


*S & T*  *Corporation Limited*

2009-2010

26th ANNUAL REPORT



BOARD OF DIRECTORS

Mr. Surendra T. Savai	Chairman & Managing Director
Mr. Ajay S. Savai	Joint Managing Director
Mr. T. J. Bakhai	Director
Mr. N. K. Jhaveri	Director
Mr. N. K. Bhatt	Director
Mr. T. H. Shah	Director
Mr. S. K. Sheth	Director
Mr. R. B. Patel	Director
Mr. S. L. Chengede	Director

Bankers

Dena Bank  
ICICI Bank  
CITI Bank

Auditors

Pankaj Dalal & Associates  
Chartered Accountants

Registered Office :

195, Walkeshwar Road, Teen Batti, Mumbai-400 006.

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**S & T Corporation Limited**  
**TWENTY FIFTH ANNUAL REPORT**  
**NOTICE**

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of Company will be held on Thursday, 30<sup>th</sup> September, 2010, at 12.00 noon at Mumbai Textile Merchants Mahajan Hall, 250, Sheikh Memon street, Zaveri Bazar, Mumbai – 400002

**ORDINARY BUSINESS:**

1. To consider & adopt the Audited Accounts for the year ended 31/03/2010 together with Directors & Auditors Report thereon.
2. To Appoint a Director in place of Mr. Tejas Shah who retires by rotation at this meeting & being eligible, offers himself for reappointment.
3. To Appoint a Director in place of Mr. Sharad Sheth, who retires by rotation at this meeting & being eligible, offers himself for reappointment.
4. To Appoint a Director in place of Mr. Rajesh Patel, who retires by rotation at this meeting & being eligible, offers himself for reappointment.
5. To appoint Auditors & fix their remuneration.

**SPECIAL BUSINESS:**

6. To consider and, if thought fit, to pass, with or without modification (s) the following resolution as an 'ORDINARY RESOLUTION:

"RESOLVED THAT subject to the provisions of Sector 198, 269, 309 and Schedule XIII as amended from time to time and other applicable provisions, if any, of the Companies Act, 1956 the approval of the members of the Company be and is hereby accorded to the re-appointment to Mr. Surendra Savai as an Chairman for a further period of five years w.e.f 1<sup>st</sup> June 2010.'

"RESOLVED THAT subject to the provisions of Sector 198, 269, 309 and Schedule XIII as amended from time to time and other applicable provisions, if any, of the Companies Act, 1956 the approval of the members of the Company be and is hereby accorded to the re-appointment to Mr. Ajaykumar Savai as an Managing Director for a further period of five years w.e.f 1<sup>st</sup> June 2010.'

"RESOLVED FURTHER THAT the Board be and is hereby authorized to add, amend, later, modify the financial terms in a manner that the total remuneration shall not exceed that permissible under the provisions of the ct red with Schedule XIII of the Act s amended from time to time."

By Order of the Board

Mumbai,  
Date : 31st July, 2010

Surendra T. Savai  
Chairman & Managing Director

**NOTES:**

A MEMBER ENTITLED TO ATTEND & VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND & VOTE INSTEAD OF HIMSELF & A PROXY NEED NOT BE A MEMBER.

THE PROXY FORM DULY COMPLETED & SIGNED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

THE REGISTER OF MEMBERS & SHARE TRANSFER BOOKS OF THE COMPANY WILL BE CLOSED FROM 20th SEPTEMBER 2010 TO 27th SEPTEMBER 2010 (BOTH DAYS INCLUSIVE)

By Order of the Board

Mumbai,  
Date : 31st July, 2010

Surendra T. Savai  
Chairman & Managing Director

DIRECTORS' REPORT

To,  
The Members,  
S & T Corporation Limited

Your Directors present herewith 26th Annual Report of your Company together with Audited Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS :

	Current year 2009-10	Previous year 2008-09
Sales	6,459,024	1,516,538
Income from operating activities	5,554,992	3,598,296
Cost of Material Sold	5,631,823	1,464,406
Administrative & other expenses	1,226,547	1,039,227
Depreciation	43,439	47,494
Leaving a Profit before Taxation	5,112,207	2,563,707
Provision for taxation		
Current Tax	(7,90,000)	(2,65,000)
Fringe Benefit Tax	(0)	(4,000)
Profit after Current Taxation	4,322,207	2,294,707
Adding thereto:		
Brought forward from previous year	(47,597,499)	(49,892,206)
Net surplus after tax transferred to Balance Sheet	(43,275,292)	(49,892,206)

OPERATIONS :

The turnover of the Company for the year under review has increased from Rs. 1,516,538 to Rs. 6,459,024 while the earnings before Depreciation, other administrative expenses and taxation stood at Rs. 12,014,016 as against Rs. 5,114,834 in last year. The net Profit before tax for the year increased from Rs. 2,563,707 to Rs. 5,112,207. The loss carried forward to the Balance Sheet is Rs. 43,275,292.

