

■■■ NOTICE:

NOTICE is hereby given that the 25th Annual General Meeting of the Company will be held on Saturday, 9th July, 2011 at 11:30 a.m. at SACHIVALAYA GYMKHANA, 6, General Jagannathrao Bhosale Marg, Opp. Mantralaya, Mumbai – 400 032 to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date together with the Directors' and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. Piyush Shah who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Nirmal Jain, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration.

Registered Office:
303, Tantia Jogani Industrial Estate,
J R Boricha Marg, Lower Parel,
Mumbai – 400 011.

By Order of the Board
**Swasti Vinayaka Art And
Heritage Corporation Limited**

Date: May 20, 2011
Place: Mumbai

Ramprasad Poddar
Chairman

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Register of Members and Share Transfer Books will remain closed from Saturday, 2nd July, 2011 to Saturday, 9th July, 2011. (Both days inclusive).
3. Dividend, if declared, shall be disbursed to the members:-
 - a) Whose name appears as Beneficial Owners as at the end of business hours on 1st July, 2011 as per the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Ltd. in respect of the shares held in electronic form.
 - b) Whose names appears as Members in the Register of Members of the Company after giving effect to valid transfers in physical form lodged with the Company or Registrar and Share Transfer Agents on or before 1st July, 2011.



■■■ DIRECTORS' REPORT

To

The Members,

The Directors have pleasure in presenting the 25th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS:

(₹ In Lacs)

Sr. No.	PARTICULARS	12 MONTHS ENDED 31.03.2011	15 MONTHS ENDED 31.03.2010
1.	Net Sales/Income	954.76	916.73
2.	Total Expenditure		
	i) Cost of goods sold	139.13	108.70
	ii) Staff Cost	56.46	57.56
	iii) Depreciation	68.32	21.50
	iv) Other Expenditure	318.06	355.69
	Total	581.97	543.45
3.	Interest	160.95	180.11
4.	Profit Before Tax	211.84	193.17
5.	Provision for Taxation		
	i) Current Tax	79.40	67.21
	ii) Deferred Tax	(11.50)	0.36
	iii) Fringe Benefit Tax	-	0.70
6.	Profit After Tax	143.94	124.90
7.	Excess/(Short) Provision for Tax of earlier years	(2.71)	2.74
8.	Net Profit	141.23	127.64
9.	Balance carried from previous year	0.92	2.78
10.	Amount available for Appropriation	142.15	130.42
11.	Appropriation:		
	Proposed Dividend	80.00	100.00
	Dividend Distribution Tax	13.29	17.00
	Transferred to General Reserve	27.50	12.50
12.	Balance carried to Balance Sheet	21.36	0.92

■ DIVIDEND

We are pleased to announce that the Board of Directors has recommended dividend of ₹ 0.20 per equity share of ₹ 1/- each (i.e. 20%) aggregating ₹ 80 lacs (excluding dividend distribution tax as applicable) for the year ended on 31st March, 2011.

■ OPERATIONS:

During the period under review the profit after tax (PAT) stood at ₹ 143.94 Lacs (Previous Year ₹ 124.90), an increase of 44.05% on annualized basis as compared to last year. Encouraged by the above results the Board has decided to recommend, rate of Dividend at 20% for the Financial Year ended 31st March, 2011.

■ DIRECTORS:

Mr. Piyush Shah and Mr. Nirmal Jain retire by rotation and, being eligible, offers themselves for re-appointment at the ensuing Annual General Meeting.

Mrs. Shilpa Poddar resigned as director in the Company. The Board place on record its appreciation for the services rendered during her tenure as director in the Company.

■ DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors state that: -

- In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.

- ii. The Directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year covered under this Report and of the profit of the Company for the year.
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors had prepared the annual accounts on a going concern basis.

▪ **FIXED DEPOSITS:**

The Company has not accepted/ renewed any Deposits from the Public under Section 58A of the Companies Act, 1956.

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

In view of the nature of activities of the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning conservation of energy and technology absorption respectively are not applicable to the Company.

Form "C": **Disclosure of particulars with respect to foreign exchange earnings and outgo.**

	12 Months Ended 31.3.2011	15 Months Ended 31.03.2010
	₹	₹
Foreign Exchange Earned	7,00,400	8,74,877
Foreign Exchange Used	18,69,000	27,47,515

▪ **AUDITORS:**

M/s. Sanjay Raja Jain & Co., Chartered Accountants, Mumbai will retire at the ensuing meeting and being eligible offers themselves for re-appointment.

▪ **COMPLIANCE CERTIFICATE UNDER PROVISO TO SUB-SECTION (1) OF SECTION 383A OF THE COMPANIES ACT, 1956:**

Compliance Certificate issued under sub-Section (1) of Section 383A of the Companies Act, 1956 by the Practicing Company Secretary for your Company is attached to this report.

▪ **EMPLOYEES:**

There are no employees drawing remuneration exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975.

▪ **LISTING ARRANGEMENT:**

Your Company continues to be listed on the Stock Exchange, Mumbai where the Company's Shares are being traded. The Company has paid Listing Fees for the year 2010-11.

▪ **CORPORATE GOVERNANCE:**

Your company believes that Corporate Governance is a voluntary code of self-discipline. In line with this policy, the Board of Directors strongly believes that it is very important that the Company follows healthy Corporate Governance practices and reports to the shareholders the progress made on the various measures undertaken. Therefore, your directors have been reporting the initiatives on Corporate Governance measures adopted by your Company.

▪ **MANAGEMENT DISCUSSION AND ANALYSIS:**

1. **GEMSTONE CARVINGS, SIGNIO PAINTINGS AND COUTURE JEWELLERY:**

All the three product categories have performed reasonably well this year and with the emphasis on building the Brand Equity we are confident of a good performance in the current year. Also we should see a good growth in Exports since the acceptance of our gemstone carvings in TUCSON, USA was very good this year.

Our entire team at SVART takes this opportunity to thank you, our valued investors for keeping their faith in us during these formative but very crucial years. We shall go that extra mile to respect this faith and shall persevere to maximise your long term returns. Thank you once again.

2. **REAL ESTATE:**

According to industry estimates, the real estate industry in Mumbai has been growing at 25 per cent CAGR (compound annual growth rate). Real Estate continues to be in high demand in Mumbai and suburbs of Mumbai we feel our premises will enjoy good occupancy and increased revenues and profit in the years to come.

▪ **ACKNOWLEDGEMENTS:**

We record our gratitude to the Banks and others for their assistance and co-operation during the year. We also wish to place on record our appreciation for the dedicated services of the employees of the Company. We are equally thankful to our esteemed investors for their co-operation extended to and confidence reposed in the management.

Registered Office:
303, Tantia Jogani Industrial Estate,
J. R. Boricha Marg, Lower Parel,
Mumbai – 400 011.

For and on behalf of the Board
**Swasti Vinayaka Art And
Heritage Corporation Ltd.**

Date: May 20, 2011
Place: Mumbai

Ramprasad Poddar
Chairman



REPORT ON CORPORATE GOVERNANCE

Your Company has complied with all material aspects of the Corporate Governance Code as per Clause 49 of the Listing Agreement with the Stock Exchanges. A Report on the Corporate Governance compliance is furnished below:

1. Company's Philosophy on Corporate Governance:

Good Corporate Governance helps enhancement of long term shareholders value and interest of other stakeholders. This is achieved through increased awareness for responsibility, transparency and professionalism and focus on effective control and management of the organization. The Board of Directors of the Company is committed to the consistent adherence to the corporate governance code and constant review of the Board processes, practices and the Management Systems to maintain a greater degree of responsibility and accountability.

