any.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed structures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implication on the Company, if any.
- Details of any joint venture or collaboration agreement, if any.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property, if any.
- Any significant development in Human resources/Industrial Relations front like signing of wage agreement, implementation of voluntary Retirement Scheme etc, if any.
- Sale of material, nature of investment, subsidiaries, assets, which is not in normal course of business, if any.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory,

statutory nature or listing requirements and shareholders service such as delay in share transfer, etc.

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 Management Discussion and Analysis.

The Certificate from the Statutory Auditor will be sent to the Listed Stock Exchange alongwith 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 submitted to the Stock Exchanges. The audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

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

The Institute of Company Secretaries of India (ICSI) has issued Secretarial Standards on important aspects like Board Meetings, General meetings, Maintenance of Registers and Records, Minutes of meetings and transmission of Shares, etc. though these standards are recommendatory in nature, the company adheres to the standards voluntarily.

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 with the Stock Exchanges, is

presented in a separate section forming part of the 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.

Disclosure

- There are no materially significant related party transactions made by the Company with its Promoters, Directors or management, their subsidiaries or relatives, etc. 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 Accounting Standards referred 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, a detailed

exercise on 'Risk Assessment and Management' was carried out covering the entire gamut of business operation and the Board was informed of the same.

- The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no instructions or penalties imposed 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 be listed.
- Adoption of non-mandatory requirements of Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

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;

Compliance status with mandatory and non-mandatory requirements of clause 49 of listing agreement

Mandatory requirements

The Company has complied with all the mandatory requirement of clause 49 of Listing Agreements entered into with Stock Exchanges.

Non-mandatory requirements

Compliance status with non-mandatory requirements is given below:

- a) Chairman of the Company is entitled to seek any advice and consultancy in relation to the performance of his duties and is also entitled to claim reimbursement of

the expenses incurred in this regard and other office facilities.

- b) The Company has constituted a Remuneration Committee. Relevant details of the Remuneration Committee are provided in separate section in this report.
- c) Presently, Quarterly/half yearly financial performance is not being sent to each household to shareholders.
- d) 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.
- e) As regards training of Board members, the Directors on the Board are experienced professionals having wide range of expertise in diverse fields. They keep themselves abreast with the latest developments in the field of Management, Technology and Business Environment through various symposiums, seminars, etc.
- f) The Company has adopted "Whistle Blower Policy". No personnel have been denied access to the Audit Committee.

Whistle Blower Policy

We have established a mechanism 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.

THIRD LAYER: GOVERNANCE BY COMMITTEES OF BOARD OF DIRECTORS

Our Board has constituted 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.

We have four (4) Committees of Board as on March 31, 2013.

1. Audit Committee
2. Remuneration Committee
3. Shareholders'/Investor Grievance Committee
4. Asset Liability Committee (ALCO)

1. Audit Committee

The primary responsibilities inter-alia include:

- i. Oversight of the Company's financial reporting process.
- ii. Auditing and accounting matters, including recommending the appointment of our independent auditors to the shareholders.
- iii. Compliance with legal and statutory requirements.
- iv. 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.
- v. To review Performance of Company's Internal Audit function, Independent Auditors and accounting practices.
- vi. Review of related party transactions, functioning of Whistle Blower Mechanism.
- vii. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- viii. 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.

The Audit Committee met Four (4) times during the year ended under consideration 21.05.2012, 20.07.2012, 15.10.2012, 21.01.2013. The constitution of Audit Committee and attendance of each member is as given below:

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

The Company Secretary act as Secretary to the Committee. conditions of Managing / Whole-time Director(s).

Mr. Suresh Chand Sharma, Dr. Arun Gopal Agarwal & Mr. Purushottam Agrawal who acts as members of the Audit Committee Meetings were present at the 20th Annual General Meeting of the Company held on 27th September, 2012 to answer the shareholders' queries.

- Reviewing the performance of the Managing / Whole-time Director and recommending to the Board, the quantum of annual increments and annual commission.

Composition

2. Remuneration Committee

Terms of Reference

- Reviewing the overall compensation policy, service agreements and other employment

The Remuneration Committee met Four (4) times during the year on 20.07.2012, 13.10.2012, 21.01.2013, 18.02.2013 during the year. 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. Shyam Lal Garg*	Member	Non Executive Director	1
Dr. A.G. Agarwal	Member	Non Executive Director	3

*Dr. Shyam Lal Garg resigned from the Board of Directors & Remuneration Committee on 24th July, 2012.

The Company Secretary acts as secretary to the Committee. with in the limits set by the shareholders at the General Meetings.

The function of the Remuneration Committee includes recommendation of appointment and remuneration of Managerial Personnel to the Board. The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

Remuneration Policy

Payment of remuneration to the Managing Director/Whole-time Director(s) is governed by resolution passed by the Board of Directors and shareholders of the Company, which covers the terms of such appointment and remuneration, read with the service rules of the company. 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

There are no separate provisions for payment of sitting fees under the resolutions governing the appointment of Chairman and Managing Director and Whole-time Director(s).

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 applications received and shares allotted in the Initial Public Offer, status of refund account, conversion of partly paid shares into fully paid shares, rematerialization

and dematerialization 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.

Four (4) Committees meetings were held during the year on 23.07.2012, 13.10.2012, 19.01.2013, 30.03.2013. 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. Suresh Chand Sharma	Member	Non Executive Director	4
Mr. Sunil Agarwal	Member	Executive Director	4

Complaints from Investors

No. of complaints pending at the beginning of the year	: Nil
No. of complaints received by correspondence during the year ended 31.03.2013	: Nil
No. of complaints received for Refund / Instrument correction during the year	: Nil
No. of complaints received from B.S.E during the year	: Nil
No. of complaints received from SEBI during the year	: Nil
No. of complaints resolved / replied during the year	: Nil
No. of Investors complaints pending at the ending of the year 31.03.2013	: 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 Committee (ALCO)

The Asset Liability Committee functions with the following objectives:

To perform the role of Risk Management in pursuance of the Risk Management guidelines issued periodically by RBI and the Board.

To monitor the business of the Company periodically and also to suggest ways and means to improve the working and profitability of the Company from time to time.

Four (4) Committee meetings were held during the year on 31.07.2012, 10.10.2012, 25.01.2013, 29.03.2013. The constitution of the Committee and attendance of each member is as given below:

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

Declaration of The Chairman and Managing Director

We, Purushottam Agrawal, Chairman and Sunil Agarwal, Managing Director of S. E. Investments Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet and Profit and Loss account for the year ended March 31, 2013 and its notes to accounts, as well as the cash flow statements and the directors' report;
2. Based on our knowledge and information, these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
3. Based on our knowledge and information, these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions were entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct;
5. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Further we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify these deficiencies;
6. We have indicated to the Company's Auditors and the Audit committee significant changes in internal control over financial reporting during the year and significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.

Place : New Delhi

Date : 2nd September, 2013

Sd/-

(Purushottam Agrawal)
Chairman

Sd/-

(Sunil Agarwal)
Managing Director

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, 2013, 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 : 2nd September, 2013

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

Managing Director & Chief Financial Officer Certification

We have reviewed the financial statements and cash flow statement for the year 2012-13 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 : 2nd September, 2013

Sd/-

(Purushottam Agrawal)
Chairman

Sd/-

(Sunil Agarwal)
Managing Director

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, 2013.

Place : New Delhi

Date : 2nd September, 2013

Sd/-

(Purushottam Agrawal)
Chairman

Sd/-

(Sunil Agarwal)
Managing Director



Auditors' Report

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 31st March 2013, 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. 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 31st March 2013;
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.

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;

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,

Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and

e. On the basis of written representations received from the directors as on 31st March 2013, and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

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

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

Date: 29th May 2013

Place: Delhi

Annexure To Auditors' Report of M/S S. E. Investments Ltd.

(Referred to in our Report of even date for F. Y. 2012-13)

1. The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets. 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 from companies, firms & other parties or companies listed in the register maintained under Section 301 of the Companies Act, 1956.

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 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 are 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.

11. The Company has not defaulted in the repayment of dues to a Financial Institution or Bank 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 allotments 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

Sd/-

(CA Ram Lal Agrawal)

Proprietor

M.No 17583

Date: 29th May 2013

Place: Delhi

For P M S & Co.

