

*S & T*  *Corporation Limited*

2010-2011

**27th ANNUAL REPORT**





**BOARD OF DIRECTORS**

<b>Mr. Surendra T. Savai</b>	Chairman & Managing Director
<b>Mr. Ajay S. Savai</b>	Joint Managing Director
<b>Mr. Tejas. J. Bakhai</b>	Director
<b>Mr. Narayan. K. Bhatt</b>	Director
<b>Mr. Tejas. H. Shah</b>	Director
<b>Mr. Sharad. K. Sheth</b>	Director
<b>Mr. Rajesh. B. Patel</b>	Director
<b>Mr. Shantilal. L. Chengede</b>	Director

**Bankers**

Dena Bank  
ICICI 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 Seventh Annual General Meeting of the Members of Company will be held on Friday, 30 September, 2011, 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<sup>st</sup> March 2011 together with Directors & Auditors Report thereon.
2. To Appoint a Director in place of Mr. Narayan Bhatt who retires by rotation at this meeting & being eligible, offers himself for reappointment.
3. To Appoint a Director in place of Mr. Tejas Bakhai, who retires by rotation at this meeting & being eligible, offers himself for reappointment.
4. To Appoint a Director in place of Mr. Shantilal Chengede, who retires by rotation at this meeting & being eligible, offers himself for reappointment.
5. To appoint Auditors & fix their remuneration.

By Order of the Board

Mumbai,  
Date : 1st August, 2011

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 23<sup>rd</sup> SEPTEMBER 2011 TO 30th SEPTEMBER 2011 (BOTH DAYS INCLUSIVE)

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**DIRECTORS' REPORT**

To,  
The Members,  
**S & T Corporation Limited**

Your Directors present herewith 27th Annual Report of your Company together with Audited Accounts for the year ended 31st March, 2011.

**FINANCIAL RESULTS :**

	<b>Current year 2010-11</b>	<b>Previous year 2009-10</b>
Sales	1,39,58,194	64,59,024
Other Income	8,17,959	55,54,992
Cost of Material Sold	1,21,72,552	56,31,823
Administrative & other expenses	15,00,831	12,26,547
Depreciation	39,541	43,439
Profit before Tax	10,63,230	51,12,207
Provision for Tax	(2,06,000)	(7,90,000)
Profit after Tax	8,57,230	43,22,207
Profit / Loss previous year	(4,32,75,292)	(4,75,97,499)
Prior year Tax Adjustment	(194,261)	-
Net Profit / Loss	(4,26,12,324)	(4,32,75,292)

**DIVIDEND**

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

**FUTURE OUTLOOK**

**AMALGAMATION**

Amalgamation of S & T Corporation Limited (Transferee Company) and Shubh Management Consultants (P) Ltd. (Transferor Company)

During the year under review, a Scheme of Amalgamation u/s 391/394 of the Companies Act, 1956, (the Scheme) for amalgamation of S & T Corporation Limited (Transferee Company) and Shubh Management Consultants (P) Ltd. (Transferor Company) was approved by the Company in the board meeting held on 8<sup>th</sup> April 2011 along with Exchange Ratio as follows:

For Every 10 Fully Paid up Equity shares of Rs. 10/- each paid up in Shubh Management Consultants Private Limited, S & T Corporation Limited will issue and allot 85 fully paid up Equity Shares of Rs. 10 each.

Mr. Rajesh Shah & Co. Advocates was appointed by the company to appear before the court and present any matter and to take such other steps as may be necessary for the scheme of Amalgamation.

The required Documents have been submitted with BSE for approval and NOC from the Exchange is in process, post which the company shall submit the Company Application with the Mumbai High Court for the approval.

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

#### **DIRECTORS**

Mr. Tejas Bakhai, Mr. Narayan K Bhatt & Mr. Shantilal Chengede 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 & 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 Director state that:

- i) That 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) That 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) That 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) That they have prepared the annual accounts on a going concern basis.

