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BOARD OF DIRECTORS

Mr. SUNDAR IYER
Executive Chairman

Mr. CHANDRAMOULI
Managing Director

Mr. IYER VISHWANATH
Independent Director

Mr. S. HARIHARAN
Independent Director

COMPANY SECRETARY

Mr. A. V. M. SUNDARAM

AUDITORS

M/s. M. B. LADHA & COMPANY
Chartered Accountants
Mumbai

BANKERS

ICICI BANK LIMITED
HDFC BANK LTD

REGISTERED OFFICE

No. 158, 1st Floor, Eldams Road,
Alwarpet, Chennai - 600 018.

CORPORATE OFFICE

No. 603 & 604 Dalamal Chambers,
29, New Marine Lines,
Mumbai - 400 020.

SHARE TRANSFER AGENTS

LINK INTIME INDIA PVT. LTD.,
C13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (W)
Mumbai - 400 078.
Phone: (022) 25963838
Fax: (022) 25946969





NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the Company will be held on Thursday, 14th March, 2013 at 12.30 p. m. at Asha Nivas, No. 9, Rutland Gate, 5th Street, Chennai - 600 006 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and the Statement of profit & loss account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

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

“RESOLVED THAT Mr. Iyer Vishwanath, who was appointed by the Board of Directors of the Company as an Independent Director on 6th February 2013 to hold office as such, upto the conclusion of the ensuing annual general meeting and in respect of whom the company has received a notice in writing from a member alongwith deposit of Rs.500, signifying his intention to propose the candidature of Mr. Iyer Vishwanath, for the office of director, as required by Section 257 of the Companies Act, 1956, be and is hereby appointed as a director of the Company, liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to Sections 198, 309(4) and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Iyer Vishwanath, the Director of

the Company be paid commission of an amount not exceeding 1% of the net profits of the company for each financial year or part thereof to be computed in accordance with the provisions of Section 198(1) of the Companies Act, 1956.

“RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to take all such steps as may be necessary for the purpose of giving effect to this resolution and matters incidental thereto.

4. To consider and if thought fit, to pass with or without modification, the following resolution as on Special Resolution.

“RESOLVED THAT Mr. S. Hariharan, who was appointed by the Board of Directors of the Company as an Independent Director on 6th February 2013 to hold office as such, upto the conclusion of the ensuing annual general meeting and in respect of whom the company has received a notice in writing from a member alongwith deposit of Rs. 500, signifying his intention to propose the candidature of Mr. S. Hariharan, for the office of director, as required by Section 257 of the Companies Act, 1956, be and is hereby appointed as a director of the Company, liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to Sections 198, 309(4) and all other applicable provisions, if any, of the Companies Act, 1956, Mr. S. Hariharan, the Director of the Company be paid commission of an amount not exceeding 1% of the net profits of the company for each financial year or part thereof to be computed in accordance with the provisions of Section 198(1) of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to take all such steps as may be necessary for the



purpose of giving effect to this resolution and matters incidental thereto.

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

“RESOLVED THAT Mr. Krishnan Muthukumar, who was appointed by the Board of Directors of the Company as an Additional Director on 6th February 2013 to hold office as such, upto the conclusion of the ensuing annual general meeting and in respect of whom the company has received a notice in writing from a member alongwith deposit of Rs. 500, signifying his intention to propose the candidature of Mr. Krishnan Muthukumar, for the office of director, as required by Section 257 of the Companies Act, 1956, be and is hereby appointed as a director of the Company, liable to retire by rotation.”

“RESOLVED FURTHER THAT pursuant to Sections 198, 309(4) and all other applicable provisions, if any, of the Companies Act, 1956, Mr. Krishnan Muthukumar, the Director of the Company be paid commission of an amount not exceeding 1% of the net profits of the company for each financial year or part thereof to be computed in accordance with the provisions of Section 198(1) of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to take all such steps as may be necessary for the purpose of giving effect to this resolution and matters incidental thereto.

By Order of the Board

Place: Mumbai
Date: 14th February 2013

A. V. M. SUNDARAM
Company Secretary

NOTES:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE, AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- b) The instrument appointing proxy, in order to be effective must be deposited at the registered office of the company not less than 48 hours before the commencement of the 26th annual general meeting of the company.
- c) The Register of Members and Share Transfer books of the Company will remain closed from 11th March, 2013 to 14th March, 2013 (both days inclusive).
- d) Profile of directors whose nominations were received for appointment as stipulated in terms of Clause 49 of the listing agreement with the stock exchanges is provided in the report on corporate governance, which forms an integral part of this annual report.
- e) Information pursuant to clause 49 of the Listing agreement for appointment/ reappointment of Directors.
- i. **Appointment of Mr. Iyer Vishwanath as Independent Director:**

Item No. 3: Mr. Iyer Vishwanath aged about 57 years was appointed as an Independent Director of the Company at the Board Meeting held on 6th February 2013 and he holds office only up to the date of this Annual General Meeting. Notice in writing



under Section 257 of the Companies Act, 1956 alongwith deposit amount of Rs. 500 has been received from a Shareholder of the Company signifying his intention to propose Mr. Iyer Vishwanath as a candidate for the office of the Director.