Chartered Accountants

Firm Reg. No. 013398C

Sd/-

(CA Shilpi Agarwal)

Partner

M.No. 405692

Balance Sheet As On 31st March 2013

Sr. No.	Particulars	Note No.	Figure as at the end of current reporting period	Figure as at the end of previous reporting period
I.	EQUITY AND LIABILITIES		₹	₹
	(1) Shareholders' Funds			
	(a) Share Capital	1	43,06,62,500	43,06,62,500
	(b) Reserves and Surplus	2	3,90,33,26,023	3,24,95,72,851
	(c) Money received against Share warrants		-	-
	(2) Share Application money pending allotment		-	-
	(3) Non-Current Liabilities			
	(a) Long-Term Borrowings	3	66,15,43,266	1,42,82,63,727
	(b) Deferred Tax Liabilities (Net)	4	4,52,79,294	1,88,84,715
	(c) Other Long Term Liabilities	5	1,53,06,05,793	1,54,33,61,423
	(d) Long Term Provisions	6	2,39,88,385	2,20,18,290
	(4) Current Liabilities			
	(a) Short-Term Borrowings	7	3,20,60,11,758	2,92,68,60,983
	(b) Trade Payables		-	-
	(c) Other Current Liabilities	8	1,69,03,42,195	1,24,79,01,603
	(d) Short-Term Provisions	9	98,50,86,578	67,91,89,418
	Total Equity & Liabilities		12,47,68,45,792	11,54,67,15,510
II.	ASSETS			
	(1) Non-Current Assets			
	(a) Fixed Assets	10		
	(i) Tangible Assets		2,42,79,543	2,66,63,531
	(ii) Intangible Assets		-	-
	(iii) Capital work in progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non-Current Investments	11	88,85,05,435	1,05,89,80,334
	(c) Deferred Tax Assets (Net)		-	-
	(d) Long Term Loans and Advances	12	5,33,66,713	5,09,84,339
	(e) Other Non-Current Assets	13	14,45,53,197	3,43,87,592
	(2) Current Assets			
	(a) Current Investments	14	26,12,32,812	35,43,35,879
	(b) Inventories	15	9,59,53,54,063	8,80,73,15,866
	(c) Trade Receivables		-	-
	(d) Cash and Cash Equivalents	16	55,28,75,710	61,08,13,489
	(e) Short-Term Loans and Advances	17	95,66,78,319	60,32,34,480
	(f) Other Current Assets		-	-
	Total Assets		12,47,68,45,792	11,54,67,15,510

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
M. No. 17583

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

Date : 29th May 2013

Place : Delhi

For and on behalf of the Board

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

Profit & Loss Statement for The Year Ended 31st March 2013

Sr. No.	Particulars	Note No.	Figure as at the end of current reporting period	Figure as at the end of previous reporting period
			₹	₹
I	Revenue from operations	18	2,19,04,28,441	2,10,98,38,784
	Total Revenue (I)		2,19,04,28,441	2,10,98,38,784
II	Expenses:			
	Employee Benefit Expenses	19	7,57,30,070	6,60,38,343
	Financial Costs	20	62,61,22,713	71,21,84,400
	Depreciation and Amortization Expense	21	2,52,81,662	1,97,50,845
	Other Expenses	22	42,43,64,476	30,43,64,582
	Total Expenses (II)		1,15,14,98,921	1,10,23,38,170
III	Profit before exceptional and extraordinary items and tax (I-II)		1,03,89,29,520	1,00,75,00,614
IV	Exceptional Items		-	-
V	Profit before extraordinary items and tax (III-IV)		1,03,89,29,520	1,00,75,00,614
VI	Extraordinary Items		-	-
VII	Profit before tax (V-VI)		1,03,89,29,520	1,00,75,00,614
VIII	Tax Expense:			
	(1) Current tax		30,80,72,878	29,12,82,823
	(2) Deferred tax		2,63,94,579	1,30,15,096
IX	Profit/(Loss) from the period from continuing operations(VII-VIII)		70,44,62,063	70,32,02,695
X	Profit/(Loss) from discontinuing operations		-	-
XI	Tax Expense of discontinuing operations		-	-
XII	Profit/(Loss) from discontinuing operations (X-XI)		-	-
XIII	Profit/(Loss) for the period (IX+XII)		70,44,62,063	70,32,02,695
XIV	Earning per equity share:	27		
	(1) Basic		17.30	15.55
	(2) Diluted		17.30	15.55

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
M. No. 17583

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

Date : 29th May 2013

Place : Delhi

For and on behalf of the Board

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

Cash Flow Statement

		31.03.2013	31.03.2012
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit before tax and extraordinary Items and Interest		1,97,31,25,112	2,01,10,41,765
Adjustment For:			
1 Depreciation	57,21,153	76,23,848	
2 Misc. Expenditure written Off	1,95,60,508	2,52,81,661	1,21,26,998
Operating Profit before working capital		1,99,84,06,773	2,03,07,92,611
Adjustment For :			
Trade and Other Receivable(Loans and advances)	-35,58,26,213	-25,10,31,434	
Inventories	-78,80,38,196	-53,63,50,785	
Short Term Borrowings	-	-11,50,07,424	
Trade Payable(Other Current Liabilities)	22,72,37,349	22,96,65,158	
Misc Expenses	-12,97,26,113	-1,04,63,53,173	-
Cash generated from operations		95,20,53,600	1,35,80,68,126
1 Interest Paid	-62,61,22,713	71,21,84,400	
2 Direct Taxes paid	-30,89,41,983	-93,50,64,696	29,12,82,823
Cash flow before extra ordinary items		1,69,88,904	35,46,00,903
Income tax provision of previous year adjusted		-	-
Net cash flow from Operating Activities		1,69,88,904	35,46,00,903
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of fixed assets	-35,54,918	-27,10,263	
Sale of fixed assets	2,17,752	4,50,000	
Purchase of Investments	-	-19,29,94,460	
Sale of Investments	26,35,77,966	-	
Decrease in Long Term Loans and Advances	-	26,02,40,800	4,08,74,705
Net flow due to Demerger			-15,43,80,018
Fixed Assets transfer	-	-47,07,27,584	
Excess of Assets over Liabilities	-	40,63,72,090	
Receipts relating to Resulting Company	-	11,01,37,784	-4,57,82,290
Net Cash used in Investing Activities		26,02,40,800	-20,01,62,308
Total		27,72,29,704	15,44,38,595
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds from issue of Share Capital	-	-	
Dividend Paid	-5,00,45,409	-29,05,563	
Payment of Long Term Borrowings	-44,18,77,592	-3,79,85,207	
Payment of Other Long Term Liabilities	-	-15,05,93,705	
Proceeds from Short Term Borrowings	15,67,55,518	-	
Net cash used in Financing Activities		-33,51,67,483	-19,14,84,475
Net increase in Cash and Cash Equivalents		-5,79,37,779	-3,70,45,880
Opening Cash and Cash Equivalents		61,08,13,489	64,78,59,369
Closing Cash & Cash Equivalents		55,28,75,710	61,08,13,489
Actual Cash balances at the end of the year		55,28,75,710	61,08,13,489

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
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

Date : 29th May 2013

Place : Delhi

Sd/-
Sunil Agarwal
Sd/-
Harish Singh
Sd/-
Sachin Agarwal
Sd/-
Purushottam Agrawal
Sd/-
Vishal Sharma
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 2013 and 31st March 2012 and found the same in agreement here with.

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

Date : 29th May 2013

Place : Delhi

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.

B. STOCK IN TRADE/ASSETS HELD FOR SALE

Inventories being hire purchase stocks are valued at book value net of Hire Charges/ Finance Charges 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.

E. REVENUE RECOGNITION

Income from Hire charges and lease rentals and interest on loans and advances cases are recognized as revenue as per the terms of the agreements entered into with Hirers/ Lessees/Borrowers. Hire charges/finance charges are accounted for on accrual basis

on outstanding balances in accordance with the due dates of installments of hire money/loan money and hire charges/finance charges. However interest income on loans and advances under daily collection scheme are recognized as revenue on receipt basis. Overdue charges of installments from Hirers/Lessees/Borrowers and allowance of rebate for good and timely payment are accounted for as and when received or allowed because these charges and rebates are contingent.

Initial lumpsum future interest & Processing charges in respect of the hire purchase cases/loans and advances cases which carry hire/finance charges in addition to the same has been apportioned on the basis of period of contracts on accrual basis and in hire purchase cases/loan and advances cases where hire/finance charges are inherent in initial lumpsum interest the same also has been apportioned on the basis of period of contracts on accrual basis.

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 fixed assets till assets are ready for intended use are capitalized.

G. INVESTMENTS

Investments in shares are valued at cost or market value whichever 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 expenses comprise 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 effect 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 taxations 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."