#### **SECRETARIAL COMPLIANCE CERTIFICATE**

- i) The Secretarial Compliance Certificate from practicing Company Secretary M/s Harshad Mane as require U/s 383(A) of the Company Act, 1956 as amended up to date is annexed here with as part of the Director Report.

#### **AUDITORS**

- i) Your Directors recommend the appointment of M/S. Pankaj Dalal & Associates, Chartered Accountants whose term expire on ensuing Annual general meeting, as Statutory Auditors from the ensuing Annual General meeting till next annual general meeting and on remunerations as may be decided by the Chairman. You are requested to appoint them as auditors.

**CORPORATE GOVERNANCE**

- i) 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 requirements of corporate governance are given as an annexure to this report.

**ACKNOWLEDGEMENT**

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

By Order of the Board

Mumbai,  
Date : 1st August, 2011

Surendra T. Savai  
Chairman & Managing Director

## **Management Discussion & analysis Report**

### **Industry Structure & Developments**

Your company has entered into partnership with M/S. Rajyog Enterprise 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 bodes well for companies engaged in real estate development.

### **Opportunities, Threats, Risks & Concerns**

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 EMIs due to the fall in 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 potential concern. One of the main drivers of growth for real estate is the availability of finance at low rates. 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 processes 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 necessarily 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 Accountants Of India (ICAI) Is Not Applicable To the company

**Outlook**

Sustained growth factors like rising incomes and easy financing continue to supplement the growth of the real estate industry. The outlook for the Company remains upbeat. While your Company plans to continue with development in and around Mumbai, we also plan to target high-growth markets across India. The Company is currently exploring many projects and intends take advantage of all the opportunities coming its way, which it can further scale up and leverage its business.

**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 Resources/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 4 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.

## **REPORT ON CORPORATE GOVERNANCE**

The guidelines on corporate Governance as per listing agreement with Stock Exchanges are applicable to the Company for the Year 2010-11. 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

<b>Name</b>	<b>Designation</b>	<b>No. of Board Meeting during the period</b>	<b>Last AGM Attended</b>
Mr. Surendra T Savai	Chairman	5	yes
Mr. Ajay S Savai	Director	5	yes
Mr. Tejas J Bakhai	Director	5	yes
Mr. Narayan K Bhatt	Director	5	yes
Mr. Sharad K Sheth	Director	5	yes
Mr. Rajesh B Patel	Director	5	yes
Mr. Tejas H Shah	Director	5	yes
Mr. Shantilal L Chengde	Director	5	yes

(b) Number of Board Meeting held during the year 2010-11

The Board of the Company met five times during the period from 1 st April, 2010 to 31 st March, 2011 on the following dates; i.e. 30.4.2010, 31.7.2010, 30.9.2010, and 31.1.2011.

(c) The members of the Board have been provided with the requisite information mentioned in the listing agreement well before the Board Meeting 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:

#### **Shareholders Grievance Committee:**

Mr. Tejas Bakhai - Chairman

Mr. Sharad Sheth - Director

Mr. Tejas Shah - Director

**Audit Committee:**

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

**Remuneration Committee:**

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

**Annual General Meetings:**

The details of the previous three Annual General Meetings held by the Company are as under:

<b>Date of AGM</b>	<b>Place of AGM</b>	<b>Time</b>	<b>Book Closure Date</b>
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
30/09/10	Mumbai Textile Merchants Hall	12.00 p.m.	20/9/10 to 27/9/10

**Special Resolutions**

There were no Special resolution passed in Annual General meetings.

**Subsidiaries:**

The Company does not have any subsidiary.

**Means of Communications:**

The annual, half yearly and quarterly results and share distribution statements are generally submitted to the Mumbai Stock Exchange

**General Shareholder Information:**

- (a) Listing of 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 2011, there was no trading in Companies Share.

(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 founded in order, and shares under objection are return within two weeks. However company is making necessary steps to convert share in demat form.