DIVIDEND :

In view of accumulated losses, your directors regret their inability to recommend any dividend.

FUTURE OUTLOOK :

The Company since last few years has now restarted various business activities & hopeful of expanding its business activities in various fields gradually Company has also entered last year into partnership with M/s. Victory Realtors. The business of the partnership firm is to purchase, acquire & sell properties & carry out real estate development work & sell the shop/flats/premises constructed on the said properties & the same also should start generating the income in the coming years.

DIRECTORS :

Mr. Tejas Shah, Mr. Sharad Sheth & Mr. Rajesh Patel Directors of the Company retire at the ensuing Annual General Meeting & being eligible, offer themselves for reappointments.

**PARTICULARS OF EMPLOYEES :**

There were no employees pursuant to section 217(2A) of the Companies Act 1956, read with the Companies (Particulars of employees) rules 1975, as amended.

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

As the Company did not engage itself in manufacturing activities during the year under report, provisions relating to technology absorption & conversion of energy are not applicable, during the year under report, there were neither earnings nor out goes in foreign exchange.

**DIRECTORS RESPONSIBILITY STATEMENT :**

As required under Section 217(2AA) of the Companies Act, 1956, the Directors state that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed & that no material departures have been made from the same.
- ii. They have selected such accounting policies & applied them consistently & made judgments & estimates that are reasonable & prudent so as to give a true fair view of the state of affairs of the Company.
- iii. They have taken proper & 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 & for preventing & detecting fraud & other irregularities.
- iv. They have prepared the annual accounts on a going concern basis.

**SECRETARIAL COMPLIANCE CERTIFICATE :**

The Secretarial Compliance Certificate from Practicing Company Secretary M/s Anil Jani & Company as required U/s 383(A) of the Companies Act, 1956 as amended up to date is annexed herewith as part of the Directors Report.

**AUDITORS :**

M/s. Pankaj Dalal & Associates, Chartered Accountants, retire from the office of the Auditors at the conclusion of the ensuing annual general meeting & are available for appointment.

**ACKNOWLEDGEMENT :**

Your directors wish to place on record their application for the efforts, hard work, dedication and commitment put by employees at all levels as also for the valuable support by the bankers and other business associates.

**CORPORATE GOVERNANCE :**

Pursuant to clause 49 of the listing agreement (a) management discussion & analysis, (b) report of the directors on the practices prevalent on corporate governance in the Company & (c) the Auditors Certificate on compliance of mandatory requirement of corporate governance are given as annexure to this report.

By Order of the Board

Mumbai,  
Date : 31st July, 2010

Surendra T. Savai  
Chairman & Managing Director

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### Industry Structure & Developments

Your Company has entered into partnership with M/S. Victory Realtors to purchase, acquire & sell properties & carry out real estate development work & sell the shops/flats/premises constructed on the said properties. The Country's overall macroeconomic fundamentals are strong, particularly with tangible progress in recent years towards fiscal consolidation and a strong balance of payments position. India has one of the largest young populations in the world, spurring a boom in consumption and spending in the country. As a result Companies from all over the world are setting up a base in India & hence Development and construction activity will significantly increased with demand for improved life styles of the modern Indians Since India is the largest growing middle class in the world and the per capita income is growing day by day & demand for new offices, homes and malls in urban and semi – urban areas. Today, the Country boasts of Companies with world- class capabilities in sectors such as automobiles, information and technology, manufacturing and pharmaceuticals. All this bodies well for Companies engaged in real estate development.

### Opportunities, Threats, Risks & Concerts

The stable economic growth that the country is witnessing is one of the major boosters for the real estate industry – Liberalization of the economy has been driving the sector towards further development. Furthermore, the influx of foreign investments and the growing middle class makes this sector highly attractive offering immense growth potential for the Company's business. The growing urbanization of the Indian population has sparked an acute shortage of housing units. Decline in EMI's due to the fall in housing finance rates and the availability of tax incentives on housing finance rates and the availability of tax incentives on housing loans are increasing the need for housing units in cities and towns. There is an increasing demand from the growing IT/ITES sector, the retail industry, the entertainment and the hospitality & tours & travel industry as well. The opportunity is huge.

The Company is planning to operate in a highly fragmented and competitive industry. Our competition varies depending on the size, nature and complexity of the project to be executed. The level of transparency and sharing of data among players is a low rate. The threat of rising interest rates may dampen this growth. Increasing raw material prices is another area of concern. Construction involves a lot of pre-determined revenue valuation. Realization of this revenue is scattered across the period of construction. A significant threat that the real estate developers face is dealing with increase in raw material prices which may lead to spiraling costs. With superior methodologies, prior experience of the Board of Directors and improved process and systems, the Company strives to differentiate itself and ensure strong growth and profitability.

Our business may be substantially affected by the prevailing economic conditions in India. A general slowdown in the economic growth in India could cause a delay in the execution of our projects. Our performance and the quality of our assets are necessary dependent on the health of the overall Indian economy and the local economies.