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 SUBSTANDARD/DOUBTFUL/LOSS ASSETS

Provisioning for Substandard 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 hire installments are overdue for more than 12 months and loan installments are overdue for more than 6 months the company first treats these overdue and future installments as bad debts 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 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 on 31st March 2013

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

More than 5% shares - Davos International Fund - 27,29,449 shares (6.73%)

Note : 2 Reserves & 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	1,12,95,25,961	62,95,25,961
	Opening Balance	62,95,25,961	57,63,66,388
	Less: Excess Assets over Liabilities on Demerger	-	40,63,72,090
	Receipts of Resulting Company for Previous year	-	4,04,68,337
	Addition during the year	50,00,00,000	50,00,00,000
4	Reserve Fund (As per RBI Act)	54,42,44,797	40,33,52,385
	Opening Balance	40,33,52,385	26,27,11,847
	Addition during the year	14,08,92,412	14,06,40,538
5	Surplus (Profit & Loss Account)	4,80,42,922	3,51,82,162
	Balance brought forward from previous year	3,51,82,162	9,36,75,739
	Less: Transfer to General Reserve	50,00,00,000	50,00,00,000
	Provision on Standard Assets	19,70,095	13,40,877
	Proposed Dividend on Preference Shares & Equity Shares & Tax Thereon	4,87,38,796	5,00,45,409
	Reserve Fund (As per RBI Act)	14,08,92,412	14,06,40,538
	Profit of Resulting Company	-	6,96,69,448
	Add: Profit for the period	70,44,62,063	70,32,02,695
	Total in ₹	3,90,33,26,023	3,24,95,72,851

Notes Forming Integral Part of The Financial Statements As on 31st March 2013

Note : 3 Long Term Borrowings		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Bonds / Debentures	-	-
2	Secured Term Loan		
	- From Bank		
	Punjab National Bank	7,50,00,000	25,50,00,000
	Central Bank of India	16,66,64,000	33,33,32,000
	Syndicate Bank	-	78,58,413
	United Bank of India	-	12,96,13,000
	ICICI Bank Ltd	-	12,06,25,003
	Small Industries Development Bank of India	25,97,29,091	12,78,60,000
	- From Other Parties		
	Reliance Capital Limited	2,62,72,926	28,38,431
3	Secured Assignments		
	- From Bank		
	HDFC Bank Ltd.	58,13,827	5,02,54,878
	Punjab National Bank	-	2,56,29,530
	UCO Bank	57,56,761	17,14,04,432
	- From Other Parties	-	-
4	Unsecured loans		
	Fixed Deposit	6,91,31,817	8,88,87,563
	Interest accrued on fixed deposit	1,61,80,797	1,14,70,747
5	Loans & Advances From Related Parties	1,43,94,523	1,72,49,914
6	Loans From Directors including interest	2,25,99,524	1,95,83,816
7	Other Loans & Advances		
	Secured Borrowings - Cash Credit Limit (Reducible)		
	Bank of India	-	6,66,56,000
	Total in ₹	66,15,43,266	1,42,82,63,727

Refer to Note No. 31 & 32.

Note : 4 Deferred Tax Liabilities (Net)		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	1,88,84,715	58,69,619
	Add: Provision made during the year	2,63,94,579	1,30,15,096
	Closing Balance	4,52,79,294	1,88,84,715
	Total in ₹	4,52,79,294	1,88,84,715

Note : 5 Other Long Term Liabilities		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Other long term deposits including interest thereon	1,53,06,05,793	1,54,33,61,423
	Total in ₹	1,53,06,05,793	1,54,33,61,423

Notes Forming Integral Part of The Financial Statements As on 31st March 2013

Note : 6 Long Term Provisions			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Provision For Employees Benefit	-	-
2	Others		
	Provision on Standard Assets	2,39,88,385	2,20,18,290
	Total in ₹	2,39,88,385	2,20,18,290

Note : 7 Short Term Borrowings			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Secured Term Loan		
	- From Bank		
	Punjab National Bank	18,28,67,250	20,84,10,694
	Central Bank of India	17,07,52,228	43,42,74,075
	Syndicate Bank	78,15,925	9,37,50,000
	United Bank of India	-	1,44,01,813
	Small Industries Development Bank of India	8,32,90,909	2,21,40,000
	ICICI Bank Ltd	12,06,25,007	37,75,00,000
	- From Other Parties		
	Reliance Capital Limited	20,89,78,072	22,98,90,277
2	Secured Assignments		
	- From Bank		
	HDFC Bank Ltd.	3,32,77,614	18,00,91,360
	ICICI Bank Ltd.	-	3,59,66,962
	Punjab National Bank	2,79,73,689	18,79,67,911
	Development Credit Bank Ltd	-	3,69,25,812
	UCO Bank	14,54,77,679	35,83,24,716
	- From Other Parties		
	Reliance Capital Limited	-	3,16,318
	Nupur Finvest Pvt. Ltd	-	6,74,68,381
	Fullerton India Credit Company Limited	-	3,25,74,318
3	Unsecured loans		
	Fixed Deposit	6,99,90,102	9,67,49,402
	Interest accrued on Fixed Deposit	74,59,685	80,73,386
4	Loan Against Fixed Deposits		
	- From Bank		
	- Punjab National Bank -OD	8,29,37,842	9,02,08,274
	- Axis Bank Ltd-OD	-	4,15,819
	- Central Bank of India-OD	5,14,22,384	-
	- Bank of India-OD	-	27,00,000

Table continued

Notes Forming Integral Part of The Financial Statements As on 31st March 2013

Note : 7 Short Term Borrowings		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
5	Loans & Advances From Related Parties	43,40,435	29,84,632
6	Others		
	a) Secured Borrowings-Cash Credit Limits		
	- Punjab National Bank	34,37,42,690	37,52,97,694
	- Corporation Bank	22,65,95,192	-
	- Bank of India	29,00,64,490	-
	- Central Bank	35,58,45,385	-
	- UCO Bank	22,67,25,710	-
	- United Bank of India	50,14,47,010	-
	b) Secured Borrowings-Cash Credit Limit (Reducible)		
	Bank of India	6,43,82,460	6,56,39,621
	Unsecured Borrowings		
	Loan from supplier- Central Electronics Ltd and interest accrued thereon	-	47,89,518
	Total in ₹	3,20,60,11,758	2,92,68,60,983

Refer to Note No.: 30, 31 & 32

Note : 8 Other Current Liabilities		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Other Liabilities	1,69,03,42,195	1,24,79,01,603
	Total in ₹	1,69,03,42,195	1,24,79,01,603

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	4,87,38,796	5,00,45,409
	Provision for Taxation	93,63,47,782	62,91,44,009
	Total in ₹	98,50,86,578	67,91,89,418

Notes Forming Integral Part of The Financial Statements As on 31st March 2013

Note : 11 Non Current Investments			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Investment in Government or Trust Securities	2,27,35,451	2,09,85,191
2	Investment in Shares of group Company	23,90,30,800	23,90,30,800
3	Investment in Subsidiary Company	42,23,91,000	42,23,91,000
4	Investment in Partnership Firm/LLP	-	25,00,000
5	In Fixed Deposits		
	With Banks	18,76,20,697	35,46,29,107
	With NBFC	-	-
6	Interest accrued but not received	1,67,27,487	1,94,44,236
	Total in ₹	88,85,05,435	1,05,89,80,334

Note : 12 Long Term Loans and Advances			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Security Deposit		
	a) Secured, Considered Good :		
	Earnest Money Deposit	4,00,00,000	4,00,00,000
	Other Deposit	11,81,571	14,00,071
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Loans & Advances to related parties	-	-
3	Other Loans & Advances		
	a) Secured, Considered Good :	61,03,974	47,03,100
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	60,81,168	48,81,168
	Total in ₹	5,33,66,713	5,09,84,339

Note : 13 Other Non Current Assets			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Preliminary Expenses	2,22,60,595	3,43,87,592
2	Deferred Revenue Expenditure	12,22,92,602	-
	Total in ₹	14,45,53,197	3,43,87,592

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

Notes Forming Integral Part of The Financial Statements As on 31st March 2013

Note : 14 Current Investments			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	In Short term Fixed Deposits		
	With Banks	23,78,53,903	33,81,40,174
	With NBFC	-	33,99,200
2	Interest accrued but not received	2,33,78,909	1,27,96,505
	Total in ₹	26,12,32,812	35,43,35,879

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)	9,59,53,54,063	8,80,73,15,866
	Total in ₹	9,59,53,54,063	8,80,73,15,866

Note : 16 Cash & Cash Equivalents			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Cash-in-Hand		
	Cash Balances	6,87,18,201	7,99,44,296
	Sub Total (A)	6,87,18,201	7,99,44,296
2	Bank Balance		
	Current a/c with scheduled bank (Subject to reconciliation)	48,41,57,509	53,08,69,193
	Sub Total (B)	48,41,57,509	53,08,69,193
	Total in ₹ [A + B]	55,28,75,710	61,08,13,489

