S & T Corporation Limited

CIN No. L51900MH1984PLC033178

2016-2017

33rd ANNUAL REPORT

BOARD OF DIRECTORS

Mr. Surendra T. Savai	Managing Director
Mr. Ajay S. Savai	Managing Director
Mr. Tejas. H. Shah	Director
Mr. Shantilal L. Chengede	Director
Mr. Dhaval Ajay Savai	Additional Director
Ms. Trishana Ajay Savai	Additional Director
Mr. Narayan K. Bhatt	Director(Resigned w.e.f 30/06/2017)
Mr. Sharad K. Sheth	Director(Resigned w.e.f 30/06/2017)

Bankers

Dena Bank
ICICI Bank

Auditors

Pankaj Dalal & Associates
Chartered Accountants

Registered Office :

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

Contents	Pages
Notice	2
Directors' Report	5
Corporate Governance Report	11
Management Discussion & Analysis Report	23
Auditors' Report	42
Certificate of Compliances	50
Balance Sheet	51
Profit & Loss Account	52
Notes on Accounts	53
Attendance slip and Proxy form	77
Ballot Form	

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THIRTY THIRD ANNUAL REPORT

NOTICE

To,
All the Shareholders,

NOTICE is hereby given that 33rd Annual General Meeting of S & T Corporation Limited ("Company") be and is hereby convened on Friday, September 29, 2017 at 12:00 noon at Mumbai Textile Merchants Mahajan Hall, 250, Sheikh Memon street, Zaveri Bazaar, Mumbai – 400002, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements i.e. Balance sheet as at and the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on 31 March, 2017 and the Reports of the Directors and Auditors thereon.
2. To appoint Statutory Auditors and fix their remuneration by passing the following resolution with or without modification(s) as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Vridhi & Associates, Chartered Accountants (Firm Registration No. 141142W) be and is hereby appointed as the Statutory Auditors of the Company in place of M/s Pankaj Dalal & Associates, Chartered Accountants (Firm Registration No 107347W), the New Statutory Auditors, to hold office from conclusion of the 33rd Annual General Meeting held on 29/09/2017 until the conclusion of the 38th Annual General Meeting of the company, subject to ratification by the Members at every Annual General Meeting till the 37th Annual General Meeting, at such remuneration plus tax as applicable and reimbursement of out-of pocket expenses in connection with the audit as the Board of Directors or Audit Committee thereof may decide and fix in this behalf."

3. To Appoint a Director in place of Mr. Tejas H Shah, Director, who retires by rotation at this meeting & being eligible, offers himself for re-appointment.
4. To Appoint a Director in place of Mr. Shantilal Chengede, Director, who retires by rotation at this meeting & being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

1. Regularization of Additional director, Mr. Dhaval Ajay Savai

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

   "RESOLVED THAT pursuant to Sections 160 & 161 of the Companies act, 2013 and any other applicable provisions if any ,Mr. Dhaval Ajay Savai, who was appointed as an Additional Director on 25/04/2015 be and is hereby appointed as a Director of the Company who is not liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Ajay Savai, Managing Director of the Company, be and are hereby severally authorised to file relevant forms with the Registrar of companies, Mumbai, and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment"

2. Regularization of Additional director, Ms Trishana Ajay Savai

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

   "RESOLVED THAT pursuant to Sections 160 & 161 of the Companies act, 2013 and any other applicable provisions if any ,Ms. Trishna Ajay Savai, who was appointed as an Additional Director on 25/04/2015 be and is hereby appointed as a Director of the Company who is not liable to retire by rotation.

   RESOLVED FURTHER THAT Mr. Ajay Savai, Managing Director of the Company, be and are hereby severally authorised to file relevant forms with the Registrar of companies, Mumbai, and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment"

3. To Fix Remuneration of Key Managerial Personnel as per Section197 of Companies Act, 2013
4. To Approve Related Party Transactions u/s 186 & 188 (Investments & loans to Partnership Firms)

By Order of the Board

Mumbai,
Date : 28th August, 2017

Surendra T. Savai
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The instrument appointing Proxy as per the format included in the Annual Report should be returned to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution/authority, as applicable, issued by the member organization. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
3. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. The Register of Members & Share Transfer Books of the Company Will Be Closed From 22nd September 2017 To 29th September 2017 (Both Days Inclusive).
5. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered Office at S & T Corporation Limited, 195, Walkeshwar Road, Teen Batti, Mumbai - 400 006. On all working days of the Company, between 10.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

For **S & T CORPORATION LIMITED**

Sd/-
Surendra T. Savai
Managing Director

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 33rd Annual Report of your Company for the financial year ended 31st March, 2017.