Particulars of Other Company Directorship is as follows:

Name of the Company	Designation
SNALCO Consulting Private Limited	Director

ii. Appointment of Mr. Hariharan as Independent Director:

Item No. 4: Mr. Hariharan aged about 62 years was appointed as an Independent Director of the Company at the Board Meeting held on 6th February 2013 and he holds office only up to the date of this Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 alongwith deposit amount of Rs. 500 has been received from a shareholder of the Company signifying his intention to propose Mr. Hariharan as a candidate for the office of the Director. Particulars of Other Company Directorship is as follows:

Name of the Company	Designation
Nil	Nil

iii. Appointment of Mr. Krishnan Muthukumar as Director:

Item No.5: Mr. Krishnan Muthukumar aged about 37 years was appointed as an additional Non-executive Director of

the Company at the Board Meeting held on 6th February 2013 and he holds office only up to the date of this Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 alongwith deposit amount of Rs. 500 has been received from a Shareholder of the Company signifying his intention to propose Mr. Krishnan Muthukumar as a candidate for the office of the Director. Particulars of Other Company Directorship is as follows:

Name of the Company	Designation
Tridhaatu Realty & Infra Pvt Ltd	Director
Monarch Catalyst (P) Limited	Director

- f. Members are requested to bring their copy of annual accounts, as no extra copies will be distributed at the meeting.

By Order of the Board

Place: Mumbai
Date: 14th February 2013

A. V. M. SUNDARAM
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No.3

Mr. Iyer Vishwanath was appointed as an Independent Director of the Company at the Board Meeting held on 6th February 2013 and he holds office only upto the date of this Annual General Meeting. Notice in writing under Section 257 of the Companies Act,



1956 has been received from a Shareholder of the Company alongwith deposit of Rs.500, signifying his intention to propose Mr. Iyer Vishwanath as a candidate for the office of Director. Mr. Iyer Vishwanath, 57 years, is a member of the Institute of Chartered Accountants of India. He is a practicing Chartered Accountant having over 22 years of experience in the field of finance, auditing and taxation. His experience in the field of accounting and taxation continue to be of immense benefit for the company. Hence the Board recommends the above appointment of Mr. Iyer Viswanath. Except Mr. Iyer Viswanath, none of the Directors are concerned or interested in the passing of this resolution.

Item No.4

Mr. Hariharan was appointed as an Independent Director of the Company at the Board Meeting held on 6th February 2013 and he holds office only upto the date of this Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received from a Shareholder of the Company alongwith deposit of Rs.500, signifying his intention to propose Mr. Hariharan as a candidate for the office of Director. Mr. Hariharan, 62 years, is a qualified Company Secretary and Cost Accountant having more than 25 years of experience in the field of finance and company affairs and retired as a Company Secretary from Atlas Copco (I) Limited. His rich and varied experience will benefit the company in many ways. Hence the Board

recommends the above appointment of Mr. Hariharan. Except Mr. Hariharan, none of the Directors are concerned or interested in the passing of this resolution.

Item No.5

Mr. Krishnan Muthukumar was appointed as an Independent Director of the Company at the Board Meeting held on 6th February 2013 and he holds office only upto the date of this Annual General Meeting. Notice in writing under Section 257 of the Companies Act, 1956 has been received from a Shareholder of the Company alongwith deposit of Rs. 500, signifying his intention to propose Mr. Krishnan Muthukumar as a candidate for the office of Director. Mr. Krishnan Muthukumar 37 years, is a Post Graduate in Business Administration & Graduate in Commerce and an industrialist having more than 10 years of experience in the field of construction and real estate business. His rich and varied experience will benefit the company in many ways. Hence the Board recommends the above appointment of Mr. Krishnan Muthukumar. Except Mr. Krishnan Muthukumar, and Mr. Sundar Iyer - Chairman being a close relative, none of the Directors are concerned or interested in the passing of this resolution.