Note : 10 Fixed Asset

Sr. No.	Description	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 31.03.2013	WDV as on 31.03.2012
I	Tangible Assets										
1	Leased Assets										
	Solar Devices	9,06,94,680	—	—	9,06,94,680	8,98,08,446	5,08,326	—	9,03,16,772	3,77,908	8,86,234
2	Land	15,90,620	—	—	15,90,620	—	—	—	—	15,90,620	15,90,620
3	Building	69,37,695	—	—	69,37,695	12,78,190	1,33,041	—	14,11,231	55,26,464	56,59,505
4	Furniture & Fittings	80,81,034	3,44,370	—	84,25,404	32,18,729	4,95,354	—	37,14,083	47,11,321	48,62,305
5	Computer Peripheral & Software	3,50,12,973	4,42,445	—	3,54,55,418	2,84,28,262	36,66,821	—	3,20,95,083	33,60,335	65,84,711
6	Vehicles	57,63,669	23,62,828	4,48,211	76,78,286	30,75,614	6,19,727	2,30,459	34,64,882	42,13,404	26,88,055
7	Equipments, Plant & Machinery	65,54,554	4,05,275	-	69,59,829	21,62,453	2,97,885	—	24,60,338	44,99,491	43,92,101
	Sub Total (A)	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	266,63,531
II	Intangible Assets										
	Sub Total (B)	—	—	—	—	—	—	—	—	—	—
III	Capital Work-in-progress										
	Sub Total (c)	—	—	—	—	—	—	—	—	—	—
IV	Intangible Assets Under Development										
	Sub Total (d)	—	—	—	—	—	—	—	—	—	—
	Total [A + B + C + D] (Current 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
	(Previous Year)	15,37,74,962	27,10,263	18,50,000	15,46,35,225	12,16,73,916	76,23,848	13,26,070	12,79,71,694	2,66,63,531	3,21,01,047

Notes Forming Integral Part of The Financial Statements As on 31st March 2013

Note : 17 Short Terms Loans and Advances			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Loans & Advances from 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	94,49,75,472	59,51,06,564
	b) Loan against fixed deposit	93,876	20,49,601
	c) Prepaid Expenses	2,06,745	73,715
	d) Other loan and advances	1,14,02,226	60,04,600
	Total in ₹	95,66,78,319	60,32,34,480

Note : 18 Revenue from Operations			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Interest on Loans	2,17,99,67,452	2,03,39,77,443
2	Income from Energy Division	-	6,96,69,448
3	Dividend Income	80,54,325	-
4	Income on Government Guaranteed Bonds	19,64,536	28,53,193
5	Income from Lease Rent	4,42,128	33,38,700
	Total in ₹	2,19,04,28,441	2,10,98,38,784

Note : 19 Employment Benefit Expenses			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Salaries & Establishment	3,14,25,450	2,77,46,317
2	Mg. Director's & Directors' Remuneration	4,38,84,620	3,78,72,026
3	Mg. Director's & Directors' House Rent Allowance	4,20,000	4,20,000
	Total in ₹	7,57,30,070	6,60,38,343

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. 2012-13 is ₹ 4,43,04,620 (last year ₹ 3,82,92,026) which is less than that permitted u/s 309 read with schedule XIII of the Companies Act, 1956.

Notes Forming Integral Part of The Financial Statements As on 31st March 2013

Note : 20 Financial Costs			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Interest Discounting & Bank Charges	62,61,22,713	71,21,84,400
	Total in ₹	62,61,22,713	71,21,84,400

Note : 21 Depreciation & Amotised Cost			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	57,21,154	76,23,848
2	Preliminary Expenses W/O	1,21,26,997	1,21,26,997
3	Deferred Revenue Expenses W/O	74,33,511	-
	Total in ₹	2,52,81,662	1,97,50,845

Note : 22 Other expenses			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	88,09,881	87,68,977
2	Travelling Expenses	2,46,88,551	2,38,71,497
3	Repair & Maintenance	1,06,86,834	1,23,25,739
4	Insurance Expenses	2,70,162	2,42,683
5	Electricity & Water Expenses	17,20,155	14,55,299
6	Rates & Taxes	9,980	49,936
7	Legal Expenses & Professional fees	2,51,60,198	1,58,65,716
8	Printing & Stationery	1,17,21,284	1,76,94,293
9	Postage & Telephone Expenses	78,52,466	80,57,323
10	Bad Debts Written off	20,29,41,067	10,30,03,934
11	Auditors' Remuneration	85,00,000	85,00,000
12	Rent	70,67,065	70,37,340
13	Rebate, Remission & Brokerage	1,69,78,515	68,47,766
14	Advertisement & Business Promotion Expenses	7,22,08,815	6,74,61,989
15	Recovery Expenses	33,62,754	30,35,023
16	Office and General Expenses	2,22,81,497	2,00,73,137
17	Loss on sale of Assets	1,05,252	73,930
	Total in ₹	42,43,64,476	30,43,64,582

Notes on Accounts

23. Remuneration to Auditors:

	Current Year 31/03/2013	Previous Year 31/03/2012
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
Total	₹ 85,00,000	₹ 85,00,000

24. Contingent Liabilities:

Interest Tax matters in appeal	₹ 60,81,168	₹ 49,23,788
--------------------------------	-------------	-------------

25. There are two unclaimed matured deposits amounting to ₹ 1.02 lacs lying with the company as on 31st March 2013.

26. 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.

27. Earning per Share

	2012-13	2011-12
Net profit for the year (After Tax)	70,44,62,063	70,32,02,695
Proposed Preference shares dividend and tax thereon	29,05,563	29,05,563
Profit for the Resulting Company	—	6,96,69,448
No. of Equity Shares (Weighted)	4,05,60,000	4,05,60,000
Basic and diluted Earning per share ₹	17.30	15.55

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

29. Disclosure of related party transactions:

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

B. List of related parties and relationship :

RELATED PARTY

Key Managerial Personnel

Mr. Sunil Agarwal

Mr. Harish Singh

Mr. Sachin Agarwal

Mr. Purushottam Agrawal

(RELATION)

(Managing Director)

(Executive Director)

(Whole Time Director)

(Director)

Relative of K M P

Mrs. Raj Agarwal

Mrs. Neetu Agarwal,

Mrs. Shikha Agarwal,

Mrs. Preeti Chauhan

Mrs. Sushila Devi Chauhan

(wife of Mr. Purushottam Agrawal)

(wife of Mr. Sunil Agarwal)

(wife of Mr. Sachin Agarwal)

(wife of Mr. Harish Singh)

(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. Aanjneya Motor Pvt. Ltd. | 34. R N R Infosolution Pvt. Ltd. |
| 35. Dauji Infradev Pvt. Ltd. | 36. Saket Buildcon Pvt. Ltd. |
| 37. Aanjneya Vayusutra Pvt. Ltd. | 38. Kanak Bhawan Prasad Seva Pvt. Ltd. |
| 39. Kanak Bhawan Awasiya Seva Pvt. Ltd. | 40. P N Agarwal & Sons |
| 41. Sachin Agarwal HUF | 42. Sunil Agarwal HUF |
| 43. Harish Singh HUF | |

D. Disclosures required for related party transactions.

(Rupees in lacs)

	KMP & Relative	Enterprise over which significant influence exercised by KMP/Directors	Subsidiary	Total
Transactions during the year				
Rendering of Services (Rent/hire charges)	9	89	-	98
Remuneration	443	-	-	443
Loan received	124	951	-	1075
Loans given	-	-	-	-
Interest paid	46	8	23	77
Interest / Dividend Received	-	185	311	496
Amount outstanding at Balance Sheet date				
—Amount Payable	395	-	-	395
—Amount Receivable	-	-	81	81

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.

30. Working Capital Borrowings

- A. **Punjab National Bank:** The facilities from Punjab National Bank are secured by hypothecation of book debts pertaining to advances. The credit facilities are secured by equitable mortgage of two office premises and a flat belonging to the Company and equitable mortgage of one house and one shop belonging to a Director and his wife, and three commercial buildings and land and two flats in the name of the guarantors and personal guarantee of directors and corporate guarantee of the companies who have stood as guarantor.
- B. **Bank of India:** The facilities from Bank of India, is secured by hypothecation of book debts pertaining to advances. The credit facilities are secured by equitable mortgage of office premises in the name of the guarantor, personal guarantee of directors and corporate guarantee of the company who have stood as guarantor.
- C. **UCO Bank:** The facilities from UCO Bank, is secured by hypothecation of book debts pertaining to advances. The credit facilities are secured by

equitable mortgage of flat in the name of the guarantor, personal guarantee of directors and corporate guarantee of the company who have stood as guarantor.