2. Board of Directors:

The constitution of the Board of Directors is as under:

The Board presently consists of 8 (Eight) Directors, out of which 3 (Three) are Executive Directors and 1 (One) is Non Executive Director and 4 (Four) are Independent Directors. The Composition of the Board of Directors of the Company thus meets the stipulated requirements. Except Chairman and Managing Director, the other Directors retire by rotation.

(A) THE CONSTITUTION OF THE BOARD AS ON MARCH 31, 2011:

The Composition of the Board of Directors and also the number of other Directorship or Committees of which they are member/ Chairperson are as given below:

Directors	No. of other Directorship		No. of other Committee positions	
	Public	Private	Member	Chairman
Ramprasad Poddar Promoter Executive	6	3	-	2
Dinesh Kumar Poddar Promoter Executive	5	2	5	-
Rajesh Kumar Poddar Promoter Non-Executive	3	2	2	-
Shilpa Poddar Promoter Executive	3	-	-	-
Harshvardhan Agarwal Independent	1	-	1	1
Vishwanath Rungta Independent	-	1	-	-
Piyush Shah Independent	2	-	1	-
Nirmal Jain Independent	2	1	1	-

(B) BOARD PROCEDURE

The Board of the Company met 10 (Ten) times during the year-ended 31.03.2011. Notice and Agenda were circulated in advance of each meeting of the Board of Directors. The Chairman briefed the Board at every meeting on the overall performance of the Company. The Board mainly deliberated on the following subjects:

- Strategy and Business Plans
- Operations and Capital Expenditures

- Finance and Banking operations
- Adoption of Quarterly/Half yearly/ Annual Results
- Compliance with Statutory/ Regulatory requirements and review of major Legal Issues
- Significant Labour Issues

(C) ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING:

During the year ended March 31, 2011, Ten Board Meetings were held on April 22, 2010, May 17, 2010, July 7, 2010, July 10, 2010, July 24, 2010, August 6, 2010, October 28, 2010, January 8, 2011, January 17, 2011, March 4, 2011. Annual General Meeting during the year was held on July 10, 2010.

Name of the Directors	No. of Board Meeting Attended	Attendance At last AGM Held on July 10, 2010	Remarks
Ramprasad Poddar	10	Yes	-
Dinesh Poddar	10	Yes	-
Rajesh Poddar	10	Yes	-
Shilpa Poddar	10	Yes	-
Vishwanath Rungta	4	No	-
Nirmal Jain	4	No	-
Harshvardhan Agarwal	4	No	-
Piyush Shah	4	No	-

(D) DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT:

The brief particulars of the Directors of the company, being re-appointed as Directors retiring by rotation and new appointment of director at the ensuing Annual General Meeting are as under:

- (i) Mr. Piyush Shah retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. Piyush Shah, 35 years old is having more than 17 years of experience in the field of stock market and finance. His continuation on the Board will be an asset to the Company.

- (ii) Mr. Nirmal Jain retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. Nirmal Jain, 52 years old is having more than 32 years of business experience. His continuation on the Board will be an asset to the Company.

3. Committees of the Board:

The Board of Directors has Constituted Three committees of the Board (i) The Audit Committee (ii) Remuneration Committee and (iii) The Share Transfer and Investors Grievance Redressal Committee

(i) Audit Committee:

BRIEF DESCRIPTION OF TERMS OF REFERENCE

The audit committee shall have powers, which include the following:

As per the guidelines set out in the listing agreements that, interalia, include overseeing financial reporting processes,

reviewing with the management the financial statements, accounting policies and practices, adequacy of internal control systems, adequacy of internal audit function and discussion with internal auditors on any significant findings, financial and risk management policies.

COMPOSITION

The Audit Committee consists of 2 (Two) Independent Directors and 1 (one) Non-Executive Director. Mr. Piyush Shah is appointed Chairman of the Committee. The members of the committee have requisite experience in corporate management, finance, Accounts and corporate laws. The Audit committee held four meetings during the year.

The constitution of Audit Committee is as follows:

1. Mr. Piyush Shah - Chairman
2. Mr. Nirmal Jain - Member
3. Mr. Rajesh Poddar - Member

(ii) Remuneration Committee:

BRIEF DESCRIPTION OF TERMS OF REFERENCE

- To review, assess and recommend the appointment of Managing/ whole-time directors.
- To periodically review the remuneration package of Managing/ whole-time directors and next level and recommend suitable revision to the Board.
- To seek financial position of the Company
- Trends in the Industry.
- Interest of the company and shareholders.

COMPOSITION

The present Remuneration Committee comprises of 2 (Two) Independent Directors and 1 (One) Non Executive Director. Mr. Vishwanath Rungta, is appointed Chairman of the Committee.

The constitution of the present Remuneration Committee is as follows:

1. Mr. Vishwanath Rungta - Chairman
2. Mr. Harshvardhan Agarwal - Member
3. Mr. Rajesh Poddar - Member

The break up of the remuneration paid to Managing Director and the Whole-time Directors are follows:

(₹ in Lacs)

Sr. No.	Name of Directors	Salary	Benefits	Sitting Fee	Total
1.	Ramprasad Poddar	6.00	-	-	06.00
2.	Dinesh Poddar	5.61	5.73	-	11.34
3.	Shilpa Poddar	4.95	2.12	-	07.07

(iii) The Share Transfer and Shareholders / Investors Grievance Redressal Committee.

BRIEF DESCRIPTION OF TERMS OF REFERENCE

- Transfers of shares
- Non-receipt of Balance sheet
- Non-receipt of declared dividends
- Any other complaint forwarded by the Board of directors

COMPOSITION

The Company has "The Share Transfer and Shareholders / Investors Grievance Redressal Committee" of the Board, to look into various issues relating to investors grievances including non-receipt of declared dividend, Annual Reports transfer/transmissions of shares, issue of duplicate share certificates etc. The Committee comprises of 3 (three) Directors of which Two are Executive Director and other one is non – Executive Directors. Mr. Dinesh Poddar is appointed Chairman of the Committee.

The constitution of the present Committee is as follows:

- 1) Mr. Dinesh Poddar - Chairman
- 2) Mr. Rajesh Poddar - Member
- 3) Mrs. Shilpa Poddar - Member

The Company's shares are compulsory traded in the dematerialized form in all the Stock Exchanges. Mr. Nagabhushan Hegde, CEO, has been appointed as the Compliance Officer as required by the Listing Agreement.

All the complaints received are replied to the satisfaction of the shareholders. There are no pending complaints requiring intervention of the committee.

4. GENERAL BODY MEETINGS:

Location and time, where last three Annual General Meetings were held is given below:

Financial Year	Date	Location of the Meeting	Time
31.03.2010	10.07.2010	SACHIVALAYA GYMKHANA, 6, General Jagannathrao Bhosale Marg, Opp. Mantralaya, Mumbai – 400 032	11:30 A.M.
31.12.2008	11.04.2009	Seminar I & II, 31 st Floor, World Trade Centre 1, Cuffe Parade, Mumbai – 400 005	11:30 A.M.
31.12.2007	29.03.2008	Seminar II, 31 st Floor, World Trade Centre 1, Cuffe Parade, Mumbai – 400 005	11:30 A.M.

No Special resolution was required to be passed through postal ballot at the last Annual General Meeting nor is it proposed this year.

5. DISCLOSURE:

The Company has not entered into any transaction of a material nature which will have a conflict with its interest during the year.



The disclosure of related party transactions as required by the accounting standard (AS) 18 on 'Related Party disclosures' issued by the Institute of Chartered Accountants of India (ICAI) is given under note no. 11 of notes to the accounts. All the transactions covered under related party transactions were fair, transparent and at arms length.

