

# **S&T Corporation Limited**

## **36<sup>th</sup> Annual Report**

**2019-2020**

## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Surendra T. Savai	Managing Director
Mr. Ajay S. Savai	Joint Managing Director
Mr. Tejas. H. Shah	Director
Mr. Parmit M. Shah	Director
Mr. Nipun K. Zaveri	Director
Ms. Trishana Ajay Savai	Director
Mr. Bhaven T. Bakhai	Director
Mr. Dhaval Ajay Savai	Director

### **CHIEF FINANCIAL OFFICER**

Mr. Dhaval Ajay Savai (w.e.f. June 26, 2019)

### **BANKERS**

Dena Bank  
ICICI Bank

### **AUDITORS**

Vridhi & Associates Chartered Accountants

### **SECRETARIAL AUDITOR**

Amruta Giradkar & Associates- Company Secretaries

### **REGISTAR AND SHARE TRANSFER AGENT**

M/s. Sharex Dynamic (India) Pvt. Ltd.

### **REGISTERED OFFICE ADDRESS:**

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

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**S & T Corporation Limited**  
**CIN No. L51900MH1984PLC033178**  
**THIRTY SIXTH ANNUAL GENERAL MEETING**  
**NOTICE**

To,  
All the Shareholders,

NOTICE is hereby given that 36<sup>th</sup> Annual General Meeting of S & T Corporation Limited ("Company") be and is hereby convened on Wednesday, September 30, 2020 at 12:00 noon at the registered office of the company 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 March 31, 2020 and the Reports of the Directors and Auditors thereon.

**SPECIAL BUSINESS:**

1. To Fix Remuneration of Key Managerial Personnel as per Section 197 of Companies Act, 2013

1. To Approve Related Party Transactions u/s 186 & 188 (Investments & loans to Partnership Firms)

By the order of the Board of Directors  
For S & T Corporation Limited

Mumbai  
June 26, 2020

Ajay 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.
2. 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
3. The Register of Members & Share Transfer Books of the Company Will Be Closed From September 23, 2020 to September 30, 2020 (Both Days Inclusive).
4. 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.
5. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents.
6. Members holding shares in dematerialized form are requested to register their email address with their depository participant and members holding shares in physical form are requested to register their email address with the company.
7. Members may also note that the notice of AGM and Annual Report will be available on the Company's Website for Download.

**For S & T Corporation Limited**

Sd/-  
Ajay Savai  
Managing Director

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## **DIRECTORS' REPORT**

Dear Members,

Directors of your Company take great pleasure in presenting the Annual Report on the business and operations of your Company and the Audited Financial Statements for the financial year ended March 31, 2020.

### **FINANCIAL RESULTS**

The financial performance of your Company for the year ended 31<sup>st</sup> March, 2020 is summarized below:

	<b>Current Year 2019-2020 (Rs)</b>	<b>Previous Year 2018-2019 (Rs)</b>
Revenue From Operations	11,200,850.00	5,683,934.00
Other Income	387.00	NIL
Cost of Material Sold	NIL	NIL
Exceptional items	6,448,406.00	NIL
Profit Before Tax	105,402.00	-3,432,455.00
Provision for Tax	23,000.00	8,140.00
Profit after Tax	82,402.00	-3,440,595.00

### **DIVIDEND**

For the financial year under review, the Board of Directors of your Company did not recommend any dividend.

### **TRANSFER TO RESERVES**

The Company has not transferred any amount to the General Reserves during the year.

### **SHARE CAPITAL**

The paid-up Equity Share Capital of the Company as at March 31, 2020 stood at Rs 63,662,410.00. comprising of 6,366,241 of Rs.10 each. During the year under review, the Company has neither issued shares non-convertible securities, nor shares with differential voting rights, nor granted any stock options or sweat equity or warrants. As at March 31, 2020, none of the Directors of the Company hold any instruments, which are convertible into Equity shares of the Company

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report with detailed review of operations, performance and future outlook, as stipulated under Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section forming part of this Annual Report.

## **CORPORATE GOVERNANCE**

Corporate Governance essentially involves balancing the interests of a Company's stakeholders. Corporate Governance practices of our Company are a reflection of our values, policies and relationship with our stakeholders. Your Company has complied with the mandatory Corporate Governance requirements stipulated under Regulation 34(3) of the Listing Regulations. Report on Corporate Governance is annexed hereto forming part of this report together with certificate from the Statutory Auditor regarding report on Corporate Governance.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92 of the Companies Act, 2013 and the Rules framed thereunder, as amended the extract of the Annual Return as at March 31, 2020, in the prescribed Form MGT-9 and the Annual Return as at March 31, 2020, in the prescribed Form MGT7 are available on website of your Company at the URL: [www.stcl.co.in](http://www.stcl.co.in) respectively.