### Segment-wise or Product Wise Performance

Revenue for the Company was generated from interest & Professional charges during the year. In our opinion Segment Reporting as Required under Accounting Standard-17 Issued by the Institute of Chartered Accounts of India (ICAI) is not applicable to the Company.

#### Outlook

We will continue to follow our successful strategy and actively shape our future. We will focus on improving our portfolio, increasing efficiency and expanding our business in order to get closer to key markets. Sustained growth factors like rising incomes and easy financing continue to supplement the growth of the real estate industry. While your Company plans to continue with development in and around Mumbai, we also plan to target high –growth market across India. The current year too will see the considerable investment in all this areas and our lines have been geared upto meet this demands.

#### Internal Control Systems & Their Adequacy

Your Company's internal control system is well defined & is commensurate with the size & nature of the business.

#### FINANCIAL PERFORMANCE

The financial performance of the Company is given separately in the Directors Report.

#### Material Developments In Human Resource/ Industrial Relations Front

There were no material developments in relation to human resources/ industrial relations in your Company as the Company has minimum employee strength. The Company has on its roll 5 employees & the rest of the operations are carried through board of directors.

#### Cautionary Statement

The above statements are as perceived by the directors based on the current scenario & the input available. Any extraneous developments & force majeure conditions may have an impact on the above perceptions.



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## REPORT ON CORPORATE GOVERNANCE

### INFORMATION UNDER THE CLAUSE 49 OF THE LISTING AGREEMENT:

The guidelines on corporate Governance as per listing agreement with Stock Exchanges are applicable to the Company for the year 2009-2010. The Company has been following steps towards implementation of the corporate governance.

#### Company's Philosophy on Corporate Governance

Corporate Governance is to combination of voluntary practice and compliance with laws and regulations leading to effective control and management of the Company. Good Corporate Governance leads to long term shareholder value and enhances the interest of other stake holders. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization keeping in mind the interest of the shareholders and the society.

#### Board of Directors

(a) Composition/ Category of Directors

Name	Designation	No. of Board Meeting during the period	Last AGM Attended
Mr. S.T. Savai	Chairman	5	YES
Mr. A. S. Savai	Director	5	YES
Mr. T. J. Bakhai	Director	5	YES
Mr. N. K. Bhatt	Director	5	YES
Mr. S. K. Seth	Director	5	YES
Mr. R. B. Patel	Director	5	YES
Mr. T. H. Shah	Director	5	YES
Mr. N. K. Jhaveri	Director	3	YES
Mr. S. L. Chengede	Director	5	YES

(b) Number of Board Meetings held during the year 2009-10

The Board of the Company met Five times during the period from 1<sup>st</sup> April, 2009 to 31<sup>st</sup> March, 2010 on the following dates; i.e. April 29, 2009, June 1, 2009, July 31, 2009, October 31, 2009 and January 30, 2010.

(c) The members of the Board have been provided with the requisite information mentioned in the listing agreement well before the Board meetings and same were dealt with appropriately. None of the Directors is disqualified for appointment as Director under any of the provisions of the Companies Act, 1956.

#### Board Committees

The Board has constituted following Committees of Directors:

(a) Shareholders Grievance Committee:

Tejas Bakhai - Chairman

Sharad Sheth - Director

Tejas Shah - Director

(b) Audit Committee:

Ajay Savai - Chairman  
Narayan Bhatt - Director  
Shantilal Chengade - Director

(c) Remuneration Committee:

Surendra Savai - Chairman  
Rajesh Patel - Director  
Narayan Bhatt - Director

Date of AGM	Place of AGM	Time	Book Closure Date
28/09/07	Mumbai Textile Merchants Hall	12.00 p.m.	21/9/07 to 28/9/07
30/09/08	Mumbai Textile Merchants Hall	12.00 p.m.	20/9/08 to 27/9/08
30/09/09	Mumbai Textile Merchants Hall	12.00 p.m.	07/9/09 to 14/9/09

Subsidiaries:

The Company does not have any subsidiary

Means of Communications:

The Annual, half yearly and quarterly results and share distribution statements are regularly submitted to the Mumbai Stock Exchange. However, the unaudited quarterly/ half yearly/ yearly results are not published in the prescribed format in newspapers in accordance with listing agreement owing to acute paucity of funds and heavy accumulated losses.

General Shareholder Information:

(a) Listing Shares on Stock Exchanges & Information regarding Registrars & Transfer Agents:

The Shares of the Company are listed in the Mumbai. The Company has been paying the listing fees of Mumbai Stock Exchange regularly.

The Company has entered into agreement with M/s. Sharex Dynamic (India) Pvt. Ltd. & has appointed them share transfer agent.

(b) Market Price Data:

During the year ended 31<sup>st</sup> March, 2010, there was no trading in Companies shares.