There was no material non-compliance by the Company and no penalties or strictures imposed on the Company by the stock exchanges, SEBI or statutory authorities on any matter related to Capital Markets during last three years.

6. MEANS OF COMMUNICATION:

The quarterly, half yearly and annual results are communicated to the Bombay Stock Exchange where the Company's shares are listed as soon as the same are approved and taken on record by the Board of Directors of the Company. Further the results are published in widely circulating national and local dailies. The quarterly & half-yearly results are not sent individually to the shareholders.

7. GENERAL SHAREHOLDERS INFORMATION:

- a. Registered Office : 303 Tantia Jogani Industrial Estate, J R Boricha Marg, Lower Parel, Mumbai - 400011
- b. Annual General Meeting :
 - Date and time : July 9, 2011 at 11:30 a.m.
 - Venue : SACHIVALAYA GYMKHANA, 6, General Jagannathrao Bhosale Marg, Opp. Mantralaya, Mumbai - 400 032
- c. Financial Calendar (2011-12) : **Result to be tabled & adopted in the month of**
 - i) First Quarter ended June 30, 2011 : July, 2011
 - ii) Half Yearly/Second Quarter ended September 30, 2011 : October, 2011
 - iii) Third Quarter/Nine Months ended December 31, 2011 : January, 2012
 - iv) Yearly Audited/Fourth Quarter ended March, 2012 : May, 2012
- d. Date of Book Closure : Saturday, July 2, 2011 to Saturday, July 9, 2011 (Both days inclusive)
- e. Dividend payment date : Within 30 days of AGM; if approved by the Shareholders of the Company.
- f. Listing at stock Exchanges : The Stock Exchange, Mumbai
- g. Stock Code : Physical Segment - BSE: 512257 NSDL/CDSL-ISIN: INE895A01023
- h. Stock Market Data : The monthly high and low process during the year at BSE is as follows:

Months	Mumbai Stock Exchange	
	High	Low
April, 2010	5.56	3.78
May, 2010	4.30	3.75
June, 2010	4.88	3.81
July, 2010	8.15	4.30
August, 2010	7.40	5.21
September, 2010	7.17	5.01
October, 2010	7.73	5.82
November, 2010	6.68	5.31
December, 2010	6.02	4.85
January, 2011	6.30	5.01
February, 2011	5.81	4.30
March, 2011	8.90	4.86

i. SHARE HOLDING PATTERN AS ON 31.03.2011:

Category	No. of Shares	%
Promoters	22000000	55.00
Corporate Bodies	8232864	20.58
NRI/OCB's	27299	0.07
Indian Public	9739837	24.35
TOTAL	40000000	100.00

* Out of these, 39684135 (99.21%) shares are Dematerialized and the balance 315865 (0.79%) are lying in physical form as on 31.03.2011.

j. SHARE TRANSFER SYSTEM:

Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by the Securities and Exchange Board of India (SEBI). Big Shares Services Private Limited handles both Demat and Physical Shares Transfers.

The shareholders / Investors Grievance Committee meets periodically to consider the transfer and other proposals and attend to shareholders grievances.

The Share Transfers, which are received in physical form, are processed and the share certificates are returned within 21 days from the date of receipt, subject to Documents being valid and complete in all respects. There are no such instances pending with the Company at the year-end.

k. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2011:

Share Holding of nominal value of Rupees	No. of Share-holders	% of Share-holders	No. of Shares held	% of Share-holding
Upto 5000	2234	84.81	2621310	6.55
5001 to 10000	161	6.11	1251851	3.13
10001 to 20000	98	3.72	1533071	3.83
20001 to 30000	36	1.37	888112	2.22
30001 to 40000	24	0.91	856078	2.14
40001 to 50000	14	0.53	668690	1.67
50001 to 100000	27	1.03	1976207	4.94
100001 & Above	40	1.52	30204681	75.52
	2634	100.00	40000000	100.00

l. REGISTRAR AND SHARE TRANSFER AGENT

: Bigshare Services Private Limited
E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (East),
Mumbai - 400 072.
Phone No.: 022-40430200.

m. COMPLIANCE OFFICER

: Mr. Nagabhushan Hegde,
303, Tantia Jogani Industrial Estate,
J. R. Boricha Marge, Lower Parel,
Mumbai - 400 011.
Phone No.: 022-43443555.

■ ■ ■ CERTIFICATE REGARDING COMPLIANCE OF CORPORATE GOVERNANCE

To,

The Members of
SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED
303 Tantia Jogani Industrial Estate,
J. R. Boricha Marg, Lower Parel,
Mumbai - 400 011.

We have reviewed the compliance of conditions of Corporate Governance by **SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED**, for the year ended on March 31, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Bombay stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our review was limited to procedures 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 according to the explanations given to us, we, certify that the company has taken steps to comply with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

For SANDEEP DAR & CO.
Company Secretary in Practice

Place: Mumbai
Date: May 20, 2011

Proprietor
C. P. No. 1571

■■■ COMPLIANCE CERTIFICATE

To
The Members of
Swasti Vinayaka Art and Heritage Corporation Limited
303, Tantia Jogani Industrial Estate,
J.R. Boricha Marg,
Lower Parel,
Mumbai – 400011.

CIN: L51900MH1985PLC036536

We have examined the registers, records, books and papers of **Swasti Vinayaka Art and Heritage Corporation Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on March 31, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made thereunder.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities under the Act and the rules made thereunder.
3. The Company, being a public limited Company, has the minimum prescribed paid up capital.
4. The Board of Directors met Ten (10) times on:
 - (i) April 22, 2010
 - (ii) May 17, 2010
 - (iii) July 7, 2010
 - (iv) July 10, 2010
 - (v) July 24, 2010
 - (vi) August 6, 2010
 - (vii) October 28, 2010
 - (viii) January 8, 2011
 - (ix) January 17, 2011
 - (x) March 4, 2011
 in respect of which meetings the proceedings were recorded in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members and Share Transfer Books from July 3, 2010 to July 10, 2010 during the financial year.
6. The Annual General Meeting for the financial year ended on March 31, 2010 was held on July 10, 2010.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has advanced loans to another Company referred to under Section 295(1) (e) of the Companies Act, 1956.
9. The Company has entered into contracts falling within the purview of Section 297 of the Act.
10. The Company has made entries in the register maintained under Section 301 of the Act, with regard to the disclosure of interest of directors in other bodies corporate, in accordance with section 299 (3)(b) of the Act.
11. We have been informed by the Company that remuneration drawn by the directors from the company were in their capacity as directors and the company was not required to obtain any approval from the Board of directors, members or central government pursuant to Section 314 of Act.
12. The Company has not issued any duplicate certificates during the financial year.
13. The Company has:
 - (i) delivered all share certificates received for registration of transfers in accordance with the provisions of the Act during the financial year.
 - (ii) not deposited the amount of dividend declared in a separate Bank Account within five days from the date of declaration of such dividend.
 - (iii) paid/ posted warrants for dividends to all the members of the Company within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the company with HDFC Bank.
 - (iv) No amount in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon remained unclaimed or unpaid for the period of seven years and required to be transferred to Investor Education and Protection Fund.
 - (v) Duly complied with the requirements of Section 217 of the Act.
14. The Board of directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has re-appointed two managing directors during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not, subject to the compliance u/s 295 and 297 of the Companies Act, 1956 under paragraph 8 and 9 respectively of this report, required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/ or such authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.

21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not accepted/invited any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The amount borrowed by the Company from banks and others during the financial year ending March 31, 2011 are within the borrowing limits of the company as per Section 293(1)(d) of the Act.
25. The company has made loans and investments, or given guarantees or provided securities to other bodies corporate and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny and complied with the provisions of the Act.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its articles of association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The provisions of Section 418 of the Act are not applicable to the company.