(d) **Financial Calendar, 2010-11:**

First quarterly results	:	last week of July
Second quarterly results	:	last week of October
Third quarterly results	:	last week of January
Fourth Quarterly Audited Annual Results	:	last week of May/June
Annual General Meeting for the year 2011	:	30 <sup>TH</sup> September 2011
Date of book closure of last year	:	23 <sup>rd</sup> September 2011 to 30 <sup>th</sup> September 2011

(e) **Distribution of Shareholding:**

The distribution of shareholding as on 31st March, 2011 is given below:

**DISTRIBUTION SCHEDULE**

**S & T CORPORATION LIMITED**

**DATE : 31-03-2011**

Share Holding of Nominal Value of			No. of Share Holders		Share Account	
Rs.	Rs.		Number	% to Total	(In Rs.)	% to Total
Upto	—	5,000	21,515	97.27	26,799,500	57.18
5,001	—	10,000	425	1.92	3,746,000	7.99
10,001	—	20,000	112	0.51	1,742,000	3.72
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	1.20
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>22158</b>	<b>100%</b>	<b>4,68,69,500</b>	<b>100%</b>

By Order of the Board

Mumbai,  
Date : 1st August, 2011

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 31st March 2011. 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 : 1st August, 2011

**For Pankaj Dalal & Associates**  
Chartered Accountants  
FRN : 107347W

**CA. Pankaj Dalal**  
Proprietor  
Membership No. 41233

## **AUDITOR'S REPORT**

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

We have audited the attached Balance Sheet of **S & T CORPORATION LTD.** As at 31st March, 2011 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.

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.

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.

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, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

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, 2011; 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  
FRN : 107347W

**CA. Pankaj Dalal**  
Proprietor  
Membership No. 41233

Mumbai,  
Date : 1st August, 2011

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**ANNEXURE TO THE AUDITOR'S REPORT**

Re: **SAND T CORPRATION LTD.**

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

**1. Fixed Assets**

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of 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.

**2. Inventory**

- 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.

**3. 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	Nil
2	Mr. Ajay S. Savai	Director	20,00,000	Nil
3	Mr. Surendra T. Savai H U F	Karta is Director of the Co.	10,00,000	Nil

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/-
3	Rajyog Enterprise- Loan Account	Partnership Firm	1,85,75,000/-	1,85,75,000/-
	Rajyog Enterprise- Partners Contribution Towards Capital	Partnership Firm	5,000/-	5,000/-

- 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.

**4. 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.

**5. 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.

**6. 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.

**7. Internal Audit System**

In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

**8. Cost Records**

The Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956.



**9. 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 31/03/2011 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.

**10. 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.

**11. 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.

**12. 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.

**13. 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.

**14. 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.

**15. 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.

**16. 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.

**17. 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.

**18. 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.

**19. 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.

**20. 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.

**21. 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.

Mumbai,  
Date : 1st August, 2011

**For M/S. Pankaj Dalal & Associates**  
Chartered Accountants  
FRN : 107347W

**CA. Pankaj Dalal**  
Proprietor  
Membership No. 41233

**BALANCE SHEET AS AT 31ST MARCH, 2011**

Particulars	Schedule	Current Year 2010-2011		Previous Year 2009-2010	
		Rs.	Rs.	Rs.	Rs.
<b><u>SOURCES OF FUNDS</u></b>					
Capital	1		46,869,500.00		46,869,500.00
Reserves and Surplus	2		18,068,378.57		18,068,378.57
Unsecured Loans	3	-	-	3,200,000.00	3,200,000.00
<b>TOTAL</b>			<b>64,937,878.57</b>		<b>68,137,878.57</b>
<b><u>APPLICATION OF FUNDS</u></b>					
<b><u>Fixed Assets</u></b>					
a. Gross Block	4	5,029,169.00		20,529,169.00	
b. Less : Depreciation		4,095,444.00		4,055,903.00	
c. Net Block		933,725.00		16,473,266.00	
d. Capital work-in-progress		-	933,725.00	-	16,473,266.00
Investment	5		17,000.00		12,000.00
<b><u>CURRENT ASSETS LOANS AND ADVANCES</u></b>					
Sundry Debtors	6	298,100.00		21,400.00	
Cash and Bank Balances		1,007,014.13		700,324.37	
Loans, Advances		20,305,715.88		10,495,596.00	
		21,610,830.01		11,217,320.37	
Less : Current Liabilities & Provision	7				
Current Liabilities		30,000.00		20,000.00	
Provision	1	206,000.00		2,820,000.00	
		236,000.00	21,374,830.01	2,840,000.00	8,377,320.37
Profit & Loss A/C			42,612,323.56		43,275,292.20
<b>TOTAL</b>			<b>64,937,878.57</b>		<b>68,137,878.57</b>