- D. **United Bank of India:** The facilities from United Bank of India, is secured by hypothecation of book debts pertaining to advances. The credit facilities are secured by equitable mortgage of commercial building in the name of the guarantor, personal guarantee of directors and corporate guarantee of the company who have stood as guarantor and cash collateral given by the company.
- E. **Corporation Bank:** The facilities from Corporation Bank, is secured by hypothecation of book debts pertaining to advances. The credit facilities are secured by equitable mortgage of immovable properties in the name of the guarantors, personal guarantee of directors and corporate guarantee of the companies who have stood as guarantor.
- F. **Central Bank of India:** The facilities from Central Bank of India is secured by hypothecation of Book Debts pertaining to advances. The credit facilities are secured by equitable mortgage of property in the name of guarantor, personal guarantee of the directors and corporate guarantee of the company who have stood as guarantor and cash collateral given by the company.

31. 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 and cash collateral given by the company.
- B. **Reliance Capital Limited:** Term loan assistance is secured by hypothecation of book debts, personal guarantee of two directors and cash collateral given by the Company.
- C. **Punjab National Bank:** Term loan assistance is secured by hypothecation

of book debts arising out of the Bank assistance and personal guarantee of the directors.

- D. **Central Bank of India:** The term loan facility from the Bank is secured by exclusive charge on receivables financed by the Company and is secured by lien on deposit, Equitable Mortgage of land belonging to the guarantor, personal guarantee of directors of the Company and Corporate guarantee of the company who has stood as guarantor.
- E. **Syndicate Bank:** Term loan assistance is secured by hypothecation of book debts pertaining to advances and personal guarantee of the directors and cash collateral given by the company.
- F. **ICICI Bank Ltd.:** Term loan assistance for on lending to micro finance clients is secured by hypothecation of book debts and personal guarantee of the directors.

Terms of Repayment of the above mentioned loan is monthly except Central Bank of India.

32. Assignment details

- A. **HDFC Bank:** Assignment transactions are secured by hypothecation of book debts, Cash collateral given by Company in the form of FDR and personal Guarantee given by the directors of the Company.
- B. **Punjab National Bank:** Assignment transactions are secured by hypothecation

of book debts, cash collateral given by Company in the form of FDR and personal guarantee given by the Directors of the Company.

- C. **Reliance Capital Limited:** Assignment transactions was secured by hypothecation of book debts, personal guarantee of directors and cash collateral given by the Company.
- D. **UCO Bank Ltd:** Assignment transactions are secured by hypothecation of book debts, Cash collateral given by Company in the form of FDR.
- E. **Fullerton India Credit Company Ltd:** Assignment transactions was secured by hypothecation of book debts, Cash collateral given by Company in the form of FDR and Personal Guarantee of the director of the Company.
- E. **Development Credit Bank Ltd. :** Assignment transactions are secured by hypothecation of book debts, cash collateral given by Company in the form of FDR and Personal Guarantee given by the director of the Company.

Terms of Repayment of the above mentioned assignments are monthly.

33. 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.

34. Detail of Banks FDR held as on 31.03.2013

Held as Cash Collateral for Assignment / Term Transactions.

Sr. No.	Name of the Bank	Purpose	Principal Amount
1	HDFC Bank Ltd.	Assignment of Book Debts	3,12,50,000
2	Punjab National Bank	Assignment of Book Debts	9,31,20,558
3	UCO Bank	Assignment of Book Debts	5,70,00,000
	SUBTOTAL		18,13,70,558

Held as Cash Collateral for Term Loan

Sr. No.	Name of the Bank	Purpose	Principal Amount
1	Central Bank of India	Term Loan	8,00,00,000
2	Small Industries Development Bank of India	Term Loan	1,75,00,000
3	Syndicate Bank of India	Term Loan	2,10,46,953
4	Axis Bank	Term Loan	66,20,140
5	Corporation Bank	Term Loan	58,00,000
	SUBTOTAL		13,09,67,093

Held to avail overdraft facility against FDRs

Sr. No.	Name of the Bank	Purpose	Principal Amount
1	Central Bank of India	Over Draft	5,25,39,076
2	Punjab National Bank	Guarantee	27,000
	SUBTOTAL		5,25,66,076

Held to avail Cash Credit facility against FDRs

Sr. No.	Name of the Bank	Purpose	Principal Amount
1	Central Bank of India	Cash Credit	5,00,00,000
2	United Bank of India	Cash Credit	500,000
	SUBTOTAL		5,05,00,000

Held as SLR "Statutory Liquidity Ratio" against Public Deposit

Sr. No.	Name of the Bank	Purpose	Principal Amount
1	Bank of India	Statutory Liquidity Ratio	20,00,000
2	Central Bank of India	Statutory Liquidity Ratio	28,20,316
3	Punjab National Bank	Statutory Liquidity Ratio	52,50,557
	SUBTOTAL		1,00,70,873
	TOTAL		42,54,74,600

Schedule To The Balance Sheet Of A Non-Banking Financial Company

[As required in terms of Paragraph 13 of Non-Banking Financial (Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007]

LIABILITIES SIDE:		Amount Outstanding	(₹ in Lacs) Overdue
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
	(a) Debentures		
	Secured	—	—
	Unsecured	—	—
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	—	—
	(c) Term Loans	13,020	—
	(d) Inter-corporate loans and borrowing	32,209	—
	(e) Commercial Paper	—	—
	(f) Public Deposits*	1,628	—
	(g) Other Loans (specify nature)		
	Punjab National Bank (Cash Credit a/c / Overdraft)	4,267	—
	Central Bank of India (Cash Credit a/c / Overdraft)	4,073	—
	United Bank of India (Cash Credit a/c)	5,014	—
	UCO Bank (Cash Credit a/c)	2,267	—
	Corporation Bank (Cash Credit a/c)	2,266	—
	Bank of India	3,544	—
	Assignment of Book Debts	2,183	—
*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	1,628	—
ASSETS SIDE		Amount Outstanding	
(3)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below)		
	(a) Secured		95,954
	(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		4
(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	—
	Quoted :	Amount net of Provisions
	(i) Shares :	—
	(a) Equity	—
	(b) Preference	—
	(ii) Debentures and Bond	—
	(iii) Units of mutual funds	—
	(iv) Government Securities	—
	(v) Others (please specify)	—
	Unquoted :	
	(i) Shares :	
	(a) Equity	—
	(b) Preference	—
	(ii) Debentures and Bonds	—
	(iii) Units of mutual funds	—
	(iv) Government Securities	—
	(v) Others (please specify)	
	Fixed Deposit with NBFC	—
	Fixed deposit with Banks	2,379
	Interest accrued	234
	2. Long Term Investments :	
	Quoted :	
	(i) Shares :	
	(a) Equity	—
	(b) Preference	—
	(ii) Debentures and Bonds	—
	(iii) Units of mutual funds	—
	(iv) Government Securities	—
	(v) Others (Please specify)	—
	Unquoted :	
	(i) Shares :	
	(a) Equity- Subsidiary Company	4,224
	(b) Equity- Group Company	2,390
	(c) Preference	—
	(ii) Debentures and Bonds	—
	(iii) Units of mutual funds	—
	(iv) Government Securities	227
	(v) Others (please specify)	
	Investment in Partnership/LLP	—
	Fixed deposit with Banks	1,876
	Interest accrued	167

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

Please see Note 2

Category	Secured	Unsecured	Total
1 Related parties**	—	—	—
(a) Subsidiaries	—	—	—
(b) Companies in the same group	—	—	—
(c) Other related parties	—	—	—
2 Other than related parties	95,954	—	95,954
Total	95,954	—	95,954

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

**Please see Note 3 below

Category	Market Value/Break up or Fair Value or NAV	Book Value (Net of Provisions)
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	4,883	4,883
Total	11,497	11,497

** 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 **R. Lal & Company**

Chartered Accountants

Firm Reg. No. 000926C

Sd/-

(CA Ram Lal Agrawal)

Proprietor

M. No. 17583

Date : 29th May 2013

For **P M S & Co.**

Chartered Accountants

Firm Reg. No. 013398C

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

Wholtime Director

Director

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 statement 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, 2013, 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. 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 Standards 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 2013;
 - b. In the case of the Consolidated 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.