For SANDEEP DAR & CO.
Company Secretary in Practice

Place: Navi Mumbai
Date: May 20, 2011

Proprietor
C. P. No. : 1571

Annexure 'A'

Registers maintained by the Company

1. Register of Members
2. Minutes Books of proceedings of General Meetings and Board of Directors
3. Books of Accounts
4. Register of Directors
5. Register of Directors' Shareholdings
6. Register of Contracts
7. Register of loans and investments made, guarantees given or securities provided
8. Register of Charges

Annexure 'B'

Forms and Returns filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended March 31, 2011.

Sr.No	Form No./Return	Filed under section	Particulars of Filing	Effective Date	Date of filing	Whether filed within the prescribed time
1	Form 23	302	Appointment and cessation of Directors	01.04.2010	27.04.2010	Yes
2	Form 25C	269	Appointment of Whole-time Director	01.04.2010	21.07.2010	Yes
3	Form 25C	269	Appointment of Whole-time Director	01.04.2010	21.07.2010	Yes
4	1A	21	Application for change in name	22.04.2010	23.04.2010	Yes
5	1AR	21	Name Approval extended by 30days.	—	07.07.2010	Yes
6	1B	21	Approval of Central Govt. for change in name.	10.07.2010	21.07.2010	Yes
7	Form 23	21	Change in Name	10.07.2010	21.07.2010	Yes
8	Schedule V	159	Annual Return as on 10.07.2010	10.07.2010	21.07.2010	Yes
9	Form 66	383A	Compliance Certificate for year ending 31.03.2010	10.07.2010	26.07.2010	Yes
10	Schedule VI	220	Balance Sheet as on 31.03.2010	10.07.2010	18.08.2010	Yes

For SANDEEP DAR & CO.
Company Secretary in Practice

Place: Navi Mumbai
Date: May 20, 2011

Proprietor
C. P. No. : 1571



■ ■ ■ AUDITORS' REPORT

TO THE MEMBERS OF

SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED, MUMBAI.

We have audited the attached Balance Sheet of **SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED**, Mumbai as at 31st March 2011 and the Profit and Loss Account for the period 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 the financial statements based on our audit.

1. 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of Sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in Annexure hereto a Statement on the matters specified in paragraph 4 and 5 of the said Order.
 3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that :
 - (a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of accounts, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
- (d) In our opinion, Balance Sheet and Profit and Loss Account dealt with by this report comply with the mandatory Accounting Standard referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) In our opinion, and to the best of our information and explanations given to us none of the directors are disqualified as on 31st March, 2011 from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India :
 - (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) In so far as it relates to the Profit and Loss Account, of the Profit of Company for the year ended on that date; and
 - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **SANJAY RAJA JAIN & CO.**

Chartered Accountants

FRN – 120132W

SANJAY RAJA JAIN

(Partner)

Membership No. 108513

Place : Mumbai.

Date : 20th May, 2011

■ ■ ■ ANNEXURE TO AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 2 OF OUR REPORT OF EVEN DATE)

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year.
2. a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- b) In our opinion and according to the information and explanations given to us, 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) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records
3. The company has taken loans from parties listed in the register maintained U/s. 301 of the Companies Act, 1956. The year end balance of loan taken from such parties was ₹ 562.75 lacs. The Company has granted loans to Companies, Firms or other parties as listed in the register maintained under section 301 and / or to the Companies under the same management as defined under sub-section (1B) of Section 370 of the Companies Act, 1956. The year end balance of loan given to such parties was ₹ 74.29 lacs
4. 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.
5. a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 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 register maintained under Section 301 of the Companies Act, 1956 and exceeding ₹ 5,00,000/- (Rupees Five Lacs only) in respect of any party during the year have been made at price, which are reasonable having regard to prevailing market price at the relevant time.
6. As explain to us the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the Rules framed there under.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. The company is not required to maintain cost record U/s. 209(1)(d) of the Companies Act, 1956.
9. a) According to the information and explanation given to us, and records being made available to us, there have no disputed statutory dues except for income tax for the assessment year 2006-2007 for which appeal has been filed with appropriate authorities. According to the information and explanations given to us, there is no undisputed amounts payable as at 31st March, 2011 for a period of more than six months from the date of becoming payable.
- b) According to the information and explanations given to us and according to the books and records as produce and examined by us, there is no dues of service tax, wealth tax, and cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses and has not incurred any cash losses during the Financial Year covered by our audit.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. In our opinion and according to the information and explanation give to us and according to the books and records as produce and examined by us, the Company has maintained proper records of transactions and contracts in respect of trading in securities and other investments and timely entries have been made therein. All shares and other investments have been held by the Company in its own name.
15. According to information and explanation given to us and to the best of knowledge, the Company has not given guarantees for loans taken by others from banks or financial institutions during the year.
16. In our opinion and according to information and explanation given to us, a company has taken terms loan ₹ 408.06 Lacs during the year.
17. According to the information and explanation given to us, and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not raised funds from Short Term sources and utilized the same towards Long Term investments and vice-versa.
18. During the year, the Company has not allotted any equity shares to parties and companies covered in the register maintained U/s. 301 of the Companies Act, 1956.
19. According to information and explanation given to us, the Company has not issued any secured debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

For **SANJAY RAJA JAIN & CO.**
Chartered Accountants
FRN – 120132W

SANJAY RAJA JAIN
(Partner)

Place : Mumbai.
Date : 20th May, 2011

Membership No. 108513

■■■ BALANCE SHEET AS AT 31st MARCH, 2011

	Schedule	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS			
Share Capital	1	4,00,00,000	4,00,00,000
Reserves & Surplus	2	1,21,36,691	73,42,591
LOAN FUNDS			
Secured Loans	3	6,18,63,573	4,18,73,315
Unsecured Loans	4	9,02,89,712	10,86,58,591
TOTAL FUNDS		20,42,89,976	19,78,74,497
APPLICATION OF FUNDS :			
FIXED ASSETS			
Gross Block	5	4,96,60,062	2,12,43,794
Less : Depreciation & Amortisation		1,62,02,718	93,71,360
NET BLOCK		3,34,57,344	1,18,72,434
CAPITAL W.I.P.		63,31,921	3,21,71,517
INVESTMENTS		-	-
CURRENT ASSETS, LOANS & ADVANCES	6	19,46,22,003	18,61,56,979
LESS: CURRENT LIABILITIES & PROVISIONS	7	3,16,21,760	3,26,77,077
NET CURRENT ASSETS		16,30,00,243	15,34,79,902
NET DEFERRED TAX		15,00,468	3,50,644
TOTAL ASSETS (Net)		20,42,89,976	19,78,74,497
Statement of Significant Accounting Policies and Notes form integral part of Accounts	12		

As per our report of even date attached.