(c) Share Transfer System:

The Company's shares are present in physical form only. Shares sent for transfer in physical form are registered by the share transfer agent within 30 days of receipt of the documents, if the documents are found in order. Shares under objection are returned within two weeks. However Company is making necessary steps to have there share in demate.

(d) Financial Calendar, 2009-2010:

Results for quarter ending June 30, 2009 : Last week of August, 2009  
 Results for quarter ending September 30, 2009 : Last week of October, 2009  
 Results for quarter ending December 31, 2009 : Last week of January, 2010  
 Results for the year ending March 31, 2010 : Before May 30, 2010  
 Annual General Meeting for the year 2010 : 30<sup>th</sup> September, 2010

(e) Date of book closure of last year : 7<sup>th</sup> September 2009  
 to  
 14<sup>th</sup> September 2009

(f) The distribution of Shareholding as on 31<sup>st</sup> March, 2010:

**DISTRIBUTION SCHEDULE**

S & T CORPORATION LIMITED

DATE : 31-03-2010

Share Holding of Nominal Value of			No. of Share Holders		Share Account	
Rs.	Rs.		Number	% to Total	(In Rs.)	% to Total
Upto	– 5,000		21,589	97.27	26,825,500	57.23
5,001	– 10,000		425	1.92	3,750,000	8.00
10,001	– 20,000		110	0.50	1,712,000	3.65
20,001	– 30,000		32	0.14	843,000	1.80
30,001	– 40,000		7	0.03	260,000	0.55
40,001	– 50,000		12	0.05	565,000	1.21
50,001	– 1,00,000		10	0.05	790,000	1.69
1,00,001 & Above			5	0.02	12,124,000	25.87
<b>TOTAL</b>			<b>22190</b>	<b>100%</b>	<b>46,869,500</b>	<b>100%</b>

By Order of the Board

Mumbai,  
 Date : 31st July, 2010

Surendra T. Savai  
 Chairman & Managing Director

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

To,  
The Shareholders of  
S & T Corporation Limited

We have examined the compliance of conditions of Corporate Governance by S&T Corporation Ltd, for the year ended on 31<sup>st</sup> March 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to proceeds and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement, except for the followings :-

- 1) Quarterly results are not published in News papers, however the same were submitted with stock exchange.
- 2) The Company has not appointed full time Company Secretary as required by Section 383A Companies Act but avails the services of practicing Company Secretary as and when required.

As informed, by management there is no unresolved investor/ shareholder complaint.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the Management has conducted the affairs of the Company.

Mumbai,  
Date : 31st July, 2010

For Pankaj Dalal & Associates  
Chartered Accountants

CA. Pankaj Dalal  
Proprietor  
Membership No. 41233

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## AUDITOR'S REPORT

Auditor's Report to the Members of  
S & T Corporation Limited  
Mumbai.

1. We have audited the attached Balance Sheet of S & T CORPORATION LTD. As at 31st March, 2010 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003. Issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii) 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;
  - iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - v) In our opinion, there was no cess payable under section 441A
  - vi) On the basis of written representations received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
5. In our opinion and to the best of our information and according to the explanations given to us, subject to the accounts give the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010; and
  - b) in the case of Profit and Loss Account of the Profit for the year ended on that date.

For M/S. Pankaj Dalal & Associates  
Chartered Accountants

CA. Pankaj Dalal  
Proprietor  
Membership No. 41233

Mumbai,  
Date : 31st July, 2010

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ANNEXURE TO THE AUDITOR'S REPORT

Re: S & T Corporation Limited

Annexure Referred to in paragraph 3 of our report of even date.

(i) Fixed Assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(ii) Inventories:

- (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) Loans taken / granted by the Company

- (a) The following are the particulars of loans taken by the company from companies, firm and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:

S. N.	Name of Party	Relationship with Company	Amount (in Rs.)	Year End Balance (in Rs.)
1	Mr. Narayan K. Bhatt	Director	2,00,000	2,00,000
2	Mr. Ajay S. Savai	Director	20,00,000	20,00,000
3	Mr. Surendra T. Savai H U F	Karta is Director of the Co.	10,00,000	10,00,000

The following are the particulars of loans granted by the company to companies, firms and other parties covered in the register maintained under section 301 of the companies act, 1956:

S. No.	Name of Party	Relationship with Company	Amount (in Rs.)	Year End Balance (in Rs.)
1	Victory Realtors - loan Account	Partnership Firm	61,53,562/-	61,53,562/-
2	Victory Realtors - Partners contribution towards capital	Partnership Firm	12,000/-	12,000/-

- (b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from/granted to companies, firm or other parties listed in the registers maintained under Section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (iv) Internal Control over purchase of inventory and fixed assets and for sale of goods  
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, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) Transactions with parties listed u/s 301 of the Companies Act, 1956
- (a) Based on the audit procedure applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakhs rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) Deposits from the public  
In our opinion, and according to the information and explanation given to us, the provisions of section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975, are not applicable to the company.
- (vii) Internal Audit System  
In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) Cost Records  
The Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.