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
M. No. 17583

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

Date : 29th May 2013

Place : Delhi

For and on behalf of the Board

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

Consolidated Balance Sheet as on 31st March 2013

Sr. No.	Particulars	Note No.	Figure as at the end of current reporting period	Figure as at the end of previous reporting period
I.	EQUITY AND LIABILITIES		₹	₹
	(1) Shareholders' Funds			
	(a) Share Capital	1	43,06,62,500	43,06,62,500
	(b) Reserves and Surplus	2	4,01,55,65,101	3,35,11,76,065
	(c) Money received against Share warrants		-	-
	(2) Share Application money pending allotment		-	-
	(3) Non-Current Liabilities			
	(a) Long-Term Borrowings	3	66,15,43,266	1,42,82,63,727
	(b) Deferred Tax Liabilities (Net)	4	4,54,69,162	1,90,33,125
	(c) Other Long Term Liabilities	5	1,53,06,05,793	1,54,33,61,423
	(d) Long Term Provisions	6	2,58,52,446	2,45,08,194
	(4) Current Liabilities			
	(a) Short-Term Borrowings	7	3,20,60,11,758	3,20,79,59,758
	(b) Trade Payables		-	-
	(c) Other Current Liabilities	8	1,95,23,67,809	1,45,50,44,117
	(d) Short-Term Provisions	9	1,00,66,46,476	69,41,57,005
	Total Equity & Liabilities		12,87,47,24,311	12,15,41,65,914
II.	ASSETS			
	(1) Non-Current Assets			
	(a) Fixed Assets	10		
	(i) Tangible Assets		2,60,71,807	2,87,20,841
	(ii) Intangible Assets		-	-
	(iii) Capital work in progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non-Current Investments	11	46,86,14,435	63,90,89,334
	(c) Deferred Tax Assets (Net)		-	-
	(d) Long Term Loans and Advances	12	5,33,66,713	5,09,84,339
	(e) Other Non-Current Assets	13	14,47,50,056	3,46,62,379
	(2) Current Assets			
	(a) Current Investments	14	26,42,32,812	37,23,80,961
	(b) Inventories	15	10,34,09,78,520	9,73,58,09,140
	(c) Trade Receivables		-	-
	(d) Cash and Cash Equivalents	16	60,06,03,613	66,99,94,419
	(e) Short-Term Loans and Advances	17	97,61,06,355	62,25,24,501
	(f) Other Current Assets		-	-
	Total Assets		12,87,47,24,311	12,15,41,65,914

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
M. No. 17583

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

For and on behalf of the Board

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

Date : 29th May 2013

Place : Delhi

Consolidated Profit & Loss Statement for the Year Ended 31st March 2013

Sr. No.	Particulars	Note No.	Figure as at the end of current reporting period	Figure as at the end of previous reporting period
I	Revenue from operations	18	₹ 2,38,40,90,849	₹ 2,22,08,62,323
	Total Revenue (I)		2,38,40,90,849	2,22,08,62,323
II	Expenses:			
	Employee Benefit Expenses	19	9,99,20,001	8,20,72,976
	Financial Costs	20	65,23,73,231	70,71,50,233
	Depreciation and Amortization Expense	21	2,56,24,636	1,98,61,486
	Other Expenses	22	55,86,53,996	37,77,52,800
	Total Expenses (II)		1,33,65,71,864	1,18,68,37,495
III	Profit before exceptional and extraordinary items and tax (I-II)		1,04,75,18,985	1,03,40,24,828
IV	Exceptional Items		-	-
V	Profit before extraordinary items and tax (III-IV)		1,04,75,18,985	1,03,40,24,828
VI	Extraordinary Items		-	-
VII	Profit before tax (V-VI)		1,04,75,18,985	1,03,40,24,828
VIII	Tax Expense:			
	(1) Current tax		31,34,31,497	30,23,08,059
	(2) Deferred tax		2,64,36,037	1,31,79,285
	(3) Previous Year Income Tax		(72,921)	-
IX	Profit/(Loss) from the period from continuing operations(VII-VIII)		70,77,24,372	71,85,37,484
X	Profit/(Loss) from discontinuing operations		-	-
XI	Tax Expense of discontinuing operations		-	-
XII	Profit/(Loss) from discontinuing operations (X-XI)		-	-
XIII	Profit/(Loss) for the period (IX+XII)		70,77,24,372	71,85,37,484
XIV	Earning per equity share:	27		
	(1) Basic		17.38	15.93
	(2) Diluted		17.38	15.93

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

M. No. 17583

Date : 29th May 2013

For **P M S & Co.**

Chartered Accountants

Firm Reg. No. 013398C

Sd/-

(CA Shilpi Agarwal)

Partner

M. No. 405692

Place : Delhi

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

		31.03.2013	31.03.2012
A. CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit before tax and extraordinary Items and Interest		2,04,13,32,839	2,09,89,79,745
Adjustment For:			
1 Depreciation	59,86,199	76,56,561	
2 Loss on sale of fixed assets	-	23,03,520	
3 Misc. Expenditure written Off	1,96,38,436	2,56,24,635	1,22,04,926
Operating Profit before working capital		2,06,69,57,474	2,12,11,44,752
Adjustment For :			
Trade and Other Receivable(Loans and advances)	-35,72,04,297	-22,79,80,119	
Inventories	-53,77,00,998	-1,20,89,13,011	
Short Term Borrowings	-41,67,67,156	38,46,22,595	
Trade Payable(Other Current Liabilities)	35,83,74,774	24,77,72,672	
Misc Expenses	-12,97,26,113	-1,08,30,23,790	-2,05,020
Cash generated from operations		98,39,33,684	1,31,64,41,869
1 Interest Paid	-67,76,86,650	77,35,98,166	
2 Direct Taxes paid	-31,57,56,239	-99,34,42,889	30,40,30,057
Cash flow before extra ordinary items		-95,09,205	23,88,13,646
Income tax provision of previous year adjusted		-	-
Net cash flow from Operating Activities		-95,09,205	23,88,13,646
B. CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of fixed assets	-35,54,918	-43,06,132	
Sale of fixed assets	2,17,752	67,50,000	
Purchase of Investments	-	-21,10,39,541	
Sale of Investments	27,86,23,048	-	
Decrease in Long Term Loans and Advances	-	27,52,85,882	4,08,74,705
Net flow due to Demerger			
Fixed Assets transfer	-	-47,07,27,584	
Excess of Assets over Liabilities	-	40,63,72,090	
Receipts relating to Resulting Company	-	-	11,01,37,784
Net Cash used in Investing Activities		27,52,85,882	-21,35,03,258
Total		26,57,76,677	2,53,10,388
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds from issue of Share Capital	-	-	
Dividend Paid	-5,00,45,409	-29,05,563	
Payment of Long Term Borrowings	-44,18,77,592	-3,79,85,207	
Payment of Other Long Term Liabilities	-	-15,05,93,705	
Proceeds from Short Term Borrowings	15,67,55,518	-	
Net cash used in Financing Activities		-33,51,67,483	-19,14,84,475
Net increase in Cash and Cash Equivalents		-6,93,90,806	-16,61,74,087
Opening Cash and Cash Equivalents		66,99,94,419	83,61,68,506
Closing Cash & Cash Equivalents		60,06,03,613	66,99,94,419
Actual Cash balances at the end of the year		60,06,03,613	66,99,94,419

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

Sd/-

(CA Ram Lal Agrawal)

Proprietor

M. No. 17583

Date : 29th May 2013

For **P M S & Co.**

Chartered Accountants

Firm Reg. No. 013398C

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

Managing Director

Executive Director

Wholetime Director

Director

Company Secretary

AUDITORS' REPORT

We have verified the attached Consolidated 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 2013 and 31st March 2012 and found the same in agreement here with.