## **COMPOSITION**

The composition of the Board is in conformity with Section 149 of the Act and Regulation 17 of the Listing Regulations. The Board continues to comprise of 8 Directors out of 4 are Executive Director and 4 Non-Executive Independent Directors. The Chairman of the Board is an Executive Director.

## **KEY MANAGERIAL PERSONNEL**

Ms. Rasika S. Kadam was appointed as Company Secretary & Compliance Officer of the Company with effect from March 05, 2020, Whereas CS Rasika has resigned from her post on June 26, 2020 and the Company appointed Ms. Pooja Thakar (A35595), Company Secretary & Compliance Officer of the Company.

Mr. Dhaval Savai has been appointed as Chief Financial Officer of the Company.

## **INDEPENDENT DIRECTOR**

Independent Directors have given written declarations to the Company confirming that they meets the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(b) of SEBI LODR Regulations. The terms and conditions of appointment of the Independent Directors are placed on the website of the Company at the web link [stcl.co.in](http://stcl.co.in). The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold highest standards of integrity.

## **MEETING OF INDEPENDENT DIRECTORS**

**13th April 2019**

**5<sup>th</sup> August 2019**

**11<sup>th</sup> November 2019**

**14<sup>th</sup> February 2020**

There should be at least one meeting of Independent Directors in a year, without the attendance of non-independent Directors and members of the Management.

## **FAMILIARISATION PROGRAMME**

The Company has put in place a system to familiarize the Independent Directors about the Company, its products, business operations in emerging markets, Quality Control and on-going events relating to the Company. The details of such familiarization programmes imparted for Independent Directors are placed on the website of the Company at the web link [stcl.co.in](http://stcl.co.in).

## **BOARD EVALUATION**

The performance of the Board and committees was evaluated by the Board on the basis of discussion and questionnaire prepared after taking into consideration, various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

## **NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE**

During the year Seven 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

Details of mandatory Board Committee namely Audit committee, Nomination and Remuneration Committee and Stakeholders Relationship Company are set out in the Corporate Governance Report which forms part of this Report.

There has been no situation where the Board has not accepted any recommendation of the Audit Committee.

## **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.

## **PARTICULARS OF EMPLOYEES**

There was no employee drawing remuneration in excess of limits prescribed under section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013.**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 and the Rules there under.

During the Financial Year 2019 – 20 company has not received any complaints regarding sexual harassment at workplace.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate internal controls commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditors report to the Chairman of the Audit Committee of the Board. Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year on 31<sup>st</sup> March 2020 to which the financial statement relates and the date of this report.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS**

There are no significant material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations

## **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 March 31, 2020

Investments in Partnership Firm (details are as below mentioned)

<b>Name of The Company</b>	<b>Amount (Rs) as at March 31, 2020</b>
Rajyog Enterprise-Capital	27,000/-
Rajyog Construction- Capital	2,200/-

Rajyog Realtors- Capital	37,500/-
Rajyog Enterprises- Loans & Advances	4,96,31,915/-
Rajyog Construction- Loans & advances	2,51,867/-
Rajyog Realtors- Loans & Advance	7,18,18,971/-

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.

## **DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 and no amount on account of principal or interest on public deposits was outstanding as on March 31, 2020.

## **SUBSIDIARY COMPANIES**

The Company does not have any subsidiary/joint venture/ associate. Accordingly, there were no companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.

## **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business.

The Company has formulated a Policy on Related Party transactions. This policy as approved by the Board is uploaded on the Company's website - <http://www.stcl.co.in/>

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 FOREIGN EXCHANGE EARNINGS AND OUTGO**

### **A. Conservation of energy and technology absorption**

The operation of the company, being financial services related, requires normal consumption of electricity. The company is taking every necessary step for reducing consumption of energy.

### **B. Foreign Exchange Earnings And Outgo:**

There was no foreign exchange outgo for the year ended as on March 31, 2020.

## **CORPORATE SOCIAL RESPONSIBILITY**

The company does not fall under the categories of companies required to constitute the Corporate Social Responsibility (CSR) Committee as per Sec 135 of the Companies Act, 2013. Therefore, the Company has neither constituted CSR Committee nor has it developed or implemented any Policy on Corporate Social Responsibility.

## **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.

The policy is uploaded on website of the company - <http://www.stcl.co.in/>

## **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 .

## **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.

## **AUDITORS**

M/s Vridhi& Associates, Chartered Accountants (Firm Registration No: 141142W) were appointed as the Statutory Auditors of the Company for a term of 5(Five) consecutive years, at the Annual General Meeting of the Company held on September 29, 2017.

According to MCA Notification S.O. 1833(E) dated May 07, 2018, the provision of annual ratification of appointment of auditors has been done away with. Accordingly, M/s Vridhi& Associates continue to act as Statutory Auditors in accordance with section 139 and 141 of the Companies Act, 2013 and rules made there under the same therefore does not form part of the notice conveying ensuing AGM.

## **Secretarial Auditor**