(ix) Statutory Dues

- (a) According to the records of the company, the company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, custom duty, excised-duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty were outstanding, as at 31/03/2010 for a period of more than six months from the date they became payable.
- (c) According to the records of the company, there are no dues of sale tax, income-tax, customs tax/wealth-tax, excise duty/cess which have not been deposited on account of any dispute.

(x) Sick Company

In our opinion, the accumulated losses of the company are more than fifty percent of its net worth. The company has not incurred any cash losses during the financial year covered by our audit however there was a cash loss in the immediately preceding financial year.

(xi) Default in Financial dues

Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institution, bank or debenture holders in the financial year covered by our audit.

(xii) Documents in respect of loans granted

Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) Chit funds/Nidhi/Mutual benefit fund/society

In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Companies (Auditors Reports) Order, 2003 are not applicable to the company.

(xiv) Companies dealing/trading of shares and other instruments

Based on our examination of the records and evaluation of the related internal controls In our opinion the company is not dealing/trading in shares & other securities in the financial year covered by our audit.

(xv) Guarantees for Loans

Based on our examination of documents and records, we are of the opinion that the company has not given any guarantees for loans taken by others from banks or financial institutions.

(xvi) End use of Term Loans

According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no term loan funds were raised by the company.



(xvii) Short-term & Long-term Investment

According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.

(xviii) Preferential Allotment

According to the information and explanations given to us, the company has not made any preferential allotment of shares of parties and companies covered in the register maintained under section 301 of the Act.

(xix) Debentures

According to the information and explanation given to us, during the period covered by our audit report, the company has not issued any debentures.

(xx) End use of Public Issues

According to the information and explanation given to us, during the period covered by our audit report, the company has not raised any money by way of public issue.

(xxi) Frauds

Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For M/S. Pankaj Dalal & Associates  
Chartered Accountants

CA. Pankaj Dalal  
Proprietor  
Membership No. 41233

Place : Mumbai  
Date :31st July, 2010

**BALANCE SHEET AS AT 31ST MARCH, 2010**

Particulars	Schedule		Current Year 2009-2010	Previous Year 2008-2009
<b><u>SOURCES OF FUNDS</u></b>				
Capital	1		46,869,500.00	46,869,500.00
Reserves and Surplus	2		18,068,379.00	18,068,379.00
Unsecured Loans	3	3,200,000.00	3,200,000.00	200,000.00
<b>TOTAL</b>			<b>68,137,879.00</b>	<b>65,137,879.00</b>
<b><u>APPLICATION OF FUNDS</u></b>				
<b><u>Fixed Assets</u></b>				
a. Gross Block	4	20,529,169.00		
b. Less : Depreciation		4,055,903.00		
c. Net Block		16,473,266.00		
d. Capital work-in-progress		-	16,473,266.00	182,035.00
Investment	5		12,000.00	12,000.00
<b><u>CURRENT ASSETS LOANS AND ADVANCES</u></b>				
Sundry Debtors	6	21,400.00		165,028.00
Cash and Bank Balances		700,324.00		5,616,529.00
Loans, Advances		10,495,597.00		13,858,548.00
		11,217,321.00		19,640,105.00
Less : Current Liabilities & Provision	7			
Current Liabilities		20,000.00		
Provision		2,820,000.00		
		2,840,000.00	8,377,321.00	17,346,344.00
Profit & Loss A/C			(43,275,292.00)	(47,597,499.00)
Notes to Accounts				
<b>TOTAL</b>			<b>68,137,879.00</b>	<b>65,137,879.00</b>

As per our report of even date

On Behalf of Board of Directors

For Pankaj Dalal & Associates  
Chartered Accountants

Surendra T. Savai  
Chairman &  
Managing Director

Ajay S. Savai  
Jt. Managing Director

Pankaj N. Dalal  
Proprietor  
Membership No. 041233

Place : Mumbai  
Date : 31st July, 2010

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010**

Particulars	Schedule		Current Year 2009-2010	Previous Year 2008-2009
<b><u>INCOME</u></b>				
Sales	8	6,459,024.00		1,516,538.00
Income from Operating Activities	9	5,554,992.00		3,598,296.00
			12,014,016.00	5,114,834.00
<b><u>Expenditure</u></b>				
Cost of Materials	10	5,631,823.00		1,464,405.76
Administrative & Other Expenses	11	1,226,547.00		1,039,227.41
Depreciation		43,439.00		47,494.00
Net Surplus Before Tax			6,901,809.00	2,551,127.17
Less : Provision for Tax			5,112,207.00	2,563,707.00
			-790,000.00	-265,000.00
			4,322,207.00	2,298,707.00
Less : Provision for Fringe Benefit Tax			-	-4,000.00
			4,322,207.00	2,294,707.00
Add/Less : Profit / Loss of Previous Year			-47,597,499.00	-49,892,206.00
			-43,275,292.00	-47,597,499.00
Net Surplus after tax transferred to Balance Sheet			-43,275,292.00	-47,597,499.00