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

Date : 29th May 2013

Place : Delhi

Significant Accounting Policies and Notes on Account 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 Standard (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 on 31st March 2013

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

More than 5% shares - Davos International Fund - 27,29,449 shares (6.73%)

Note : 2 Reserves & 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	1,20,18,64,961	70,14,09,961
	Opening Balance	70,14,09,961	64,82,50,388
	Less: Excess Assets over Liabilities on Demerger	-	40,63,72,090
	Receipts of Resulting Company for Previous year	-	4,04,68,337
	Addition during the year	50,04,55,000	50,00,00,000
4	Reserve Fund (As per RBI Act)	55,30,33,666	40,98,77,927
	Opening Balance	40,98,77,927	26,61,70,431
	Addition during the year	14,31,55,739	14,37,07,496
5	Surplus (Profit & Loss Account)	7,91,54,131	5,83,75,834
	Balance brought forward from previous year	5,83,75,834	10,62,82,986
	Less: Transfer to General Reserve	50,04,55,000	50,00,00,000
	Provision on Standard Assets	13,44,252	30,22,283
	Proposed Dividend on Preference Shares & Equity Shares & Tax Thereon	5,00,45,409	5,00,45,409
	Reserve Fund (As per RBI Act)	14,31,55,739	14,37,07,496
	Profit of Resulting Company	-	6,96,69,448
	Add: Profit for the period	71,57,78,697	71,85,37,484
	Total in ₹	4,01,55,65,101	3,35,11,76,065

Notes Forming Integral Part of The Consolidated Statements as on 31st March 2013

Note : 3 Long Term Borrowings		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Bonds / Debentures	-	-
2	Secured Term Loan		
	- From Bank		
	Punjab National Bank	7,50,00,000	25,50,00,000
	Central Bank of India	16,66,64,000	33,33,32,000
	Syndicate Bank	-	78,58,413
	United Bank of India	-	12,96,13,000
	ICICI Bank Ltd	-	12,06,25,003
	- From Other Parties		
	Small Industries Development Bank of India	25,97,29,091	12,78,60,000
	Reliance Capital Limited	2,62,72,926	28,38,431
3	Secured Assignments		
	- From Bank		
	HDFC Bank Ltd.	58,13,827	5,02,54,878
	Punjab National Bank	-	2,56,29,530
	UCO Bank	57,56,761	17,14,04,432
	- From Other Parties	-	-
4	Unsecured loans		
	Fixed Deposit	6,91,31,817	8,88,87,563
	Interest accrued on Fixed Deposit	1,61,80,797	1,14,70,747
5	Loans & Advances From Related Parties	1,43,94,523	1,72,49,914
6	Loans From Directors including interest	2,25,99,524	1,95,83,816
7	Other Loans & Advances		
	Secured Borrowings - Cash Credit Limit (Reducible)		
	Bank of India	-	6,66,56,000
	Total in ₹	66,15,43,266	1,42,82,63,727

Note : 4 Deferred Tax Liabilities (Net)		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Opening Balance	1,90,33,125	58,53,840
	Add: Provision made during the year	2,64,36,037	1,31,79,285
	Closing Balance	4,54,69,162	1,90,33,125
	Total in ₹	4,54,69,162	1,90,33,125

Note : 5 Other Long Term Liabilities		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Other long term deposits including interest thereon	1,53,06,05,793	1,54,33,61,423
	Total in ₹	1,53,06,05,793	1,54,33,61,423

Notes Forming Integral Part of The Consolidated Statements as on 31st March 2013

Note : 6 Long Term Provisions		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Provision For Employees Benefit	-	-
2	Others		
	Provision on Standard Assets	2,58,52,446	2,45,08,194
	Total in ₹	2,58,52,446	2,45,08,194

Note : 7 Short Term Borrowings		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Secured Term Loan		
	- From Bank		
	Punjab National Bank	18,28,67,250	20,84,10,694
	Central Bank of India	17,07,52,228	43,42,74,075
	Syndicate Bank	78,15,925	9,37,50,000
	United Bank of India	-	1,44,01,813
	ICICI Bank Ltd	12,06,25,007	37,75,00,000
	- From Other Parties		
	Small Industries Development Bank of India	8,32,90,909	2,21,40,000
	Reliance Capital Limited	20,89,78,072	22,98,90,277
2	Secured Assignments		
	- From Bank		
	HDFC Bank Ltd.	3,32,77,614	18,00,91,360
	ICICI Bank Ltd.	-	3,59,66,962
	Punjab National Bank	2,79,73,689	18,79,67,911
	Development Credit Bank Ltd	-	13,62,69,808
	UCO Bank	14,54,77,679	35,83,24,716
	- From Other Parties		
	Reliance Capital Limited	-	3,16,318
	Fullerton India Credit Company Limited	-	3,25,74,318
3	Unsecured loans		
	Fixed Deposit	6,99,90,102	9,67,49,402
	Interest accrued on Fixed Deposit	74,59,685	80,73,386
4	Loan Against Fixed Deposits		
	- From Bank		
	- Punjab National Bank -OD	8,29,37,842	9,02,08,274
	- Central Bank of India-OD	5,14,22,384	-
	- Bank of India-OD	-	27,00,000

Table Continued

Notes Forming Integral Part of The Consolidated Statements as on 31st March 2013

5	Loans & Advances From Related Parties	43,40,435	29,84,632
6	Others		
	a) Secured Borrowings-Cash Credit Limits		
	- Punjab National Bank	34,37,42,690	37,52,97,694
	- Axis Bank	-	4,15,819
	- Oriental Bank of Commerce	-	24,92,23,160
	- Corporation Bank	22,65,95,192	-
	- Bank of India	29,00,64,490	-
	- Central Bank of India	35,58,45,385	-
	- UCO Bank	22,67,25,710	-
	- United Bank of India	50,14,47,010	-
	b) Secured Borrowings-Cash Credit Limit (Reducible)		
	Bank of India	6,43,82,460	6,56,39,621
	Unsecured Borrowings		
	Loan from supplier- Central Electronics Ltd and interest accrued thereon	-	47,89,518
	Total in ₹	3,20,60,11,758	3,20,79,59,758

Note : 8 Other Current Liabilities		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Other Liabilities	1,95,23,67,809	1,45,50,44,117
	Total in ₹	1,95,23,67,809	1,45,50,44,117

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	5,00,45,409	5,00,45,409
	Provision for Taxation	95,66,01,067	64,41,11,596
	Total in ₹	1,00,66,46,476	69,41,57,005

Notes Forming Integral Part of The Consolidated Statements as on 31st March 2013

Note : 11 Non Current Investments			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Investment in Government or Trust Securities	2,27,35,451	2,09,85,191
2	Investment in Shares of group Company	23,90,30,800	23,90,30,800
3	Investment in Mutual Fund - Axis Income Saver (Market Value ₹ 28.41 lacs)	25,00,000	25,00,000
4	Investment in Partnership Firm/LLP	-	25,00,000
5	In Fixed Deposits		
	With Banks	18,76,20,697	35,46,29,107
	With NBFC	-	-
	Interest accrued but not received	1,67,27,487	1,94,44,236
	Total in ₹	46,86,14,435	63,90,89,334

Note : 12 Long Term Loans and Advances			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Security Deposit		
	a)Secured, Considered Good :		
	Earnest Money Deposit	4,00,00,000	4,00,00,000
	Other Deposit	11,81,571	14,00,071
	b)Unsecured, Considered Good :	-	-
	c)Doubtful	-	-
2	Loans & Advances to related parties		
3	Other Loans & Advances		
	a)Secured, Considered Good :	61,03,974	47,03,100
	b)Unsecured, Considered Good :	-	-
	c)Doubtful	60,81,168	48,81,168
	Total in ₹	5,33,66,713	5,09,84,339

Note : 13 Other Non Current Assets			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Preliminary Expenses	2,24,57,454	3,46,62,379
2	Deferred Revenue Expenditure	12,22,92,602	-
	Total in ₹	14,47,50,056	3,46,62,379

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

Note : 14 Current Investments			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	In Short term Fixed Deposits		
	With Banks	24,08,53,903	35,61,85,256
	With NBFC	-	33,99,200
2	Interest accrued but not received	2,33,78,909	1,27,96,505
	Total in ₹	26,42,32,812	37,23,80,961

Notes Forming Integral Part of The Consolidated Financial Statements as on 31st March 2013

Note : 10 Fixed Asset

Sr. No.	Description	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 31.03.2013	WDV as on 31.03.2012
I	Tangible Assets										
1	Leased Assets										
	Solar Devices	9,06,94,680	-	-	9,06,94,680	8,98,08,446	5,08,326	-	9,03,16,772	3,77,908	8,86,234
2	Land	15,90,620	-	-	15,90,620	-	-	-	-	15,90,620	15,90,620
3	Building	69,37,695	-	-	69,37,695	12,78,190	1,33,041	-	14,11,231	55,26,464	56,59,505
4	Furniture & Fittings	93,10,502	3,44,370	-	96,54,872	33,67,806	5,73,179	-	39,40,985	57,13,887	59,42,696
5	Computer Peripheral & Software	3,61,24,752	4,42,445	-	3,65,67,197	2,86,89,241	38,47,040	-	3,25,36,281	40,30,916	74,35,511
6	Vehicles	57,63,669	23,62,828	-	76,78,286	30,75,614	6,19,727	2,30,459	34,64,882	42,13,404	26,88,055
7	Equipments, Plant & Machinery	67,72,464	4,05,275	4,48,211	71,77,739	22,54,244	3,04,887	-	25,59,131	46,18,608	45,18,220
	Sub Total (A)	15,71,94,382	35,54,918	4,48,211	16,03,01,089	12,84,73,541	59,86,200	2,30,459	13,42,29,282	2,60,71,807	2,87,20,841
II	Intangible Assets										
	Sub Total (B)	—	—	—	—	—	—	—	—	—	—
III	Capital Work-in-progress										
	Sub Total (C)	—	—	—	—	—	—	—	—	—	—
IV	Intangible Assets Under Development										
	Sub Total (D)	—	—	—	—	—	—	—	—	—	—
	Total [A+B+C+D] (Current Year)	15,71,94,382	35,54,918	4,48,211	16,03,01,089	12,84,73,541	59,86,200	2,30,459	13,42,29,282	2,60,71,807	2,87,20,841
	(Previous Year)	15,47,38,250	43,06,132	18,50,000	15,71,94,382	12,21,43,050	78,81,309	15,50,819	12,84,73,541	2,87,20,841	3,25,95,200