As per our report of even date

On Behalf of Board of Directors

**For Pankaj Dalal & Associates**

Chartered Accountants

FRN : 107347W

Director

Director

**Pankaj N. Dalal**

Proprietor

Membership No. 041233

Place : Mumbai

Date : 1st August, 2011

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

Particulars	Schedule	Current Year 2010-2011		Previous Year 2009-2010	
		Rs.	Rs.	Rs.	Rs.
<b>INCOME</b>					
Sales	8	13,958,194.00		6,459,024.00	
Income from Operating Activities	9	817,959.00	14,776,153.00	5,554,992.00	12,014,016.00
<b>Expenditure</b>					
Cost of Materials	10	12,172,551.60		5,631,823.00	
Administrative & Other Exp.	11	1,500,830.76		1,26,547.14	
Depreciation		39,541.00	13,712,923.36	43,439.00	6,901,809.14
Net Surplus Before Tax			1,063,229.64		5,112,206.86
Less : Provision for Tax			-206,000.00		-790,000.00
			857,229.64		4,322,206.86
Add/Less : Profit / Loss of Previous Year			-43,275,292.20		-47,597,499.06
			-42,418,062.56		-43,275,292.20
Prior Year Tax Adjustment			-194,261.00		-
Net Profit after tax transferred to Balance Sheet			-42,612,323.56		-43,275,292.20

As per our report of even date

On Behalf of Board of Directors

**For Pankaj Dalal & Associates**

Chartered Accountants

FRN : 107347W

Director

Director

**Pankaj N. Dalal**

Proprietor

Membership No. 041233

Place : Mumbai

Date : 1st August, 2011

**SCHEDULE FORMING PART OF ACCOUNTS**

Particulars	Schedule	Current Year 2010-2011	Previous Year 2009-2010
<b><u>SCHEDULE "1" SHARE CAPITAL</u></b>			
<b><u>Authorised Share Capital</u></b> Authorised Share Capital		50,000,000.00	50,000,000.00
<b><u>Issued, Subscribed and paid up Capital</u></b> 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			
<b><u>SCHEDULE "2" RESERVES AND SURPLUS</u></b> Reserves And Surplus		18,068,378.57	18,068,378.57
		<b>18,068,378.57</b>	<b>18,068,378.57</b>
<b><u>SCHEDULE "3" UNSECURED LOANS</u></b> Unsecured Loans - From Directors / Manager		0.00	3,200,000.00
		<b>0.00</b>	<b>3,200,000.00</b>