As per our report of even date

On Behalf of Board of Directors

For Pankaj Dalal & Associates  
Chartered Accountants

Surendra T. Savai  
Chairman &  
Managing Director

Ajay S. Savai  
Jt. Managing Director

Pankaj N. Dalal  
Proprietor  
Membership No. 041233

Place : Mumbai  
Date : 31st July, 2010

**SCHEDULE FORMING PART OF ACCOUNTS**

Particulars	Schedule	Current Year 2009-2010	Previous Year 2008-2009
<u>SCHEDULE "1" SHARE CAPITAL</u>			
<u>Authorised Share Capital</u> Authorised Share Capital		50,000,000.00	50,000,000.00
<u>Issued, Subscribed and paid up Capital</u> Issued, Subscribed and paid up Capital		46,869,500.00	46,869,500.00
<b>TOTAL SHARE CAPITAL</b>		<b>46,869,500.00</b>	<b>46,869,500.00</b>
Note :			
Authorised Share Capital 50,00,000 Equity Shares of Rs. 10/- Each			
Issued, Subscribed and paid up Capital 46,86,950 Equity Shares of Rs. 10/- each			
<u>SCHEDULE "2" RESERVES AND SURPLUS</u>			
Reserves And Surplus		18,068,379.00	18,068,379.00
		<b>18,068,379.00</b>	<b>18,068,379.00</b>
<u>SCHEDULE "3" UNSECURED LOANS</u>			
Unsecured Loans - From Directors / Manager		3,200,000.00	200,000.00
		<b>3,200,000.00</b>	<b>200,000.00</b>

**SCHEDULE FORMING PART OF ACCOUNTS**

**SCHEDULE - '4' : FIXED ASSETS**

**SCHEDULE "4" FIXED ASSETS**

Particulars	Rate (%)	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As At 01.04.09 Rs.	Additions	As At 31.03.10	As At 01.04.07	For the year	As At 31.03.10	As At 31.03.10	As At 31.03.09
OFFICE									
Furniture & Fixture	18.10	1,937,074	0	1,937,074	1,807,949	23,372	1,831,321	105,753	129,125
Air Conditioner	18.10	390,315	0	390,315	354,942	6,403	361,345	28,970	35,373
Vehicles	25.89	1,034,061	0	1,034,061	1,032,326	449	1,032,775	1,286	1,735
Computers	40.00	833,049	34,470	867,519	817,247	13,215	830,462	37,057	15,802
Flat Booking	00.00	-	16,300,200	16,300,200	-	-	-	16,300,200	-
<b>Total</b>		<b>4,194,499</b>	<b>16,334,670</b>	<b>20,529,169</b>	<b>4,012,464</b>	<b>43,439</b>	<b>4,055,903</b>	<b>16,473,266</b>	<b>182,035</b>
Previous year Total		4,194,499	0	4,194,499	3,964,970	47,494	4,012,464	182,035	229,529

**SCHEDULE FORMING PART OF ACCOUNTS**

Particulars	Current Year 2009-2010	Previous Year 2008-2009
<b>SCHEDULE "5" INVESTMENTS</b>		
<u>Investment in Capital of Partnership Firms</u>		
Victory Realtors	12,000.00	12,000.00
	12,000.00	12,000.00
<b>SCHEDULE "6" CURRENT ASSETS</b>		
<u>Cash &amp; Bank Balance</u>		
Cash Balance on Hand	193,221.00	100,626.00
Bank Balance With Scheduled Banks On Current Accounts	507,104.00	5,515,903.00
	700,324.00	5,616,529.00
Sundry Debtors		
Unsecured Considered Good		
O/S for more than six months	-	165,028.00
Other Debtors	21,400.00	0
	21,400.00	165,028.00
Total Current Assets	721,724.00	5,781,557.00
Loans & Advances		
Unsecured Considered Good		
Advance Recoverable in Cash or in Kind or For Value to be Received	7,256,454.00	11,072,646.00
Deposits	386,000.00	386,000.00
Other Loans & Advances		
Payments of Taxes	2,853,142.00	2,399,902.00
	10,495,596.00	13,858,548.00
Note : Advance are subject to confirmations / reconciliation		
<b>SCHEDULE "7" : CURRENT LIABILITIES &amp; PROVISIONS</b>		
<u>Current Liabilities</u>		
Sundry Creditors - Others	20,000.00	263,760.00
	20,000.00	263,760.00
<u>Provisions</u>		
Provision for Taxation	2,820,000.00	2,030,000.00
	2,840,000.00	2,293,760.00
<b>SCHEDULE "8" : SALES</b>		
Sale of Airtickets	6,459,024.00	1,516,538.00
	6,459,024.00	1,516,538.00