Notes Forming Integral Part of The Consolidated Statements as on 31st March 2013

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)	10,34,09,78,520	9,73,58,09,140
	Total in ₹	10,34,09,78,520	9,73,58,09,140

Note : 16 Cash & Cash Equivalents		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Cash-in-Hand Cash Balances	11,52,58,219	13,82,34,801
	Sub Total (A)	11,52,58,219	13,82,34,801
2	Bank Balance Current a/c with scheduled bank (Subject to reconciliation)	48,53,45,394	53,17,59,618
	Sub Total (B)	48,53,45,394	53,17,59,618
	Total in ₹ [A + B]	60,06,03,613	66,99,94,419

Note : 17 Short Terms Loans and Advances		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Loans & Advances from 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	96,83,82,264	61,16,99,100
	b)Loan against fixed deposit	93,876	20,49,601
	c)Prepaid Expenses	2,06,745	73,715
	d)Other loan and advances	74,23,470	87,02,085
	Total in ₹	97,61,06,355	62,25,24,501

Notes Forming Integral Part of The Consolidated Statements as On 31st March 2013

Note : 18 Revenue from Operations			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Interest on Loans	2,38,16,84,185	2,14,50,00,982
2	Income from Energy Division	-	6,96,69,448
3	Income on Government Guaranteed Bonds	19,64,536	28,53,193
4	Income from Lease Rent	4,42,128	33,38,700
	Total in ₹	2,38,40,90,849	2,22,08,62,323

Note : 19 Employment Benefit Expenses			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Salaries & Establishment	5,56,15,381	4,37,80,950
2	Mg. Director's & Directors' Remuneration	4,38,84,620	3,78,72,026
3	Mg. Director's & Directors' House Rent Allowance	4,20,000	4,20,000
	Total in ₹	9,99,20,001	8,20,72,976

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. 2012-2013 is ₹ 4,43,04,620 (last year ₹ 3,82,92,026) which is less than that 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	65,23,73,231	70,71,50,233
	Total in ₹	65,23,73,231	70,71,50,233

Note : 21 Depreciation & Amortised Cost			
		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	59,86,200	76,56,561
2	Preliminary Expenses W/O	1,22,04,925	1,22,04,925
3	Deferred Revenue Expenses W/O	74,33,511	-
	Total in ₹	2,56,24,636	1,98,61,486

Notes Forming Integral Part of The Consolidated Statements as on 31st March 2013

Note : 22 Other Expenses		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Car & Scooter Expenses	88,09,881	1,37,47,796
2	Travelling Expenses	3,72,21,963	2,58,30,717
3	Repair & Maintenance	1,21,63,927	1,33,15,439
4	Insurance Expenses	2,70,162	2,42,683
5	Electricity & Water Expenses	17,20,155	14,55,299
6	Rates & Taxes	9,980	49,936
7	Legal Expenses & Professional fees	2,72,98,141	1,75,12,760
8	Printing & Stationery	1,47,09,653	1,93,65,136
9	Postage & Telephone Expenses	95,98,931	90,52,120
10	Bad Debts Written off	24,23,78,918	10,74,96,298
11	Auditors' Remuneration	94,75,000	94,75,000
12	Rent	93,47,048	92,77,390
13	Rebate, Remission & Brokerage	1,69,82,327	68,54,076
14	Advertisement & Business Promotion Expenses	13,84,92,434	11,61,67,091
15	Recovery Expenses	33,62,754	30,35,023
16	Office and General Expenses	2,67,07,470	2,24,98,586
17	Loss on sale of Assets	1,05,252	23,77,450
	Total in ₹	55,86,53,996	37,77,52,800

Notes on Consolidated Financial Statements

23. Remuneration to Auditors:

	Current Year 31/03/2013	Previous Year 31/03/2012
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
Total	₹ 94,75,000	₹ 94,75,000

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

25. There are two unclaimed matured deposits amounting to ₹ 1.02 lacs lying with the company as on 31st March 2013.

26. 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.

27. Earning per Share

	2012-13	2011-12
Net profit for the year (After Tax)	70,77,24,372	71,85,37,484
Proposed Preference shares dividend and tax thereon	29,05,563	29,05,563
Profit for the Resulting Company	—	6,96,69,448
No. of Equity Shares (Weighted)	4,05,60,000	4,05,60,000
Basic and diluted Earning per share ₹	17.38	15.93

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

29. Disclosure of related party transactions : Refer Note No. 29 (A, B and C) of the Company's separate financial Statements.

D. Disclosures required for related party transactions.

(Rupees in Lacs)

	KMP & Relative	Enterprise over which significant influence exercised by KMP/Directors	Total
Transactions during the year			
Rendering of Services (Rent/hire charges)	9	89	98
Remuneration	443	-	443
Loan received	124	951	1075
Loans given	-	-	-
Interest paid	46	8	54
Interest / Dividend Received	-	185	185
Amount outstanding at Balance Sheet date			
—Amount Payable	395	-	395

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.

30. Working Capital Borrowings, Term Loans and Assignment details:

- A. **Oriental Bank of Commerce :** The facility (in subsidiary) from OBC Bank were secured by first charge of hypothecation of Book debts, and collaterally secured by office premises of two companies, a flat belonging to the Directors, personal guarantees of Directors and corporate guarantee of companies.
- B. **Development Credit Bank of India :** Assignment transaction was secured by hypothecation of Book Debts, cash collateral given by the Company in the form of FDR and personal guarantee given by the Directors of the Company.

For details of remaining facilities, loans and assignment refer Note NO. 30, 31 & 32 of SEIL Financial Statements.

31. Detail of Banks FDR held as on 31.03.2013

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

Sr. No.	Name of the Bank	Purpose	Principal Amount
1	Punjab National Bank	Over Draft	30,00,000
	TOTAL		30,00,000

For other details of Banks FDR, refer note no. 34 of SEIL Financial Statements.

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
M. No. 17583

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

Date : 29th May 2013

Place : Delhi

For and on behalf of the Board

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

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

Sr. No.	Particulars	Figures (in Lacs)
1.	Name of the Company	Nupur Finvest Private Limited
2.	Share Capital	536.96
3.	Reserves	4728.80
4.	Total Assets	8283.24
5.	Total Liabilities	3017.48
6.	Investments	25.00
7.	Turnover	2270.30
8.	Profit before Taxation	166.44
9.	Provision for Taxation	53.27
10.	Profit after Taxation	113.17
11.	Proposed Dividend	80.54

S. E. Investments Limited

Registered Office: S-547, IIInd Floor, Main Road, Shakarpur, Delhi-110092

ATTENDANCE SLIP

Please complete this slip and hand it over at the entrance of the Meeting Hall Registered Folio No. _____ Shares held _____
_____ Name (in Block Letter)

I hereby record my presence at the 21st Annual General Meeting of the Company held at Auditorium ISKCON Complex, Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash, New Delhi- 110065, on Monday, 30th September, 2013, at 10:30 AM.

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, IIInd Floor, Main Road, Shakarpur, Delhi-110092

PROXY FORM

Registered Folio No. _____ Shares held _____ I /We, _____
_____ of being a member / members of the above named company hereby appoint _____
_____ of _____ or failing him _____ of _____ as my / our
proxy to vote for me / us on my / our behalf at the TWENTY FIRST ANNUAL GENERAL MEETING of the Company to be held
at Auditorium ISKCON Complex, Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash, New Delhi- 110065, on Monday, 30th
September, 2013, at 10:30 AM. and at any adjournment thereof.

Signed this _____ day of _____ 2013.

Affix ₹ 1/-
Revenue
Stamp

NOTE:

The Proxy to be effective should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of meeting.



अर्थ: समाजस्य न्यासः

S E INVESTMENTS LIMITED

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