**SCHEDULE FORMING PART OF ACCOUNTS**  
**SCHEDULE - '4' : FIXED ASSETS**

**SCHEDULE "4" FIXED ASSETS**

Particulars	Rate (%)	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Op. As on 01.04.10	Additions	Deduction	Cost. As on 31.03.11	Op. As on 01.04.10	For the year	Deduction	Cl. As on 31.03.11	As At 31.03.11	As on 31.03.10
<b>OFFICE</b>											
Furniture & Fixture	18.10	1,937,074	-	-	1,937,074	1,831,321	19,141	-	1,850,462	86,612	105,753
Air Conditioner	18.10	390,315	-	-	390,315	361,345	5,244	-	366,589	23,726	28,970
Vehicles	25.89	1,034,061	-	-	1,034,061	1,032,775	333	-	1,033,108	953	1,286
Computers	40.00	867,519	-	-	867,519	830,462	14,823	-	845,285	22,234	37,057
Flat Booking	0.00	16,300,200	-	15,500,000	800,200	-	-	-	-	800,200	16,300,200
<b>Total</b>		<b>20,529,169</b>	<b>-</b>	<b>15,500,000</b>	<b>5,029,169</b>	<b>4,055,903</b>	<b>39,541</b>	<b>-</b>	<b>4,095,444</b>	<b>933,725</b>	<b>16,473,266</b>
<b>Previous year Total</b>		<b>4,194,499</b>	<b>16,334,670</b>	<b>-</b>	<b>20,529,169</b>	<b>4,012,464</b>	<b>43,439</b>	<b>-</b>	<b>4,055,903</b>	<b>16,473,266</b>	<b>182,035</b>

**SCHEDULE FORMING PART OF ACCOUNTS**

<b>Particulars</b>	<b>Current Year 2009-2010</b>	<b>Previous Year 2008-2009</b>
<b><u>SCHEDULE "5" INVESTMENTS</u></b>		
<u>Investment in Capital of Partnership Firms</u>		
Victory Realtors	12,000.00	12,000.00
Rajyog Enterprise	5,000.00	-
	<b>17,000.00</b>	<b>12,000.00</b>
<b><u>SCHEDULE "6" CURRENT ASSETS</u></b>		
<u>Cash &amp; Bank Balance</u>		
Cash Balance on Hand	236,779.50	193,220.50
<u>Bank Balance With Scheduled Banks</u>		
On Current Accounts	770,234.63	507,103.87
	<b>1,007,014.13</b>	<b>700,324.37</b>
<b>Sundry Debtors</b>		
<u>Unsecured Considered Good</u>		
Other Debtors	298,100.00	21,400.00
Total Current Assets	<b>1,305,114.13</b>	<b>721,724.37</b>
<b>Loans &amp; Advances</b>		
<u>Unsecured Considered Good</u>		
Advance Recoverable in Cash or in Kind or For Value to be Received	656,636.00	1,102,892.00
Advances / Loans to Firms in which in which company is partner	19,031,225.88	6,153,562.00
Deposits	386,000.00	386,000.00
Other Loans & Advances		
Payments of Taxes	231,854.00	2,853,142.00
	<b>20,305,715.88</b>	<b>10,495,596.00</b>
<b>Note : Advance are subject to confirmations / reconciliation</b>		
<b><u>SCHEDULE "7" : CURRENT LIABILITIES &amp; PROVISIONS</u></b>		
<u>Current Liabilities</u>		
Sundry Creditors - Others	30,000.00	20,000.00
<u>Provisions</u>		
Provision for Taxation	206,000.00	2,820,000.00
	<b>236,000.00</b>	<b>2,840,000.00</b>
<b><u>SCHEDULE "8" : SALES</u></b>		
Sale of Airtickets	13,958,194.00	6,459,024.00

**SCHEDULE FORMING PART OF ACCOUNTS**

<b>Particulars</b>	<b>Current Year 2010-2011</b>	<b>Previous Year 2009-2010</b>
<b><u>SCHEDULE "9" : INCOME FROM OPERATING ACTIVITIES</u></b>		
Commission	310,937.00	3,823,592.00
Interest Receive	503,518.00	1,731,400.00
Professional Charges	3,504.00	-
	<b>817,959.00</b>	<b>5,554,992.00</b>
<b><u>SCHEDULE "10" : COST OF MATERIALS</u></b>		
<u>Cost of Goods Fabric</u>		
<u>Air Tickets</u>		
Purchases	12,172,551.60	5,631,823.00
Total Cost of Goods	12,172,551.60	5,631,823.00
<b><u>SCHEDULE "11" : ADMINISTRATIVE &amp; OTHER EXPENDITURE</u></b>		
<u>Payments to Employees</u>		
SALARY & BONUS	502,495.00	266,017.00
<u>Administrative Expenses</u>		
Advertising	288,384.00	107,218.00
Audit Fees	30,000.00	20,000.00
Bank charges	6,901.01	5,621.67
Computer Expenses	18,883.00	-
Conveyance	20,156.00	6,729.00
Demat Charges	1,069.00	-
Electricity Charges	49,696.00	79,260.00
Insurance	26,434.00	8,344.00
Legal & Professional Fees	283,846.00	104,735.00
Listing Fees & Expenses	11,030.00	305,088.00
Misc. Expenses	41,105.00	43,708.00
Postage	18,383.00	13,951.00
Printing & Stationery	127,278.00	131,565.00
Professional Tax	2,500.00	2,500.00
Repairs & Maintenance	13,541.00	-
Telephone Expenses	59,129.75	131,810.47
	<b>998,335.76</b>	<b>960,530.14</b>
	<b>1,500,830.76</b>	<b>1,226,547.14</b>