SCHEDULE FORMING PART OF ACCOUNTS

Particulars	Current Year 2009-2010	Previous Year 2008-2009
<u>SCHEDULE "9" : OTHER INCOME</u>		
Commission	3,823,592.00	157,259.00
Interest Receive	1,731,400.00	1,614,037.00
Professional Charges	-	1,800,000.00
	<b>5,554,992.00</b>	<b>3,598,296.00</b>
<u>SCHEDULE "10" : COST OF MATERIALS</u>		
<u>Cost of Goods Fabric</u>		
<u>Air Tickets</u>		
Purchases	5,631,823.00	1,464,406.00
Total Cost of Goods	<b>5,631,823.00</b>	<b>1,464,406.00</b>
<u>SCHEDULE "11" : ADMINISTRATIVE &amp; OTHER EXPENDITURE</u>		
<u>Payments to Employees</u>		
SALARY & BONUS	266,017.00	255,293.00
<u>Administrative Expenses</u>		
Advertising	107,218.00	398,823.00
Audit Fees	20,000.00	20,000.00
Bank charges	5,622.00	1167.00
Conveyance	6,729.00	8,051.00
Electricity Charges	79,260.00	25,717.00
Insurance	8,344.00	-
Legal & Professional Fees	104,735.00	103,509.00
Listing Fees & Expenses	305,088.00	14,174.00
Membership Fees	-	1,000.00
Misc. Expenses	43,708.00	35,252.40
Postage	13,951.00	6,354.00
Printing & Stationery	131,565.00	117,914.00
Professional Tax	2,500.00	2,500.00
Telephone Expenses	131,810.00	49,473.00
	<b>960,530.00</b>	<b>783,934.00</b>
	<b>1,226,547.00</b>	<b>1,039,227.00</b>

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**SCHEDULE - '12' : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

- 1) The Financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles & the provisions of the companies act 1956. As adopted by the company.
- 2) Revenue/Income and Cost/Expenditure are generally accounted on accrual as and when they are earned or incurred. In case of fee based income, revenue is recognized based on the stage of completion of assignment and the bills raised.
- 3) Fixed assets are stated at cost of acquisition less accumulated depreciation.
- 4) Depreciation on fixed assets is provided at the rates & in the manner prescribed in schedule XIV of the company's act 1956.
- 5) Inventory of finished goods is valued at cost or net realizable value whichever is lower.(As taken, valued & certified by the management)
- 6) Turnover

	<u>2009 - 2010</u>		<u>2008 - 2009</u>	
Purchases-Air Tickets	261 Nos	Rs. 5,631,823.00	68 Nos	Rs. 1,464,406.00
Sales-Air Tickets	261 Nos	Rs. 6,459,024.00	68 Nos	Rs. 1,516,538.00
- 7) The current assets, loans & advances are fully recoverable at the values stated if realized in the ordinary course of business.
- 8) Company has taken unsecured loans from directors/shareholders time to time for the expenses incurred by the company & in our opinion this loans are not prejudicial to the interest of the company.
- 9) Current Assets & Current Liabilities are subject to confirmations.
- 10) There is no amount for which the company is contingently liable.
- 11) Previous years figures are regrouped & recanted wherever necessary.

As per our report of even date

On Behalf of Board of Directors

For Pankaj Dalal & Associates  
Chartered Accountants

Surendra T. Savai  
Chairman &  
Managing Director

Ajay S. Savai  
Jt. Managing Director

CA. Pankaj Dalal  
Proprietor  
Membership No. 41233

Place : Mumbai  
Date : 31st July, 2010

GROUPINGS TO SCHEDULES ANNEXED TO BALANCE SHEET AS ON 31/03/2009

Unsecured Loans - From Directors / Manager	
AJAY KUMAR & COMPANY	2,000,000.00
Narayan K. Bhatt	200,000.00
Surendra Tulsidas HUF	1,000,000.00
	<u>3,200,000.00</u>
Sundry Creditors - Others	
AUDIT FEES PAYABLE	20,000.00
	<u>20,000.00</u>
Provision for Taxation	
PROVISION FOR INCOME TAX & FBT	2,820,000.00
	<u>2,820,000.00</u>
Cash balance on hand	
CASH ON HAND	193,221.00
	<u>193,221.00</u>
On Current Accounts	
CITI BANK	32,582.00
DENA BANK	455,159.00
ICICI BANK	19,363.00
	<u>507,104.00</u>
Advance recoverable in cash or in kind or for value to be received	
AKBAR TRAVELS OF INDIA PVT. LTD.	469,250.00
M. J. GANDHI	600,000.00
SHAREX DYNAMIC INDIA PVT. LTD.	33,646.00
VICTORY REALTORS	6,153,562.00
	<u>7,256,454.00</u>
Payments of Taxes	
S. A. TAX 2007-08	135,044.00
SERVICE TAX	25,750.00
TDS 2007-08	175,538.00
TDS 2008-09	1,625,951.00
TDS 2009-10	437,619.00
TDS 2010-11	446,403.00
	<u>2,853,142.00</u>
Deposits	
DEPOSIT FOR OFFICE PREMISES AT NEW MUMBAI	384,000.00
DEPOSIT WITH SALES TAX DEPARTMENT	2,000.00
	<u>386,000.00</u>
Debtors (other)	
MUKUL PAWAR	700.00
POOJA ARUN GAWDE	20,700.00
	<u>21,400.00</u>