For Sanjay Raja Jain & Co.
Chartered Accountants
FRN - 120132W

Sanjay Raja Jain
Partner
M.No.108513

Place : Mumbai
Dated : 20th May, 2011

For and on behalf of the Board

Ramprasad Poddar
Chairman

Dinesh Poddar
Managing Director

■■■ PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011

	Schedule	12 Months Ended 31.03.2011 Rupees	15 Months Ended 31.03.2010 Rupees
INCOME :			
Sales		2,35,52,249	1,65,00,271
Compensation Income		6,70,62,251	7,44,17,293
Interest Income		43,97,974	5,09,882
Other Income	8	4,63,290	2,45,351
TOTAL		9,54,75,764	9,16,72,797
EXPENDITURE :			
Cost of Goods Sold	9	1,39,13,054	1,08,70,095
Administrative Expenses	10	3,74,52,333	4,13,25,095
Interest	11	1,60,95,105	1,80,10,548
Depreciation & Amortisation		68,31,358	21,49,239
TOTAL		7,42,91,850	7,23,54,977
Profit before Tax		2,11,83,914	1,93,17,820
Provision for Current Tax		(79,40,000)	(67,21,000)
Provision for Deferred Tax		11,49,824	(35,802)
Provision for Fringe Benefit Tax		-	(71,405)
Net Profit After Tax		1,43,93,738	1,24,89,613
Add : Excess /(Short) provision of earlier years		(2,70,938)	2,73,517
		1,41,22,800	1,27,63,130
Add : Balance B/F from last year		92,591	2,78,961
Profit available for Appropriations		1,42,15,391	1,30,42,091
APPROPRIATIONS :			
Proposed Dividend		80,00,000	1,00,00,000
Provision for Proposed Dividend Distribution Tax		13,28,700	16,99,500
Transferred to General Reserve		27,50,000	12,50,000
Balance carried to Balance Sheet		21,36,691	92,591
		1,42,15,391	1,30,42,091
Basic/Diluted Earning per share		0.36	0.31
Statement of Significant Accounting Policies and Notes form integral part of Accounts	12		

As per our report of even date attached.

For Sanjay Raja Jain & Co.
Chartered Accountants
FRN - 120132W

Sanjay Raja Jain
Partner
M.No.108513

Place : Mumbai
Dated : 20th May, 2011

For and on behalf of the Board

Ramprasad Poddar
Chairman

Dinesh Poddar
Managing Director

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2011 Rupees		As at 31.03.2010 Rupees
SCHEDULE - 1			
SHARE CAPITAL :			
AUTHORISED :			
5,00,00,000 Equity Shares of ₹ 1/- each	5,00,00,000		5,00,00,000
ISSUED, SUBSCRIBED AND PAID UP :			
4,00,00,000 Equity Shares of ₹ 1/- each fully paid up (P.Y. 4,00,00,000 Equity Shares of ₹ 1/- each fully paid up)	4,00,00,000		4,00,00,000
	4,00,00,000		4,00,00,000
SCHEDULE - 2			
RESERVES AND SURPLUS :			
General Reserve	72,50,000		60,00,000
Add : Transfer during the year	27,50,000		12,50,000
	1,00,00,000		72,50,000
Profit & Loss Appropriation	21,36,691		92,591
	1,21,36,691		73,42,591
SCHEDULE - 3			
SECURED LOANS :			
Kotak Mahindra Prime Ltd. (Secured Against Vehicles)	19,34,278		15,04,621
	19,34,278		15,04,621
HDFC Bank Ltd. - Term Loans (Secured against property in the name of company; group companies and personal guarantee of Directors)	5,99,29,295		3,60,19,653
ICICI HFC Ltd. (Secured against Property)	-		43,49,041
	5,99,29,295		4,03,68,694
Total Secured Loans	6,18,63,573		4,18,73,315
SCHEDULE - 4			
UNSECURED LOANS :			
Intercompany Loans	5,62,75,000		7,36,25,000
Security Deposits [Interest Free]	3,40,14,712		3,50,33,591
	9,02,89,712		10,86,58,591

SCHEDULES FORMING PART OF THE BALANCE SHEET**SCHEDULE - 5****FIXED ASSETS (AT COST) :-**

(Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION & AMORTISATION			NET BLOCK	
	As At 01/04/2010	Additions	Deductions / Adjustments	As At 31/03/2011	Upto 01/04/2010	For the Year	Upto 31/03/2011	As at 31/03/2011	As At 31/03/2010
COMPUTERS & SOFTWARES	13,51,347	88,757	-	14,40,104	10,97,104	1,28,212	12,25,316	2,14,788	2,54,243
FREE HOLD PLOT [JAIPUR]	4,10,651	-	-	4,10,651	-	-	-	4,10,651	4,10,651
FURNITURES	72,88,966	2,73,27,788	-	3,46,16,754	36,54,836	55,75,167	92,30,003	2,53,86,751	36,34,130
GOODWILL	12,51,799	-	-	12,51,799	5,00,720	2,50,360	7,51,080	5,00,719	7,51,079
OFFICE EQUIPMENTS	7,54,383	3,15,945	46,695	10,23,633	3,19,986	95,850	4,15,836	6,07,797	4,34,397
OFFICE PREMISES	48,87,056	-	-	48,87,056	8,65,172	2,01,094	10,66,266	38,20,790	40,21,884
PLANT & MACHINERY	2,71,225	-	-	2,71,225	1,07,428	22,784	1,30,212	1,41,013	1,63,797
VEHICLES	50,28,367	9,24,472	1,93,999	57,58,840	28,26,114	5,57,891	33,84,005	23,74,835	22,02,253
Total	2,12,43,794	2,86,56,962	2,40,694	4,96,60,062	93,71,360	68,31,358	1,62,02,718	3,34,57,344	1,18,72,434
Previous Year	1,82,39,449	31,95,699	1,91,354	2,12,43,794	72,22,121	21,49,239	93,71,360	1,18,72,434	1,10,17,328

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SCHEDULE - 6		
CURRENT ASSETS, LOANS & ADVANCES :		
INVENTORY :		
(As taken valued & certified by the management)		
Stock in Trade	8,76,45,703	8,10,50,014
	8,76,45,703	8,10,50,014
SUNDRY DEBTORS :		
(Unsecured & considered good by management)		
Debt outstanding more than six months	16,22,907	2,34,873
Other debts	16,16,908	28,62,848
	32,39,815	30,97,721
CASH AND BANK BALANCES :		
Cash in Hand	1,18,437	2,40,229
Balance with Scheduled Banks	10,27,082	6,87,960
	11,45,519	9,28,189
LOANS AND ADVANCES:		
(Unsecured considered good by Management)		
(Recoverable in cash or kind for a value to be received)		
Due from Companies under same Management	74,29,823	73,24,350
Prepaid Expenses	8,28,173	81,973
Advance for Making Charges	65,19,465	63,41,732
Advance to Creditors for goods & expenses	36,42,235	39,53,477
Others	3,88,145	2,04,541
Advance for Rates & Taxation	2,86,68,974	3,20,13,653
	4,74,76,815	4,99,19,726
DEPOSITS:		
Security Deposits	5,45,30,000	5,05,30,000
(Considered good by Management)		
Others	5,84,151	6,31,329
	5,51,14,151	5,11,61,329
TOTAL	19,46,22,003	18,61,56,979
SCHEDULE - 7		
CURRENT LIABILITIES AND PROVISIONS :		
CURRENT LIABILITIES :		
Unclaimed Dividend	2,76,515	1,87,364
Outstanding Expenses	17,63,004	19,39,687
Creditors for others	15,81,103	20,92,565
	36,20,622	42,19,616
PROVISIONS:		
Taxation & others	1,86,72,438	1,67,57,961
Proposed Dividend	80,00,000	1,00,00,000
Dividend Distribution Tax on Proposed Dividend	13,28,700	16,99,500
	2,80,01,138	2,84,57,461
TOTAL	3,16,21,760	3,26,77,077