**GROUPINGS TO SCHEDULES ANNEXED TO BALANCE SHEET AS ON 31/03/2011**

**Sundry Creditors - Others**

AUDIT FEES PAYABLE	30,000.00
	<u>30,000.00</u>

**Provision for Taxation**

PROVISION FOR INCOME TAX & FBT	206,000.00
	<u>206,000.00</u>

**Cash balance on hand**

CASH ON HAND	236,779.50
	<u>236,779.50</u>

**On Current Accounts**

CITI BANK	32,582.00
DENA BANK	258,736.96
ICICI BANK	478,915.67
	<u>770,234.63</u>

**Advance / Loans to Firms in which company is partner**

RAJYOG ENTERPRISE	18,575,000.00
VICTORY REALTORS	456,225.88
	<u>19,031,225.88</u>

**Advance recoverable in cash or in kind or for value to be received**

CLEAR GRIP TRAVEL SERVICE PVT. LTD.	1,267.00
M. J. GANDHI	600,000.00
SHANTILAL CHANDLIA & CO	1,150.00
TRACK INDIA PVT. LTD.	54,219.00
	<u>656,636.00</u>

**Payments of Taxes**

ADVANCE INCOME TAX AY 2011-12	175,000.00
SERVICE TAX	25,750.00
TDS 2011-12	31,104.00
	<u>231,854.00</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>



**GROUPINGS TO SCHEDULES ANNEXED TO BALANCE SHEET AS ON 31/03/2011**

<b>Debtors (other)</b>	
CHIRAG D BHATT	20,000.00
DARSHNA B PANCHMATIA	24,450.00
DHIMANT G BHATT	20,000.00
GEETA SIMARIA	24,450.00
JAINA GOSAR	14,450.00
KALPANA RAJGOR	14,450.00
KISHORRAJGOR	14,450.00
KUNJAL RAJGOR	14,450.00
MUKTI BHATT	20,000.00
PHAGUN SHAH	42,500.00
RAJESH GOSAR	14,450.00
SAROJ BHATT	20,000.00
SOHIL KAPADIYA	20,000.00
SWATI GOSAR	14,450.00
TVISHA KAPADIYA	20,000.00
	<hr/>
	<b>298,100.00</b>

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

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

<b>1. REGISTRATION DETAILS</b>	
Registration No.	33178
State Code	11
Balance Sheet Date	31.03.2011
<b>2. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)</b>	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
<b>3. POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS (Amount of Thousands) :</b>	
Total Liabilities	64,938
Total Assets	64,938
<b>SOURCES OF FUNDS</b>	
Paid up Capital	46,870
Reserve & Surplus	18,068
Secured Loans	NIL
Unsecured Loans	NIL
<b>APPLICATION OF FUNDS</b>	
Net Fixed Assets	934
Investment	17
Net Current Assets	21,375
Miscellaneous Expenditure	NIL
Accumulated Losses	46,612
<b>4. PERFORMANCE OF COMPANY (Amount in Rs. Thousands)</b>	
Turnover	14,776
Total Expenditure	13,713
Profit / (Loss) Before Tax	1,063
Profit / (Loss) After Tax	857
Earning Per Share	NIL
Dividend Rate %	NIL
<b>5. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF COMPANY (AS PER MONETARY TERMS)</b>	
Item Code No. (ITC Code)	
Product Description	Finance & Investments
Item Code No. (ITC Code)	
Product Description	Commission Agents