By Order of the Board

Place: Mumbai
Date: 14th February 2013

A. V. M. SUNDARAM
Company Secretary



DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the 26th ANNUAL REPORT of your company together with the Auditor's Report for the year ended 31st March 2012.

FINANCIAL HIGHLIGHTS

The Financial Results for the year ended 31st March 2012.

	Rupees in Lacs	
	31/03/2012	31/03/2011
Profit/(Loss) from capital market operations	(447.99)	2296.77
Other Income	28.23	47.72
Profit/(Loss) before Depreciation & Tax	(746.40)	874.11
Interest	0.00	0.00
Depreciation	19.71	3.15
Profit/(Loss) before tax	(766.11)	870.96
Provision for tax	0.00	175.00
Deferred tax	(2.52)	1.18
Profit/(Loss) after tax	(763.59)	694.78

BUSINESS & PERFORMANCE

During the year under review, the Company has incurred a loss of Rs. 763.59 Lacs, against the net profit Rs.694.78 Lacs, in the last financial year. With the sovereign crisis deepening and growth faltering in 2011 for advanced countries, capital inflows into the emerging economies had slowed down considerably, Indian markets were also affected with the Foreign Institutional Investors (FIIs) inflows slowing. This has affected the performance of our company which is directly related to the market conditions. Hence our Directors are cautious in giving guidance and projecting profit for the current year. We look forward to

change in the investment climate which is a possibility in the near foreseeable future.

DIVIDEND

Considering the present conditions of the capital market, and inadequate profits during the year the directors have decided not to recommend any dividend to the shareholders for the year.

FUTURE PROSPECTS

The global environment is likely to continue to be an area of concern, although conditions have improved since the beginning of the last financial year. Growth is likely to improve in the second half of 2012 and may support the country's exports and increase access to global capital. India remains one of the fastest growing economies of the world, with a projected GDP growth rate of 6.25% to 6.5%. Falling inflation is also an encouraging factor.

Since our company is directly related to Equity Market we hope that the sentiment in the market will improve and our company will have an opportunity to increase the market operations in improving the profitability of the company.

We also hope that the improvement in the market scenario will help our subsidiary - Trading Member of National Stock Exchange of India Limited to enhance the services to their Institutional Clients. We expect that the broking income of the subsidiary will remain stable at the present levels.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section titled "Corporate Governance" has been annexed to this Annual Report.

DEPOSITS

Your company has not accepted any deposits from the public during the year under review. There are no outstanding deposits as on 31st March 2012.

**PARTICULARS OF EMPLOYEES**

The Company has no employees, who are in receipt of remuneration, requiring disclosure under Section 217(2A) of the Companies Act, 1956.

AUDITOR'S & AUDIT REPORT

M.B. Ladha & Company, Chartered Accountants, auditors of the company retire at the ensuing Annual General Meeting and are eligible for reappointment.

Auditors of the company in their report made an observation that, the company has no internal audit department, commensurate with the size of the company and nature of its business. Also they have made comment on non provision of gratuity in the accounts in the event of any employee leaving services by reason of death or incapability. In addition they have also observed that an inoperative bank account amounting to 1.53 lacs exists and the same has neither been closed nor written off.

Regarding internal audit system, management is of the opinion that (as the company does not have volume of transaction - other than investments in Equities - which are directly under supervision of the Chairman) the decision to have the internal audit system be deferred and can be considered later.

Regarding non provision of gratuity, the management opines that, gratuity for the period of services rendered by the employees, is being paid to the employees leaving services by reason of resignation, and due to death or incapability, to the legal heirs of the deceased or to the employee disabled and accounted for on cash basis. Hence no provision is made in the books of the company.

Regarding the inoperative bank account, the Company is looking into the matter seriously and the audit committee has been ordered to take necessary steps in this regard.

Regarding the other qualifications mentioned in the Auditors' Report, the reply to the remarks made by the auditors in their report are detailed

in the Notes on Accounts well as in the Report itself. Since the information provided therein are self explanatory they do not call for any further comments by the Board of Directors.

DIRECTORS

Mr. Iyer Vishwanath and Mr. S. Hariharan, directors of the company liable to retire by rotation at the ensuing Annual General Meeting ceased to be the Directors since AGM was not held within the extended period and have been reinducted as Non-executive - Independent Directors in the board meeting held on 6th February 2013 and being eligible offer themselves for re - appointment as Non-executive - Independent Directors.

Mr. Krishnan Muthukumar appointed as additional director in the board meeting held on 6th February 2013 being eligible offer himself for appointment as Non-executive Director.