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	12 Months ended 31.03.2011 Rupees	15 Months ended 31.03.2010 Rupees
SCHEDULE - 8		
OTHER INCOME :		
Miscellaneous Income	2,38,421	1,40,351
Service Charges	2,24,869	1,05,000
TOTAL	4,63,290	2,45,351
SCHEDULE - 9		
COST OF SALES :		
Opening Stock	8,10,50,014	7,04,10,020
Purchases	1,65,19,644	1,58,89,243
Packing Material/Chgs.	2,00,232	2,49,534
Making Charges/Job work	30,30,037	50,29,426
Brokerage and Commission	6,14,346	1,33,485
Certification Charges	12,837	-
Freight, Octroi, Custom, Stamp Duty & other exp.	1,31,647	2,08,401
Less : Closing Stock	8,76,45,703	8,10,50,014
Cost of Sales	1,39,13,054	1,08,70,095
SCHEDULE - 10		
ADMINISTRATIVE EXPENSES :		
Advertising & Publicity	75,22,677	18,03,358
Auditors' Remuneration & Exps.	55,000	82,575
Bank & Finance Charges	8,19,437	5,46,042
Books & Periodicals	11,153	23,459
Compensation	52,70,479	62,95,546
Conveyance	7,62,982	8,69,744
Depository Service Charges	39,708	43,058
Directors' Remuneration	24,41,130	40,51,484
Donation Expenses	6,00,000	7,50,000
Electricity Charges	5,88,263	7,89,661
Exhibition Expenses	20,51,537	44,53,714
General Expenses	3,56,419	6,92,299
Insurance Premium	18,78,377	21,01,189
Legal & Professional Charges	20,11,806	33,51,021
Listing & Filing Fees	19,012	18,658
Membership & Subscription Charges	1,21,566	1,65,861
Postage & Telephone Expenses, Courier Chgs.	3,85,271	4,60,905
Printing & Stationery	8,93,657	9,44,845
Rates & Taxes	13,66,220	17,05,062
Repairs & Maintenance	9,33,569	9,87,500
Sales Promotion Exps.	3,960	34,801
Security Charges	6,38,796	7,32,208
Service charges	11,28,867	17,15,429
Staff Cost	56,46,265	57,55,745
Stamp Duty & Registration Charges	3,65,686	3,88,584
Transportation Exps.	2,73,314	1,45,646
Travelling Expenses (including Foreign Travelling)	12,67,182	24,16,701
TOTAL	3,74,52,333	4,13,25,095
SCHEDULE - 11		
INTEREST ON:		
Car Loan	1,35,395	62,125
Loan	1,57,85,343	1,76,91,493
Others	1,74,367	2,56,930
TOTAL	1,60,95,105	1,80,10,548

SCHEDULES FORMING PART OF THE BALANCE SHEET & PROFIT AND LOSS ACCOUNT

SCHEDULE NO. 12

A) SIGNIFICANT ACCOUNTING POLICIES.

1. Basis of Accounting:

The accounts are maintained under the Historical cost convention on accrual basis as a going concern and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India.

2. Fixed Assets & Depreciation:

a) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation.

b) Depreciation:

Depreciation on Fixed Assets is provided as per written down value method at the rates specified in schedule XIV to the Companies Act, 1956.

3. Inventories:

Inventories are valued at cost or market value whichever is less.

4. Income Recognition:

In respect of other income accrual basis of accounting of such income is followed.

5. Retirement Benefits :

a) Contribution to Provident and Leave Encashment are charged to Profit & Loss Account every year at actual.

b) Liability for gratuity is accounted on estimated basis.

6. Impairment

The management periodically assesses using internal sources whether there is any indication that an asset may be impaired. If an asset is impaired, the group recognizes an impairment loss as the excess of the carrying amount of the asset over the recoverable amount.

7. Taxation:

Income Tax Expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and Fringe Benefit Tax . The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation law, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

B) NOTES FORMING PART OF THE ACCOUNTS.

- Figures of previous year have been regrouped, recasted and rearranged wherever necessary.
- In the opinion of management, the current assets, Loans and Advances are approximately of the value stated if realised in ordinary course of business.
- Sundry Debtors & Creditors and Loans & Advances are shown as appearing in the accounts and the same are subject to confirmation.
- Goodwill is being amortized over a period of five years. This is 3rd year of amortisation.

5. Payment to Auditors: -

	Current Year (12 Months) ₹	Previous Period (15 Months) ₹
Statutory Audit fees	55,000	55,000
Taxation Matters	-	27,575
	55,000	82,575

6. Earning per Share:

a) Basic & diluted earning per share has been calculated by dividing Net Profit after tax for the year as per accounts, which is attributable to Equity Shareholders i.e.4,00,00,000 No of Equity shares outstanding during the last year for the current year.

- (a) Deferred Tax Asset of ₹ 15,00,468/-has been recognised and charged to the profit and Loss A/c.

(b) Major component of deferred tax Asset:

	Current Year ₹	Previous Period ₹
Depreciation	12,77,985	1,78,000
Gratuity	2,22,483	1,72,644
	15,00,468	3,50,644

8. Director's Emoluments

Total Remuneration paid to Directors from April 2010 to March, 2011 amounts to ₹ 24,41,130/-.

Working of Managerial remuneration payable u/s 309 of Companies Act 1956

	Current Year ₹	Previous Period ₹
Net Profit before tax	2,11,83,914	1,93,17,819
Add : Remuneration Paid	24,41,130	40,51,484
Profit u/s 349	2,36,25,044	2,33,69,303
Remuneration @ 10% on above	23,62,504	23,36,930
Remuneration Paid	24,41,130	40,51,484

Remuneration to directors has been provided in accordance with approval of shareholders and is restricted to amounts payable prescribed in schedule XIII of the companies act.

9. Other additional information required pursuant to part II of Schedule VI to the Companies Act, 1956 are not applicable.

10. **Foreign Exchange Earnings & Outgo :**

	Current Year ₹	Previous Period ₹
Total Foreign Exchange Earned :		
Export	7,00,400/-	8,74,877/-
Expenditure in Foreign Currency :		
Foreign Travel	7,02,881/-	10,05,265/-
Import of goods	11,66,119/-	17,42,250/-

11. Information pertaining to related party disclosures as required under A.S - 18 issued by The Institute of Chartered Accountants of India is enclosed herewith.

12. Details of opening stock, closing stock , purchases, sales & raw material consumed are enclosed herewith.

13. Segment Reporting as required under Accounting Standard 17 issued by The Institute of Chartered Accountants of India is enclosed herewith

14. Figures of previous year have been regrouped, recasted and rearranged wherever necessary.

The schedules and notes referred to above form an integral part of Accounts

As per report even date attached

For **Sanjay Raja Jain & Co.**
Chartered Accountants
FRN – 120132W

Sanjay Raja Jain
(Partner)
M.NO. 108513
Place: Mumbai
Date: 20th May, 2011

For & on behalf of
Board of Director

Ramprasad Poddar
Chairman

Dinesh Poddar
Managing Director

Point No. 11 of Notes Forming Part of Accounts

Information on related party transactions as required by Accounting Standard - 18 for the year ended 31st March, 2011 :

(Amount in ₹)