On Behalf of Board of Directors

Director

Director

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS AS AT 31/03/2011**

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>2010 - 2011</u>		<u>2009 - 2010</u>	
Purchases-Air Tickets	476 Nos	Rs. 1,21,72,511.00	261 Nos	Rs. 56,31,823.00
Sales-Air Tickets	476 Nos	Rs. 1,39,58,194.00	261 Nos	Rs. 64,59,024.00
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. The Share of Profit from the firms in which the company is partner is not accounted for as the books of accounts of the firms are not finalized.
11. The Company has approved in the board meeting held on 8<sup>th</sup> April 2011 amalgamation of Shubh Management Consultants Pvt. Ltd. With S& T corporation ltd. & reduction of share capital & reserves to the extent of accumulated losses amounting to Rs.4,32,75,292/- as on 31/03/2010 & in that context to approve the composite scheme of reduction & compromise or arrangement. For every 10 fully paid equity shares of Rs.10/- each paid up in shubh management consultants Pvt. Ltd. , S & T Corporation Ltd. Will issue & allot 85 fully paid equity shares of Rs.10/- each. In accordance to the valuation exercise carried out by M/S. Desai Saksena & Associates, Chartered Accountants & Fairness opinion certificate issued by M/S. Comfort Securities Ltd., SEBI Authorised Merchant Bankers  
 The company has requested for issuance of NOC for amalgamation of Shubh Management Consultants Pvt. Ltd. With S & T Corporation to Bombay Stock Exchange vide its letter dated 28<sup>th</sup> July 2011
12. There is no amount for which the company is contingently liable.
13. 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  
FRN : 107347W

Director

Director

**CA. Pankaj Dalal**

Proprietor  
Membership No. 41233

Place : Mumbai

Date : 1st August, 2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

	For the yr. ended 31st March, 2011	For the yr. ended 31st March, 2010
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit	662,969	4,322,207
Depreciation	39,541	43,439
	<b>702,510</b>	<b>4,365,646</b>
<b>Operating Profit Before Working Capital Changes</b>		
Increase/Decrease in Sundry Debtors	-276,700	143,628
Increase/Decrease in Sundry Creditors	-2,504,000	546,240
Increase/Decrease in Loans & Advances	-9,815,120	3,362,952
	<b>A -11,993,310</b>	<b>8,418,466</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Increase/Decrease in Investment	-	-
Increase/Decrease in Fixed Assets	15,500,000	-16,334,670
	<b>B 15,500,000</b>	<b>-16,334,670</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Increase/decrease In Unsecured Loan	-3,200,000	3,000,000
	<b>C -3,200,000</b>	<b>3,000,000</b>
Net Increase in Cash and Cash equivalents (A + B +C)	<b>306,690</b>	<b>-4,916,204</b>
Opening Balance of Cash and Cash equivalent on 01.04.2010	<b>700,324</b>	<b>5,616,528</b>
Closing Balance of Cash and Cash equivalent on 31 .03.2011	<b>1,007,014</b>	<b>700,324</b>

**AUDITORS' CERTIFICATE**

We have verified the above Cash Flow Statement of S & T CORPORATION LIMITED for the year ended on 31st March, 2011. 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.  
FRN : 107347W

**CA. Pankaj Dalal**  
Proprietor  
Membership No. 41233

Place : Mumbai  
Date : 1st August, 2011

# 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 SEVENTH ANNUAL GENERAL MEETING of the Company to be held at 12.00 p.m. on Friday, 30th September, 2011 and at any adjournment thereof.

As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

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 SEVENTH 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 Friday, the 30th September, 2011.

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

BOOK-POST

TO,

*If undelivered please return to :*

**S & T CORPORATION LIMITED**

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