FINANCIAL RESULTS

The financial performance of your Company for the year ended 31st March, 2017 is summarized below:

	Current year 2016-17	Previous year 2015-16
Sales	26,12,869	6,97,167
Other Income	1,22,52,911	1,12,66,929
Cost of Material Sold	16,64,019	11,93,960
Administrative & Other Expenses	1,02,63,262	61,82,381
Depreciation & Amortization Exp.	52,15,380	40,38,604
Profit before TaX	-22,76,882	5,49,150
Provision for Tax	4,11,055	4,75,000
Profit after Tax	-26,87,937	74,150

DIVIDEND

In the current year your director don't recommend dividend in the interest of the company.

FUTURE OUTLOOK

Your Board had informed in the previous Board Report that the Company has started a venture in Food Industries. The Company has ventured into Bakery products and has identified the products and brand name.

The commercial production was started during the current year and the sales during the year have been Rs 26, 12, 869 /- Your directors are very optimist about this new venture.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT -9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 are set out herewith as "Annexure [D]" to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointments & Resignations

During the year 2016 – 17, there were no changes in Board of Directors. However, Mr. Narayan K Bhatt & Mr. Sharad K Sheth have resigned w.e.f 30/06/2017.

NUMBER OF MEETINGS OF THE BOARD

During the year Eight Board Meetings and Four Audit Committee Meetings were convened and held. The details of these are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) of the Companies Act, 2013, the Directors confirm that:

a) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2017 and of the profit and loss of the Company for the financial year ended 31st March, 2017;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a 'going concern' basis;

e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and

Proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively

DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued there under as well Listing Agreement.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has, on the recommendation of Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 relating to the remuneration for the Directors, Key Managerial Personnel, and other employees. As required by the rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and prescribed details are annexed to this report.

EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK

There is no qualification, reservation or adverse remark or disclaimer made-

i. by the auditor in his report; and

ii. By the Company Secretary in practice in his secretarial audit report.

LOANS, GUARANTEES AND INVESTMENTS

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

A. Details of investments made by the Company as on 31st March, 2017

Investments in Partnership Firm (details are as below mentioned)

Name of the Company	Amount as at 31st March, 2017
Rajyog Enterprise-Capital	27,000
Rajyog Enterprises- Loans & Advances	3,43,45,179
Rajyog Construction- Capital	2,200
Rajyog Construction- Loans & advances	2,49,786
Rajyog Realtors- Capital	37,500
Rajyog Realtors- Loans & Advance	5,74,96,141

There are no other loans and guarantees issued by your Company in accordance with Section 186 of the Companies Act, 2013 read with the Rules issued there under.

CORPORATE GOVERNANCE REPORT

As per Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement with Stock Exchange, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance forms an integral part of this Report (Annexure A).

RELATED PARTY TRANSACTIONS

During the financial year 2016 – 17, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued there under and the Listing Agreement. During the financial year 2016 – 17, there were no transactions with related parties which qualify as material transactions under the Listing Agreement. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons who may have potential conflict with interest of the Company at large. All Related Party Transactions are placed before the Committee as also of the Board for approval. Prior omnibus approval of Audit Committee is obtained on a quarterly basis for the transactions which are a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. The report of the Board in respect of the particulars of contracts or arrangements with related parties referred to sub-section (1) of section 188 in Form AOC-2 is annexed to this report.

The details of the related party transactions as required under Accounting Standards – 18 are set out in Notes to accounts to the standalone financial statements forming part of this Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FORIGN EXCHANGE EARNINGS AND OUTGO

(Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014)

Conservation of Energy

The Company is engaged in the Business of Bakery products under which its operations do not account for substantial energy consumption. However, the Company has taken all necessary steps to conserve energy. The management has ensured that all these measures are complied with.

Technology Absorption

The provisions relating to technology absorption are not applicable to the Company.

Foreign Exchange

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: NIL

RISK MANAGEMENT

The Company is exposed to inherent uncertainties owing to the sectors in which it operates. A key factor in determining a company's capacity to create sustainable value is the risks that the company is willing to take (at strategic and operational levels) and its ability to manage them effectively. Many risks exist in a company's operating environment and they emerge on a regular basis. The Company's Risk Management processes focuses on ensuring that these risks are identified on a timely basis and addressed.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and compliance committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

PUBLIC DEPOSITS

During the financial year 2016 – 17, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and the Listing Agreement. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. More details on the vigil mechanism and the Whistle Blower Policy of your Company have been outlined in the Corporate Governance Report which forms part of this report.