As stipulated in terms of Clause 49 of the listing agreement with the stock exchanges, the brief resume of Mr. Iyer Vishwanath, Mr. S. Hariharan and Mr. Krishnan Muthukumar, is provided in the report on corporate governance, which forms an integral part of this annual report.

Due to the overall reconstitution of the Board of Directors, the Annual General Meeting of the Company shall be held on 14th day of March, 2013, beyond the extended period of date of holding AGM, i.e. 23/12/2012, as approved by Registrar of Companies, Chennai.

PARTICULARS AS REQUIRED UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.**Conservation of Energy**

The Company had taken steps to conserve the use of energy in its office, consequent to which energy consumption has been minimized. No



additional Proposals/Investments were made to conserve energy. Since the company has not carried on industrial activities, disclosures regarding impact of measures on cost of production of goods, total energy consumption, etc., are not applicable.

Technology Absorption

Company's business does not require any technology absorption and hence no reporting is required to be furnished under this heading.

Foreign Exchange Inflow & Outflow

Foreign Exchange inflow and outflow during the year is Nil.

SUBSIDIARY COMPANY

The Company has a subsidiary TWENTYFIRST CENTURY SHARES & SECURITIES LIMITED. The Company is not attaching copies of the balance sheet and profit and loss account, reports of Board of Directors and Auditors thereon, in respect of the subsidiary as required under Section 212(1) of the Companies Act, 1956 ("the Act") to its accounts as per the dispensation available pursuant to the directions issued by the Ministry of Corporate Affairs vide general circular no. 2/2011. However, as required under the aforesaid circular and pursuant to Clause 32 of the Listing Agreement, the consolidated financial statement of the Company duly audited by the statutory auditors forms part of this annual report. The Company shall make available, the annual accounts and related information of its subsidiary, to those shareholders who wish to have the copies of the same. Further, these documents shall be available for inspection by a shareholder at the registered office of the Company as well as its subsidiary on any working day, except Saturdays, between 11.00 a.m. and 3.00 p.m.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

- * In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- * Appropriate accounting principles have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profit or loss of the Company for the year ended on that date.
- * Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- * The annual accounts have been prepared on a going concern basis.

ACKNOWLEDGEMENTS

The Board of Directors would like to thank all employees of the Company as also Company's shareholders, auditors, customers and bankers for their continued support.

The Board with regret would like to inform that AGM for the year 2011-2012 could not be held within the stipulated period/extended time permitted by Registrar of Companies, Chennai. However the board has consciously decided to hold the AGM as given in the notice for the AGM which is annexed with this report.

For and on behalf of the Board

Place : Mumbai
Date : 30th May 2012

SUNDAR IYER
CHAIRMAN



MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMIC VIEW

Global economic recovery which has been taking shape since the 2008 financial crises and looked promising at one point suffered a major setback in 2011. The global economy was hit by unresolved structural fragilities and a barrage of shocks leading to major sell-off in risky assets across global markets in 2011. The future of the Economic and Monetary Union of European Union came under question in 2011 as sovereign debt crises spilled over causing sharp increases in key government bond yields. Confidence also deteriorated sharply, escalating financial stress further leading to a contraction of the euro area economy. Real GDP also contracted in Japan, due to supply disruptions from floods in Thailand and weaker global demand. However, activities in the United States accelerated in the latter half with growing consumption and pick up in investments. Credit and the labour market also began to show some resilience. The engines of growth, the emerging and developing economies, saw activity softening in 2011. Labour market conditions are likely to remain very difficult in many advanced economies. Deleveraging by households and governments in advanced nations has kept household consumption muted. However,

consumption dynamics in the emerging and developing economies have been strong which is consistent with strong labour markets. Greater uncertainty, accelerated deleveraging by banks in the euro area, and credit tightening in selected emerging market economies has slowed the growth of fixed investment. In various emerging market economies, notably China, real estate markets are cooling down, which implies slowing investment in construction. Inflation risks in emerging market economies have kept policy on tightening mode for most of 2011. Oil prices were volatile in 2011 rising 30% YoY to an average of US\$110/barrel. Though production recovered in Libya, it fell in other OPEC nations, and non-OPEC output remained relatively weak. In addition, geopolitical risks have boosted oil prices. Other commodity prices have not seen much appreciation in prices as recovery in global economy stalled. Emerging markets would likely see inflation elevated with oil prices still high and economies operating close to full capacity plus supplyside disruptions. Balancing between inflation and growth would be a challenge for policy makers in emerging world. Policy has played an important role in lowering systemic risk posed in 2011. We are seeing many of the advanced nations making progress in putting in place and implementing fiscal consolidation programs.