Particulars	Key Managerial Persons		Relative of key Managerial Person		Companies/Firms Controlled by Key Managerial Persons/Relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Transactions during the year						
Purchase of Goods-Jewellery	-	-	-	-	4,38,215	2,10,180
Sales of Goods	87,723	54,230	11,04,135	7,170	1,26,000	4,29,050
Remuneration & Other Benefits	24,41,130	40,51,484	-	-	-	-
Loan Taken	-	-	-	-	5,12,40,997	8,56,60,119
Repayment of Loan taken		3,00,000		9,80,000	6,85,90,997	6,46,60,119
Loan Given	-	-	-	-	6,59,81,250	1,22,00,000
Repayment of Loan given	-	-	-	-	6,59,01,250	49,80,000
Interest Paid		44,877		1,64,549	99,14,063	1,18,05,079
Interest Received	-	-	-	-	33,68,966	4,64,219
Compensation Paid (Incl. of tax)	-	-	-	-	57,18,348	71,19,673
Donation	-	-	-	-	6,00,000	7,50,000
Total	25,28,853	44,50,591	11,04,135	11,51,719	27,18,80,086	18,82,78,439
Outstanding Balance as on 31/03/2011						
Loans & advances Taken	-	-	-	-	5,62,75,000	7,36,25,000
Loans Given	-	-	-	-	73,00,000	72,20,000
Interest on Loan Receivable	-	-	-	-	1,29,823	1,04,350
Warehouse/Security Deposit Given	-	-	-	-	92,30,000	92,30,000
a) Key Managerial Persons:	Dinesh Kumar Poddar Rajesh Kumar Poddar Ramprasad Poddar Shilpa Dinesh Poddar					
b) Relatives of Key Managerial Persons:	Deepak Harlalka Nupur R. Poddar Rhea Dinesh Poddar Vimladevi Harlalka Vimladevi Rungta Vishwanath Harlalka					
c) Companies/ Firms over which the Key Managerial Persons/ Relatives have significant influence or control:	Ashirwad Capital Ltd. Ashirwad Shelters Pvt. Ltd. Fatehpur Welfare Trust Ma Passion (India) Ltd. Swasti Vinayaka Investech Ltd. Swasti Vinayaka Realestate Development Ltd. Swasti Vinayaka Synthetics Ltd.					
Note : No amount have been written off/provided for or written back during the year in respect of debts due from or to related parties.						

Point No.12 of Notes Forming Parts of Accounts**I) Details of Opening & Closing Stock for the period 1.04.2010 to 31.03.2011.**

	Opening Stock			Closing Stock		
	Units	Quantity	Value (₹)	Units	Quantity	Value (₹)
Domestic :						
Diamond	Pcs	24	1,40,13,435	Pcs	21	1,36,12,205
Emerald Stone	Pcs	1	2,88,000	Pcs	4	6,85,280
Finished Goods- JO	Pcs	4	97,545	Pcs	6	2,44,393
Finished Goods- SF	Pcs.	1,366	83,09,357	Pcs.	1,369	66,96,915
Finished Goods- SG	Pcs.	8	47,074	Pcs.	8	44,440
GST	Cts	1,322	3,28,160	Cts	932	3,25,040
Jewellery	Pcs.	74	67,07,562	Pcs.	54	61,03,675
Paintings	Pcs.	141	1,69,85,420	Pcs.	202	1,88,31,820
Rough Stone	Kg.	16,232	2,56,37,117	Kg.	15,955	2,72,35,652
SF-Direct	Pcs	1	1,50,000	Pcs	297	12,72,684
SHM	Pcs.	6	1,98,500	Pcs.	6	1,98,500
W.I.P- JB	Kg.	5	25,893	Kg.	623	32,09,676
W.I.P- Jewellery	Pcs.	10	57,852	Pcs.	6	7,03,108
W.I.P- RF	Kg.	26,484	49,34,454	Kg.	24,442	50,99,239
Imported :						
Artefacts-ISF- Direct	Pcs.	8	52,375	Pcs.	9	55,579
Artefacts-ISF [Manufactured]	Pcs.	168	4,89,037	Pcs.	143	3,96,303
Cut & Polished Stones-IST	Pcs.	48	3,94,170	Pcs.	42	4,03,744
Emerald	Pcs.	1	2,38,764	Pcs.	-	-
IPAL	Pcs	-	-	Pcs	2	61,949
Rough Stone-Imported	Kg.	1,250	12,26,924	Kg.	1,877	20,32,090
Ruby	Pcs.	3	35,624	Pcs.	3	35,624
Sapphire-ISAP	Pcs.	10	5,57,310	Pcs.	3	56,243
WIP - Rough Stone-Imported	Kg.	4	24,936	Kg.	24	70,020
Total			8,07,99,509			8,73,74,179

II) Details of Purchases & Cost of Sales for the period 1.04.2010 to 31.03.2011.

	Purchases			Cost of Sales		
	Units	Quantity	Value (₹)	Units	Quantity	Value (₹)
Domestic :						
Diamond	Pcs	2	14,36,071	Pcs	5	18,37,301
Emerald	Pcs.	7	5,01,327	Pcs.	4	1,04,048
Finished Goods- JO	Pcs	-	-	Pcs.	5	7,336
Finished Goods- SF	Pcs.	-	-	Pcs.	677	37,22,221
GST	Cts	12	84,240	Cts	402	87,360
JB Direct	Kg.	68	20,28,000	Kg.	-	-
Jewellery	Pcs.	17	15,68,742	Pcs.	37	23,35,518
Paintings	Pcs.	110	50,41,000	Pcs.	49	31,94,600
Rough Stone	Kg.	1,719	25,10,414	Kg.	-	-
SF-Direct	Pcs	596	17,53,001	Pcs	300	6,30,317
Imported :						
Artefacts-ISF-Direct	Pcs.	2	13,000	Pcs.	1	9,796
Artefacts-ISF [Manufactured]	Pcs	-	-	Pcs	80	3,80,236
Cut & Polished Stones-IST	Pcs	18	1,32,557	Pcs	20	63,539
IPAL	Pcs	2	61,949	Pcs	-	-
PRF	Kg.	10	12,450	Kg.	-	-
Rough Stone-Imported	Kg.	730	9,59,164	Kg.	-	36,480
Sapphire-ISAP	Pcs.	-	-	Pcs.	4	70,869
Total			1,61,01,915			1,24,79,621

III) Details of Raw Material Consumed during the year 1.04.2010 to 31.03.2011

	Quantity (Kg.)	Value (₹)
Rough Stone	4,116	10,86,960

Point No.13 of Notes on accounts**Information about Business Segment for 12 Months Ended on 31.03.2011**

(Rupees)

Particulars	Compensation from sub-lease property		Sale of Products		Total	
	Year Ended 31.03.2011	Period Ended 31.03.2010	Year Ended 31.03.2011	Period Ended 31.03.2010	Year Ended 31.03.2011	Period Ended 31.03.2010
Segment Revenue						
External Sales/Income	6,70,62,251	7,44,17,293	2,35,52,249	1,65,00,271	9,06,14,500	9,09,17,564
Inter-segment transfer	-	-	-	-	-	-
<u>Unallocated Revenue</u>						
Other Income-Misc. Income	-	-	-	-	4,63,290	2,45,351
Interest Income	-	-	-	-	43,97,974	5,09,882
Total Revenue	6,70,62,251	7,44,17,293	2,35,52,249	1,65,00,271	9,54,75,764	9,16,72,797
<u>Direct Expenses</u>						
Advertising & Publicity	-	-	75,00,360	17,80,743	75,00,360	17,80,743
Cost of Sales	-	-	1,39,13,054	1,08,70,095	1,39,13,054	1,08,70,095
Compensation	52,70,479	62,95,546	-	-	52,70,479	62,95,546
Rates & Taxes- Prop. Tax	13,59,720	16,95,537	-	-	13,59,720	16,95,537
Repairs & Maint.	3,09,000	3,92,000	-	-	3,09,000	3,92,000
Stamp duty & Registration	3,65,686	3,88,584	-	-	3,65,686	3,88,584
Travelling Exp.	-	-	12,67,182	24,16,701	12,67,182	24,16,701
Total Expenditure	73,04,885	87,71,667	2,26,80,596	1,50,67,540	2,99,85,481	2,38,39,206
Segment result	5,97,57,366	6,56,45,626	8,71,653	14,32,731	6,54,90,283	6,78,33,591
Unallocated Expenses	-	-	-	-	2,82,11,264	3,05,05,223
Operating profit	5,97,57,366	6,56,45,626	8,71,653	14,32,731	3,72,79,019	3,73,28,368
Less : Unallocated Interest	-	-	-	-	1,60,95,105	1,80,10,548
Profit before tax	5,97,57,366	6,56,45,626	8,71,653	14,32,731	2,11,83,914	1,93,17,820
Income Tax						
Current	-	-	-	-	(79,40,000)	(67,21,000)
Deferred	-	-	-	-	11,49,824	(35,802)
F.B.T.	-	-	-	-	-	(71,405)
Net Profit	-	-	-	-	1,43,93,738	1,24,89,613
Other Information						
Segment Assets	1,07,13,996	97,89,854	17,85,13,139	17,33,75,890	18,92,27,135	18,31,65,744
Common Assets	-	-	-	-	4,66,84,601	4,73,81,904
Total Assets	-	-	-	-	23,59,11,736	23,05,47,648
Segment Liabilities	3,19,44,884	3,17,52,302	5,94,419	11,32,468	3,25,39,303	3,28,84,770
Common Liabilities	-	-	-	-	20,33,72,433	19,76,62,878
Total Liabilities	-	-	-	-	23,59,11,736	23,05,47,648
Capital Expenditure	-	-	-	86,83,677	-	86,83,677
Depreciation	-	-	-	-	68,31,358	21,49,240