**INFORMATION AS REQUESTED UNDER PART IV  
OF SCHEDULE VI TO THE COMPANIES ACT 1956**

**BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE**

1.	REGISTRATION DETAILS	
	Registration No.	33178
	State Code	11
	Balance Sheet Date	31.03.2010
2.	CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)	
	Public Issue	NIL
	Rights Issue	NIL
	Bonus Issue	NIL
	Private Placement	NIL
3.	POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS (Amount of Thousands) :	
	Total Liabilities	68,138
	Total Assets	68,138
	SOURCES OF FUNDS	
	Paid up Capital	46,870
	Reserve & Surplus	18,068
	Secured Loans	NIL
	Unsecured Loans	3200
	APPLICATION OF FUNDS	
	Net Fixed Assets	16,473
	Investment	12
	Net Current Assets	8,377
	Miscellaneous Expenditure	NIL
	Accumulated Losses	43,275
4.	PERFORMANCE OF COMPANY (Amount in Rs. Thousands)	
	Turnover	12,014
	Total Expenditure	6,902
	Profit / (Loss) Before Tax	5,112
	Profit / (Loss) After Tax	4,322
	Earning Per Share	NIL
	Dividend Rate %	NIL
5.	GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF COMPANY (AS PER MONETARY TERMS)	
	Item Code No. (ITC Code)	
	Product Description	Finance & Investments
	Item Code No. (ITC Code)	
	Product Description	Commission Agents

On Behalf of Board of Directors

Surendra T. Savai  
Chairman  
& Managing Director

Ajay S. Savai  
Jt. Managing Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

	For the yr. ended 31st March, 2010	For the yr. ended 31st March, 2009
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit	4,322,207	2,294,707
Depreciation	43,439	47,494
	4,365,646	2,342,201
Operating Profit Before Working Capital Changes		
Increase/Decrease in Sundry Creditors	546,240	329,303
Increase/Decrease in Loans & Advances	3,362,952	-1,907,881
Increase/Decrease in Sundry Debtors	143,628	-
	<b>A 8,418,466</b>	<b>763,623</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Increase/Decrease in Investment	-	-
Increase/Decrease in Fixed Assets	-16,334,670	-
	<b>B -16,334,670</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Increase/decrease In Unsecured Loan	3,000,000	200,000
	<b>C 3,000,000</b>	<b>200,000</b>
Net Increase in Cash and Cash equivalents (A + B + C)	-4,916,204	963,623
Opening Balance of Cash and Cash equivalent on 01.04.2009	5,616,528	4,652,905
Closing Balance of Cash and Cash equivalent on 31 .03.2010	700,324	5,616,528

**AUDITORS' CERTIFICATE**

We have verified the above Cash Flow Statement of S & T CORPORATION LIMITED for the year ended on 31st March, 2009. The statement has been prepared by the company in accordance with the requirement Clause 32 with Stock Exchange and is based on and in agreement with corresponding Profit & Loss and Balance Sheet of the Company covered by our report of even date of the members of the Company.

For Pankaj Dalal & Associates  
Chartered Accountants.

Place : Mumbai  
Date : 31st July, 2010

CA. Pankaj Dalal  
Proprietor  
Membership No. 41233

# S & T CORPORATION LIMITED

## PROXY FORM

I/We \_\_\_\_\_

of \_\_\_\_\_

being a member/members of S & T Corporation Limited hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_

or failing him \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ or failing him \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote for me/us on my/our behalf at the TWENTY FIFTH ANNUAL GENERAL MEETING of the Company to be held at 12.00 p.m. on Thursday, 30th September, 2010 and at any adjournment thereof.

As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2010.

Signed by the said \_\_\_\_\_

Affix  
1.00 Re.  
Revenue  
Stamp

Note : The proxy must be deposited at the Registered Office of the Company at 195, Walkeshwar Road, Teen Batti, Mumbai - 400 006, not less than 48 hours before the time for holding the meeting.

# S & T CORPORATION LIMITED

ATTENDANCE SLIP  
To be handed over at the entrance of the Meeting Hall

Name of the attending Member (in Block Letters)		Member's Ledger Folio
Name of the Proxy (in Block Letters) (To be filled in if the Proxy attends instead of the Member)		

No. of Shares held \_\_\_\_\_

I hereby record my presence at the TWENTY FIFTH ANNUAL GENERAL MEETING of the Company held at 12.00 a.m. at Mumbai Textile Merchants' Mahajan Hall, 250 Shaikh Memon Street, Zaveri Bazar, Mumbai -400 002. on Thursday, the 30th September, 2010.

\_\_\_\_\_  
Member's/Proxy Signature