Balance Sheet Abstract & Company General Business Profile	
I. Registration Details	
Registration no.	36536
State Code	11
Balance Sheet Date	31/03/2011
II. Capital raised during the year (Amount in ₹)	
Public Issue	NIL
Rights Issue	NIL
Private Placement	NIL
Bonus Issue	NIL
III. Position of mobilization and deployment of funds (Amount in ₹)	
Total Liabilities	20,42,89,976
Total Assets	20,42,89,976
SOURCES OF FUNDS	
Paid up Capital	4,00,00,000
Reserves & surplus	1,21,36,691
Secured Loans	6,18,63,573
Unsecured Loans	9,02,89,712
APPLICATION OF FUNDS	
Net Fixed Assets	3,97,89,265
Investments	-
Net Current Assets	16,30,00,243
Deferred Tax Asset	15,00,468
Misc. Expenditure	-
IV. Performance of the Company (Amount in ₹)	
Turnover (including other incomes)	9,54,75,764
Total Expenditure	7,42,91,850
Profit Before Tax	2,11,83,914
Net Profit After Tax	1,43,93,738
Earnings Per Share (₹)	0.36
Dividend Rate (%)	20%
V. Generic names of Principal Product/Services of the Company	
Item Code No.(ITC Code)	Not Applicable
Product Description	Letting out Property, Trading in Paintings, Trading Diamonds, Precious Stones, Jewellery & Manufacturing of Artifacts.

For and on behalf of the Board

Ramprasad Poddar
Chairman**Dinesh Poddar**
Managing DirectorPlace : Mumbai
Dated : 20th May, 2011



Cash Flow Statement

(Prepared in Pursuant to Listing Agreement)

	12 Months Ended 31st March, 2011 Rupees	15 Months Ended 31st March, 2010 Rupees
A. Cash Flow from Operating Activities		
Net Profit /Loss Before Tax & Extra Ordinary items	2,11,83,914	1,93,17,820
Adjustment for :		
Depreciation & Amortisation	68,31,358	21,49,239
Sundry Balance w/off	-	(7,385)
Interest Paid	1,60,95,105	1,80,10,548
Profit/Loss on Sale of Fixed Asset	60,948	21,354
Interest Received	(43,97,974)	(5,09,882)
Operating Profit Before Working Capital Changes	3,97,73,351	3,89,81,694
Adjustment for Working Capital :		
(Increase)/Decrease in Trade & Other receivable	(1,42,094)	(18,27,486)
(Increase)/Decrease in Closing Stock	(65,95,689)	(1,06,39,994)
(Increase)/Decrease in Loans & Advances	(9,01,768)	(18,62,303)
(Increase)/Decrease in Deposits	(39,52,822)	(5,01,931)
Increase/(Decrease) in Creditors & Outstanding Liabilities	(5,98,994)	2,70,359
	2,75,81,984	2,44,20,339
Income Tax Paid & Tax Deducted at Source	(29,49,468)	(89,10,266)
Cash Generated from Operating Activities	2,46,32,516	1,55,10,073
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets-Work in Progress	(28,19,680)	(1,18,79,375)
Sale of Fixed Assets	1,79,746	1,70,000
Interest Received	43,97,974	5,09,882
Cash (used in) / from from Investing Activities	17,58,040	(1,11,99,493)
C. Cash Flow from Financing Activities :		
Increase / (Decrease) in Secured loans	1,99,90,258	2,03,089
Increase / (Decrease) in Unsecured Loan	(1,83,68,879)	2,31,14,313
Interest Paid	(1,60,95,105)	(1,80,10,548)
Dividend Paid	(1,00,00,000)	(80,00,000)
Dividend Tax Paid	(16,99,500)	(13,59,600)
Cash Generated from Financing Activities	(2,61,73,226)	(40,52,746)
Net Cash Generated/Used in Operating, Investing & Financing Activities	2,17,330	2,57,834
Cash & Cash Equivalent as on 31st March, 2010	9,28,189	6,70,355
Cash & Cash Equivalent as on 31st March, 2011	11,45,519	9,28,189

Note : Figures in brackets represent negative figures.

Place : Mumbai
Dated : 20th May, 2011

For and on behalf of the Board.
Ramprasad Poddar
Chairman

Dinesh Poddar
Managing Director

AUDITORS' CERTIFICATE

We have verified the above Cash Flow of Swasti Vinayaka Art and Heritage Corporation Limited, derived from the Audited Financial Statement and the books & records maintained by the company for 15 months ended on 31st March, 2010 and 12 months ended on 31st March 2011 and found the same to be drawn in accordance therewith.

Place : Mumbai
Dated : 20th May, 2011

Ramprasad Poddar
Chairman

Dinesh Poddar
Managing Director

SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

Regd. Office 303, Tantia Jogani Industrial Estate, J. R. Boricha Marg, Lower Parel, Mumbai 400 011.

ATTENDANCE SLIP

[TO BE SURRENDERED AT THE TIME OF ENTRY]

Folio No./Client ID: _____ No. of Shares : _____

Name of Member/Proxy: _____

I hereby record my presence at the 25th Annual General Meeting of the Company on Saturday the 9th July 2011 at 11:30 a.m. Sachivalaya Gymkhana, 6, General Jagannathrao Bhosale Marg, Opp. Mantralaya, Mumbai 400 032 and at any adjournment thereof.

Member's/ Proxy's Signature

Notes:

- Members are requested to produce the above attendance slip, duly signed in accordance with their specimen signature registered with the Company, for admission to the meeting.
- Members are informed that no duplicate attendance slip will be issued at the hall.

..... Cut here

SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

Regd. Office 303, Tantia Jogani Industrial Estate, J. R. Boricha Marg, Lower Parel, Mumbai 400 011.

FORM OF PROXY

I/We of

being member(s) of Swasti Vinayaka Art And Heritage Corporation Limited hereby appoint

of or failing him / her of.....or

failing him / herofas

my/our proxy to attend and vote for me / us and on my/our behalf at the 25th Annual General Meeting of the Company on Saturday the 9th July 2011 at 11:30 a.m. at Sachivalaya Gymkhana, 6, General Jagannathrao Bhosale Marg, Opp. Mantralaya, Mumbai 400 032 and at any adjournment thereof.

Signed this Day of2011.

Folio No. / Client ID.....

No. of Shares:.....

Name:

Address:

Signature(s)



Note: This proxy form in order to be effective should be duly stamped, compleed, signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.